Investor Day
Growth levers 2016+
Welcome – Agenda - part 1

<table>
<thead>
<tr>
<th>When</th>
<th>What</th>
<th>Who</th>
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</table>
| 10.00-10.30| **Welcome and Introduction**  
**COMET Group: Growth Levers 2016+**  
Triggering the next level of strong sustainable growth | R. Fehlmann  
CEO |
| 10.30-10.50| **Plasma Control Technologies**  
*Delivering profitable growth driven by attractive market opportunities and strong technology inflections* | M. Kammerer  
President PCT |
| 10.50-11.00| **Break**                                                 |                          |
| 11.00-12.00| **Group break-out sessions**  
- IoT: Ready for the age of M2M  
- How COMET RF power solutions enable strong market trends and huge technology inflections  
- ebeam: Transferring disruptive technology to leading solutions for various applications | All |
| 12.00-13.00| **Lunch break**                                           |                          |
Welcome – Agenda - part 2

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<tr>
<td>13.00-13.20</td>
<td><strong>X-Ray &amp; ebeam Technologies</strong>&lt;br&gt;Delivering profitable growth by leveraging the technology base, market access and business development</td>
<td>C. Fluekiger&lt;br&gt;President XET</td>
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<tr>
<td>13.20-13.50</td>
<td><strong>ebeam Technologies</strong>&lt;br&gt;Developing new applications based on ebeam – from a partner’s point of view</td>
<td>I. Roberts, CTO Bühler</td>
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<tr>
<td>13.50-14.10</td>
<td><strong>X-Ray Systems</strong>&lt;br&gt;Delivering sustainable growth by focus on selected application segments and developing metrology as new powerful growth driver</td>
<td>S. Moll&lt;br&gt;President IXS</td>
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<tr>
<td>14.10-14.20</td>
<td><strong>Break</strong></td>
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<td>14.20-14.50</td>
<td><strong>Hexagon &amp; YXLON</strong>&lt;br&gt;Combined forces to develop new measurement capabilities</td>
<td>P. Guglielmini&lt;br&gt;VP Global BD Hexagon USA</td>
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<tr>
<td>14.50-15.00</td>
<td><strong>Summary</strong>&lt;br&gt;Q&amp;A</td>
<td>R. Fehlmann&lt;br&gt;CEO</td>
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<td>15.00</td>
<td><strong>End of the event – coffee and cake</strong></td>
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Investor Day 2015

**Growth Levers 2016+ Triggering the next level of strong sustainable growth**

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<td>6</td>
<td>Summary and Q&amp;A</td>
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COMET Group at a glance

Swiss company with leading technologies and global presence

>1050
EMPLOYEES WORLDWIDE

13
LOCATIONS WORLDWIDE

NET SALES in CHFm

FOUNDED 1948,
HEADQUARTERS IN FLAMATT (CH)
COMET Group at a glance

Turning innovative technologies into value adding solutions

With our core technologies we support customers in various industries to improve their products and make their processes more resource efficient.

- **RF power**
  - ~44% of Group sales*

- **X-Ray**
  - ~52% of Group sales*

- **ebeam**
  - ~4% of Group sales*

**Plasma control**
- Semiconductor
- Flat panel
- (O)LED
- Med tech

**Non-destructive testing & Security**
- Cargo & luggage inspection

**Surface treatment**
- Sterilization of food and pharma packaging, curing and cross-linking of materials

*H1 2015
# COMET Group: Growth Levers 2016+

*Triggering the next level of strong sustainable growth*

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<td><strong>Strategy Review 2012-2015</strong></td>
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| **3** | **What’s Next?**  
  *Trends and growth potentials* |
| **4** | **What’s Next?**  
  *Strategy 2020 / Growth levers 2016+* |
| **5** | **How to succeed?**  
  *Strategic initiatives* |
| **6** | **Summary** |

---

*COMET Group | 24. November 2015*
Increased robustness vs. external turbulences has allowed for continued flow in strategic investments. Continued and on top investments in long term strategic initiatives (e.g. ebeam) of CHF > 10m per year.
At constant fx rates COMET Group is reaching its sales guidance 2015
Progress Review 2012-2015

**Highlights**

- ebeam: 2nd partner
- Diversification of ebeam business model
- Penetration of key partners
- Leading position in 3D technologies
- Profitability improved

---

fx impact

~ 300
Sustainable profitability increase in X-ray systems business
Main deviations

