Zurich, 19 March 2015

Presentation of results for the full year 2014

Ronald Fehlmann, CEO
Markus Portmann, CFO

Agenda

1 COMET Group at a Glance            R. Fehlmann
2 Review 2014
   Business Segments               R. Fehlmann
3 Financial Results               M. Portmann
4 Outlook 2015                     R. Fehlmann
5 Questions & Answers              all
Introduction

COMET Group at a glance

Leading global provider of high-quality systems, components and services in industrial x-ray, radio frequency and ebeam technologies.

EMPLOYEES  > 980
SALES 2014  CHF 287.9m
13 SUBSIDIARIES WORLDWIDE

Introduction

Global trends as enablers of strong growth

Smart Mobility

Environment & Saving Resources

Miniaturization

Reliability, Safety and Performance
Introduction

With three technologies, COMET Group is contributing key solutions

**X-ray**
- Non-destructive testing
- Inspection, quality control in automotive, electronics and other industries
- Security
- Cargo & luggage inspection

**RF power**
- Plasma control
- Semiconductor
- LED
- Thin-film
- Med tech

**ebeam**
- Sterilization
- Food and pharma packaging
- Business development
- Inactivation of dry food
- Curing
- Sterilization of web-based products

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**Worldwide presence**

- Flamatt, CH (HQ)
- Hamburg, DE
- Hattingen, DE
- Heilbronn, DE
- Stolberg, DE
- Copenhagen, DK
- Beijing, CN
- Shanghai, CN
- Yokohama, JP
- San José, US
- Hudson, US
- Shelton, US

- Sales and service network
Agenda

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Review FY 2014

2014: Another year of strong profitable growth

<table>
<thead>
<tr>
<th>Metric</th>
<th>Change</th>
<th>Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales in CHF</td>
<td>+15.3% vs. previous year</td>
<td>from 249.6m to 287.9m</td>
</tr>
<tr>
<td>Net income in CHF</td>
<td>+63.3% vs. previous year</td>
<td>from 16.1m to 26.3m</td>
</tr>
<tr>
<td>EBITDA in CHF</td>
<td>+10.5% vs. previous year</td>
<td>from 36.0m to 39.8m</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>in line with guidance</td>
<td>from 14.4% to 13.8%</td>
</tr>
</tbody>
</table>
2014: Growth on strength strategy delivers results

<table>
<thead>
<tr>
<th>Category</th>
<th>Change</th>
<th>Previous Year</th>
<th>Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow in CHF</td>
<td>+72.9% vs. previous year</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>From 10.7m to 18.5m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net debt in CHF</td>
<td>Decreased vs. previous year</td>
<td>13.7m</td>
<td>2m</td>
</tr>
<tr>
<td>Economic profit in CHF</td>
<td>x3.8 vs. previous year</td>
<td>3m</td>
<td>11.5m</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>+4.5% points vs. previous year</td>
<td>60.5%</td>
<td>65.0%</td>
</tr>
</tbody>
</table>

Recap strategy: Focusing growth on strengths

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 their high potential (ebeam, RF generators, CT)
4. Enhance operational excellence
   Increase productivity and profitability
Growth strategy strengthens COMET Group: Progress in all core dimensions

New products based on leading technologies
- e.g. new FF CT system family for CT and 3D, fast tuning caps, Smart Evo, next-generation 600kV

Strong growth through increased market orientation
- penetration through design wins with key accounts (e.g. LAM, AMAT)
- enlarged customer base thanks to front-end investments

Progress with emerging businesses
- ebeam: rollout Tetra Pak and BD on track
- RF generator: design wins with several Korean OEMs
- CT: new software platform

Further improvements in efficiency
- e.g. Go 4 excellence project in PCT

Market-oriented organization in three segments supporting strategy of focused growth
2014: Sales growth in all segments …

**Review FY 2014**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Net Sales (in CHF)</th>
<th>EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>X-Ray Systems</td>
<td>124.7m (2013: 112.5m*)</td>
<td>12.9% (2013: 14.2%*)</td>
</tr>
<tr>
<td>Plasma Control Technologies</td>
<td>105.8m (2013: 81.5m)</td>
<td>17.3% (2013: 13.1%)</td>
</tr>
<tr>
<td>X-Ray &amp; ebeam Technologies</td>
<td>74.1m (2013: 68.7m*)</td>
<td>9.9% (2013: 16.2%*)</td>
</tr>
</tbody>
</table>