Generators:
- Growth below expectations due to missing solar market opportunity
- Comet development power too low to reach leading position

- Reorganization of Customized Solution business worked against growth

~ 300 fx impact

2012 XET PCT IXS 2015

214
# Growth Levers 2016+ Triggering the next level of strong sustainable growth

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Global trends fueling our future growth

- Smart Mobility
- Environment & Saving Ressources
- Miniaturization
- Reliability, Safety, Performance
## Trends and growth potentials

Strong developments are driving technology and create new markets

<table>
<thead>
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<th>Internet of Things</th>
<th>Advanced materials</th>
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<td>Flat panel</td>
<td>Fuel efficiency</td>
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<td>Big Data</td>
<td>Extended food shelf life</td>
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<td>Wearables</td>
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<td>Combination of testing methods</td>
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<tr>
<td></td>
<td>Advanced materials</td>
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</table>

- Advanced materials
- Fuel efficiency
- Extended food shelf life
- Inline testing
- Combination of testing methods
- Advanced materials
Trends and growth potentials

Relevant Technology inflections

- 3D NAND
- Advanced displays
- Patterning
- FinFet

- Upgrading of materials
- Advanced curing
- New foundry technologies
- New sterilization methods

- High resolution microfocus
- 3D imaging
- CT

- Service 4.0
- 3D imaging
- Software
- CT
- ADR
- Film replacement (aerospace, energy)
Trends and growth potentials

COMET Group: ideally positioned to spur growth based on 3 core technologies

Radio frequency

Radio frequency

X-Ray & CT

X-Ray & CT

ebeam & X-Ray
# Growth Levers 2016+ Triggering the next level of strong sustainable growth

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Vision 2020

Further accelerate strong profitable organic growth

Our target

Net sales in CHFm

500

by 2020

EBITDA %

16-18
How we will deliver future growth
How to reach growth targets 2020

Our origin: Building products based on leading technologies

~CHF 60m
What we did until 2012: Forward integration

How to reach growth targets 2020

~CHF 215m
How to reach growth targets 2020

What came next: Organic growth strategy

~ CHF 300m
How to reach growth targets 2020

Strategy 2020: Trigger the next level of growth with forward integration into applications and …

a) Stimulate growth by application generating pull to modules and products
How to reach growth targets 2020

Strategy 2020: Trigger the next level of growth with forward integration and key account partnering

a) Stimulate growth by application generating pull to modules and products
b) Key partner strategy generating a pull on all our competences

~CHF 500m
How to reach growth targets 2020

Focusing on new applications & key account partnering offers attractive potential for growth

**New Applications**

Win opportunities within
- IoT conversion of existing fab systems to higher performance with COMET RF power
- 3D technology applications (e.g. 3D NAND, DRAM, Advanced Packaging)
- Coating / Encapsulation for OLED
- Metrology with x-ray systems
- Surface treatment (ebeam, RF)
- Carry-on security with x-ray components

**Key Account Partnering**

- Strengthen position with existing partners to grow
  - in existing applications (Tetra, LAM, AMAT)
  - in emerging applications (e.g. IoT, Coating …)
- Use interest of existing partners to use other COMET group technologies (e.g. AMAT, Bühler, battery manufacturing)
- Win next key partner for ebeam
New applications & Key account partnering

Key growth levers for RF power: Internet of Things, 3D Technologies and Coatings

New applications based on huge technology inflections will be driven by trends in smart devices and become possible in close cooperation with key partners

- 3D Technologies
- Internet of Things
- Advanced displays

- Offering leading technologies, speed, high quality and low cost
- Competent partner early in the process

→ More details from Michael Kammerer
New applications & Key account partnering

Key growth levers for X-Ray Systems: Proven segments and metrology as new application

3D is disrupting traditional design and manufacturing

3D is disrupting traditional design and manufacturing

Strengthening core applications by introducing “proven accuracy” technology

Focus on selected applications

Exploring metrology as new application through partner strategy

Key Account Partnering

Transition to 3D

→ More details from Stefan Moll
New applications & Key account partnering

Key growth levers for ebeam systems & engines: Applications and the right partners

Using direct market access for systems to win new applications, leveraging key partner projects and win the next major case