*restated
** including investments in ebeam

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… and in all regions

**Net sales growth vs. FY 2013**

- USA: +32.5%
- Europe: +3.5%
- Asia: +13.1%
- RoW: +29.2%

**Geographical distribution of net sales**

- Europe: 25%
- USA: 35%
- Asia: 36%
- RoW: 4%

*Local currencies
IXS: Strong growth – strengthening of CT competency

+13.2% sales growth in local currencies thanks to strong demand for
- tire inspection systems
- foundry inspection systems with CT option
- turbine blade inspection systems in aerospace

12.9% EBITDA margin vs. 14.2% in 2013 due to
- increased investment in new standard systems
- new set up of CT competency (optimization in the CT customized systems team and concentrating capabilities at the Hamburg location)
- the move to the new US facility

In absolute terms EBITDA remained stable vs. previous year at CHF 16.1m (2013: CHF 16.0m)

X-Ray Systems

Increase in net sales at lower gross margin; investments in front-end to support future business

* at constant exchange rates
** restated (Portable X-Ray business transferred from Segment X-Ray Systems to X-Ray & ebeam Technologies)
Plasma Control Technologies

PCT: Record sales - investments in RF technology of the prior years leveraged

+31.3% sales in local currencies
- RF matchbox: commercialization of design wins; driven by industry's transformation to new 3D chip technology; new customer in LED market
- VacCaps: increase of market share with innovative products and increased market presence
- RF generators: new projects mainly in Korea
- Organization adapted to improve operational excellence and support global growth

Improved EBITDA of 17.3% (2013: 13.1%) due to
- strong revenue growth and
- continued improvement of operational excellence

Plasma Control Technologies

Strong increase in net sales at higher profitability

<table>
<thead>
<tr>
<th></th>
<th>FY 2013</th>
<th>FY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase of 29.7%; 31.3% in LC* )</td>
<td>81.5</td>
<td>105.8</td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FY 2013</td>
<td>FY 2014</td>
</tr>
<tr>
<td></td>
<td>13.1%</td>
<td>17.3%</td>
</tr>
</tbody>
</table>

* at constant exchange rates
XET: Larger customer base leading to further growth

+9.4% growth in local currencies thanks to
- intensified market approach and successful forward strategy of marketing complete x-ray modules
- Security: solid growth; design wins and projects for next-generation security inspection at airports; inroads into China
- ebeam: first orders for Tetra Pak rollout in Japan; opening up of market access with Skan and PCT; successful sales of lab units

Reduced EBITDA margin of 9.9% (2013: 16.2%) mainly due to intensified strategic investments in ebeam

Increase in net sales; investment in ebeam business reduces EBITDA margin

* at constant exchange rates
** restated (Portable X-Ray business transferred from Segment X-Ray Systems to X-Ray & ebeam Technologies)
XET: ebeam on track

Tetra Pak rollout started
- First delivery of packaging machines to Japan
- Preparations of facility and supply chain to scale up production of ebeam engines

Business development on track
- Important progress with projects for
  - the inactivation of dry food
  - sterilization of web-based pharma products
  - curing in printing process
- Market access opened up with system integrators PCT and Skan for US and Europe
- Several lab units placed with large potential customers for application development

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   all
Increase in net sales driven by higher local sales volumes and limited negative currency effects

Net exposure of 75m CHF to USD in 2014; other currencies mostly with natural hedge

- Stronger CHF (at average rates) had a negative impact on sales and EBIT
- The negative net impact of all currencies on sales summed up to -4.6 Mio. CHF, with a USD impact of -1.8 Mio. CHF, a EUR impact of -1.4 Mio. and a JPY impact of -1.1 Mio.
- At EBIT level the negative net impact added up to -1.7 Mio. CHF mainly driven by the USD and the JPY.
## Financial Results