<table>
<thead>
<tr>
<th>Applications</th>
<th>Key partner projects</th>
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</table>
| Pressure sensitive adhesives  
energy efficient curing  | Tetra Pak Rollout |
| Decor paper treatment  
enhancing tactile properties through curing  | Bühler Business case |
| Plastic film treatment  
improving thermal resistance through cross-linking  | Next major case |

→More details from Charles Flükiger
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Strategic Initiatives 2020

Strategic building blocks to reach ambitious growth targets 2020

**Innovative Technologies**

Build on innovative technologies and exploit groupwide synergies to address global market trends

**New Applications**

Promote organic growth transferring core technologies and products to existing and new applications

**Key Acct Partnering**

Strengthen and leverage existing key account partnerships, win new key accounts

**Operational Excellence**

Enhance operational excellence combining internal strengths for more impact, productivity and profitability
Strategic initiatives 2016 to 2020

**Innovative Technologies**
- X-ray
  - Improved image chain
  - iVario
- RF power
  - Generator portfolio
  - New generation of VacCaps
- ebeam
  - Generator platform
  - Customization

**New Applications**
- Surface treatment
- Measuring
- IoT, Service 4.0
- In-line testing
- Sterilization
- Curing

**Key Acct Partnering**
- Selected key partners worldwide
- Hot spot Silicon Valley
- Emerging new technology hubs (Korea)

**Operational Excellence**
- Increase gross profit margin
- Optimize processes alongside building expansion in CH
- Supply chain with increasing importance (single source, key strategic partner)
## Strategic initiatives

**Investment in functional costs are needed to achieve growth targets 2020**

### Innovative Technologies
- Strengthen core technologies
- Invest in product portfolios (IXS, RF & X-ray generators)
- Software with increasing importance
- Customize ebeam technology

### New Applications
- Bring applications of Bühler and Tetra to success
- Roll-out ebeam system applications
- Diversify from semicon through new applications (IoT, AP)
- Use application focus to win new customers (e.g. application labs)

### Key Acct Partnering
- Increased C-level focus on front-end
- Cross-segmental approach to develop key accounts for different technologies
- Build group technology competence centers in leading development hubs (Korea, San José)

### Operational Excellence
- Strengthen marketing to increase GPM
- Meet increasing demand on supply chain
- Investment in group-wide BI solution to strengthen controlling
- Enhance learning transfer within the group (e.g. cross-marketing team)
How to reach growth targets 2020

PCT and EBT contributing major part to substantial growth

- New applications
- New products
- New customers (e.g. Nuctech)

- Focus on market segments
- Metrology
- New customers

- IoT
- 3D Chip Technologies
- Advanced displays

- Big accounts
- Growth of system business

2015 X-Ray Modules X-Ray systems RF power ebeam 2020

- 275 - 285
- 20 - 30
- 40 - 50
- 60 - 70
- 60 - 80
- ~ 500
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**COMET Investor Day | 24. November 2015**
Summary

Further accelerate strong profitable organic growth

Our target

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<th>Net sales in CHFm</th>
<th>EBITDA %</th>
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<td>16-18</td>
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by 2020
Sales growth trajectory: ebeam sales to kick in after 2018 in line with building expansion.
Summary

Major investments to support strategy 2020

- Building expansion in Flamatt
- M&A on the basis of the existing 3 technologies - COMET Group with enough fire power
- Despite heavy investments Economic Profit and ROCE are expected to grow continuously

Planned CAPEX spending until 2020

- CHFm
- 2016: 30 CHFm, 2017: 35 CHFm, 2018: 32 CHFm, 2019: 18 CHFm, 2020: 15 CHFm
- Equipment and New building
Summary

Entering the next level of strong, profitable growth

- Successful growth path to continue with sharpened focus on
  - Existing growth drivers in the segments
  - Forward integration into new applications and
  - Key Acct partnering around huge technology inflections
  - Combining internal strengths to leverage competences
- All segments will contribute to growth, main growth drivers are RF and ebeam technology
- Organic growth is to be complemented by acquisitions if this leads to more strength

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<tr>
<th>Net sales in CHFm</th>
<th>2015</th>
<th>2016*</th>
<th>2020*</th>
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<td>EBITDA %</td>
<td>12.5%-13.5%</td>
<td>14%-16%</td>
<td>16%-18%</td>
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*Fx assumptions: CHF 0.95 per USD, CHF 1.05 per EURO
New set up

In order to allow ebeam business to really unfold, a separate segment will be established as of January 2016.
Questions & Answers