### Strong profitable growth in 2014 and ongoing investments in future growth

<table>
<thead>
<tr>
<th>in CHF thousands</th>
<th>FY 2014</th>
<th>FY 2013</th>
<th>Change Absolute</th>
<th>Change in%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incoming orders</td>
<td>280'884</td>
<td>269'409</td>
<td>11'475</td>
<td>4%</td>
</tr>
<tr>
<td>Net sales</td>
<td>287'895</td>
<td>249'629</td>
<td>38'266</td>
<td>15%</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-176'499</td>
<td>-151'989</td>
<td>-24’510</td>
<td></td>
</tr>
<tr>
<td>Gross profit</td>
<td>111'396</td>
<td>97'640</td>
<td>13’756</td>
<td></td>
</tr>
<tr>
<td>Gross profit margin in %</td>
<td>38.7%</td>
<td>39.1%</td>
<td>-0.4%</td>
<td></td>
</tr>
<tr>
<td>Other operating income</td>
<td>4'649</td>
<td>4'688</td>
<td>-39</td>
<td></td>
</tr>
<tr>
<td>Development expenses</td>
<td>-28’941</td>
<td>-25’598</td>
<td>-3’343</td>
<td></td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>-57’449</td>
<td>-51’670</td>
<td>-5’779</td>
<td></td>
</tr>
<tr>
<td>Operating income (EBIT)</td>
<td>-29’655</td>
<td>25’060</td>
<td>4’595</td>
<td></td>
</tr>
<tr>
<td>Financing result and income taxes</td>
<td>-3’378</td>
<td>-8’966</td>
<td>5’588</td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>26’277</td>
<td>16’094</td>
<td>10’183</td>
<td></td>
</tr>
<tr>
<td>EPS in CHF</td>
<td>34.07</td>
<td>21.28</td>
<td>12.80</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>39’765</td>
<td>36’002</td>
<td>3’763</td>
<td></td>
</tr>
<tr>
<td>EBITDA margin in %</td>
<td>13.8%</td>
<td>14.4%</td>
<td>-0.6%</td>
<td></td>
</tr>
</tbody>
</table>

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### Net income strongly above prior year driven by profitable sales growth and one-off income tax benefits

- **Operating income** CHF 29.7m (PY CHF 25.1m)
- **Net financing expenses** CHF 0.9m (PY CHF 1.7m)
- **Income tax expense** CHF 2.5m (PY 7.2m)
Financial Results

Strong economic profit leading to an increased value for COMET’s shareholders

- Economic profit of CHF 11.5m realized, equaling a return on capital employed of 15.6% (covering 1.7 times our cost of capital of 9%)
- Increase in economic profit of CHF 8.5m compared to prior-year
- All segments (excl. investments in ebeam) contributed with a positive economic profit

Lower finance costs due to lower interest-bearing debt and stable average fx rates

Net financing items amounted to an expense of CHF 0.9m (PY CHF 1.7m), reflecting the following factors:
- Interest expenses decreased to CHF 1.2m (PY CHF 1.6m) mainly related to senior debt and debt on mortgage for the building in Flamatt
- The appreciation of the USD in the second half of 2014 offset the USD losses in the first half and the weaker EUR. The net currency transaction gain recorded in the income statement amounted to CHF 0.3m (PY loss of CHF 0.1m)
- Almost naturally hedged position in EUR
- Net exposure in USD partly hedged by forward exchange contracts

Currency impact on balance sheet:
- A currency translation gain of CHF 1.1m was recorded directly to equity (gain in USD; loss in EUR)
Financial Results

Income tax rate down to 9% related to non-recurring effects

- Applying the expected Group tax rate of 28%, the EBT of CHF 28.8m would lead to an expected tax expense of CHF 8.1m
- Total income tax expense reported sums up to CHF 2.5m (PY CHF 7.2m).
  The difference to the expected tax expense of CHF 5.6m is explained as follows:
  - Turnaround of a formerly loss-making entity (use of tax losses): CHF 2.0m
  - Recognition of DTA for tax loss carryforwards (incl. temp. differences): CHF 4.1m
  - Non-recognition of tax losses: CHF -0.2m (no DTA recognized on tax losses)
  - Other effects, net: CHF -0.3m
- The reported tax rate of 9% is the result of the realization of tax losses that under IFRS had to be capitalized as the respective entity recorded a tax profit for the fiscal year 2014 and the turnaround is considered sustainable
- The expected effective tax rate for 2015 is approx. 35%

Financial Results

Solid free cash flow based on a profitable and growing business

<table>
<thead>
<tr>
<th>CF provided by operating activities</th>
<th>CHF 30.6m</th>
<th>CF used in investing activities</th>
<th>CHF -12.1m</th>
<th>Free cash flow</th>
<th>CHF 18.5m</th>
<th>CF used in financing activities</th>
<th>CHF -18.9m</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Cash as per 1.1.2014</td>
<td>18.2</td>
<td>b) Net income FY 2014</td>
<td>+26.3</td>
<td>c) Other non-cash income/expenses incl. depreciation/amortization</td>
<td>-4.5</td>
<td>d) Increase in NWC</td>
<td>-5.2</td>
</tr>
<tr>
<td>e) Income tax, taxes paid</td>
<td>-12.1</td>
<td>f) Net investment in PP&amp;E and intangibles</td>
<td>-12.1</td>
<td>g) Net repayment of debt</td>
<td>-11.5</td>
<td>h) Interest paid and distribution to shareholders</td>
<td>-7.4</td>
</tr>
<tr>
<td>i) Foreign currency translations gains</td>
<td>+0.8</td>
<td>j) Cash as per 31.12.2014</td>
<td>18.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Free cash flow CHF = 18.5m

CF used in financing activities CHF -18.9m

CF used in investing activities CHF -12.1m

CF provided by operating activities CHF 30.6m
Financial Results

Key ratios per share strongly improving

After having successfully reduced net debt, ongoing strong free cash flow is being used to make increased distributions to shareholders.

Financial Results

Sound balance sheet ratios further improved

<table>
<thead>
<tr>
<th></th>
<th>In CHF millions FY 2014</th>
<th>FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>134.9 (54.8%)</td>
<td>120.1 (52.7%)</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>111.0 (45.2%)</td>
<td>107.7 (47.3%)</td>
</tr>
<tr>
<td>Total assets</td>
<td>245.9 (100.0%)</td>
<td>227.8 (100.0%)</td>
</tr>
<tr>
<td>Liabilities</td>
<td>86.3 (35.0%)</td>
<td>90.0 (39.5%)</td>
</tr>
<tr>
<td>Equity</td>
<td>159.6 (65.0%)</td>
<td>137.8 (60.5%)</td>
</tr>
<tr>
<td>Total liability and equity</td>
<td>245.9 (100.0%)</td>
<td>227.8 (100.0%)</td>
</tr>
</tbody>
</table>

- Increase in total assets amount driven by sales-related working capital increases (inventory, receivables)
- Improved equity ratio of 65% driven by strong net income
Financial Results

Improved working capital ratios

Working capital ratios
- Total net working capital increased by CHF 8.7m. Monthly average net working capital in % of net sales reached 24.3% (PY 25.2%), reflecting our efforts to optimize capital employed
- Increase in trade receivables (net of prepayments by customers) to CHF 41.1m (PY CHF 36.8m) reflecting strong net sales volumes toward year-end. DSO (monthly average days sales outstanding) reached 39 days (PY 43 days)
- Inventories increased to CHF 56.6m (PY CHF 46.5m), reflecting the planned growth in 2015. DIO (monthly average days inventory outstanding) reached 70 days (PY 69 days)

Liquidity on a comfortable level
- Liquidity slightly increased by CHF 0.4m despite continuous investments in fixed assets, dividend payment, and substantial repayments of interest-bearing debt (undrawn credit facilities of CHF 33.7m)

Non-current assets influenced by capitalization of deferred tax assets

Non-current assets increased by CHF 3.3m or 3.1%
- Compared to prior year-end property, plant and equipment and intangible assets decreased by CHF 0.9m
- Cash capital expenditures as a mixture of replacement and capacity increases totaled CHF 12.3m, divestments / reclassification CHF 3.0m
- Depreciation of non-current assets totaled CHF 7.3m; amortization: CHF 2.8m (including CHF 1.7m from purchase price allocation of YXLON and Stolberg)
- Negative translation effects totaled CHF 0.1m
- Pension assets decreased to CHF 3.1m (PY CHF 3.8m) as a result of the further decreased interest rates (higher present value of obligation) in the Swiss plans (not affecting profit)
- Deferred tax assets increased to CHF 6.5m (PY CHF 1.5) mainly due to the recognition of CHF 4.1m DTA on tax loss carryforwards
Financial Results

Strong equity ratio driven by strongly increased net income

Current liabilities increased by CHF 2.4m, mainly driven by:
- Increase in trade and other payables, prepayments from customers, and accrued expenses (bonus, vacation and overtime credits)

Non-current liabilities fell by CHF 6.2m, mainly due to:
- Repayment of interest-bearing debt totaling CHF 11.3m (current CHF 5.3m, non-current 6.0m)

Increase in equity ratio from 60.5% to 65.0%:
- Total comprehensive income of CHF 26.7m for the FY 2014
- Net income CHF 26.3m, actuarial loss on defined benefit plans net of tax CHF -0.7m, foreign currency translation gains CHF 1.1m
- Share-based payments of CHF 1.4m
- Distribution to shareholders of CHF 8.00 per share totaling CHF -6.2m

Financial Results

Net debt down to a low CHF 2.0m

Strong profitable y-o-y sales growth in combination with high EBITDA and free cash flows is bringing the “Net debt / EBITDA” financial ratio down to 0.1
Distribution to shareholders from distributable paid-in capital increased by 38%

* The Board of Directors proposes to distribute CHF 11.00 per share from distributable paid-in capital (pay-out ratio 32%)

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Global trends as enablers of strong growth
Growing importance of 3D

- Smart Mobility
- Environment & Saving Resources
- Miniaturization
- Reliability, Safety and Performance

- Rise of 3D memory chips
- Efficient treatment of 3D surfaces
- 3D imaging for non-destructive testing
Outlook

With three core technologies and brands, COMET is contributing key solutions

- RF power technology
- ebeam technology
- X-Ray technology

Outlook

Ongoing strong growth in local currencies; growth in CHF limited by fx translation effect

1. Strong position to continue growth in local currencies due to innovative solutions and strong customer relationships; IXS: low backlog in customized systems cannot be compensated by the growth in standard systems
2. Strong growth in local currencies will not be reflected in the top line due to the translation effect from the EUR/CHF (assumption EUR/CHF at parity)
3. Limited pressure on profitability expected due to pricing power (innovative solutions, strong market position), natural hedge in euro and favorable USD/CHF exchange rate in comparison to prior year
4. Net income 2015 will be below 2014 as a result of non-recurring tax effects in 2014 and one-time currency translation losses in 2015
Outlook

Outlook 2015

After the Swiss central bank's decision to end the franc's peg against the euro, COMET assumes

- EUR/CHF parity
- Exchange rate of CHF 0.90 per US dollar

For 2015, the COMET Group expects

- Sales of CHF 280 to 300 million
- An EBITDA margin of 13% to 15%
- Net income below 2014 as a result of
  - non-recurring tax effects in 2014 of CHF 6.1m and
  - one-time currency translation losses in 2015 of around CHF 3 million

2015: Sales of CHF 280m to CHF 300m at an EBITDA margin of 13%-15%

<table>
<thead>
<tr>
<th>COMET Group</th>
<th>HY1 2015 vs. HY1 2014</th>
<th>HY2 2015 vs. HY2 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>X-Ray Systems</td>
<td>Negative growth due to translation effect and lower backlog mainly for customized systems</td>
<td></td>
</tr>
<tr>
<td>X-Ray &amp; ebeam Technologies</td>
<td>Industrial X-Ray: organic growth neutralized by currency effect. Strengthening of market position with new products, e.g. 600kV and Smart Evo ebeam: continued preparation of rollout for Tetra Pak and targeting of new applications. Increasing sales with ebeam labs, single digit share of group sales in 2015</td>
<td></td>
</tr>
<tr>
<td>Plasma Control Technologies</td>
<td>Commercialization of design wins, continued high demand from semiconductor market expected, increasing business with RF generators</td>
<td></td>
</tr>
</tbody>
</table>


Financial calendar for the COMET Group

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 April, 2015</td>
<td>General Assembly in Berne</td>
</tr>
<tr>
<td>20 August, 2015</td>
<td>Publication of the half-year report</td>
</tr>
<tr>
<td>24 November, 2015</td>
<td>Investor Day</td>
</tr>
</tbody>
</table>

For more details on business development and financial data please see our annual report at http://www.comet-group.com or contact

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Chief Financial Officer  VP Corp. Communications  
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