Results FY 2010

Overview

- Introduction to the COMET Group
- Review FY 2010
  - Operational Results
  - Financial Results
- Outlook 2011
- Questions & Answers
Results FY 2010

COMET Group – Key Facts

Employees 721
Foundation 1948
Main locations Flamatt (CH) Hamburg (DE)
Subsidiaries in Germany Denmark China Japan USA
SIX Swiss Exchange 2002 (COTN)

Market leader through leading Core Technologies


COMET tube in first CT scanner COMET tube in space Double performance in half the volume
Close Proximity to our Customers as Key Success Factor

Differentiation through Excellence in serving our Customers
Results FY 2010

One Company – Two Brands

**COMETGROUP**

**COMET-YXLON**
- **Europe**
  - Flamatt, CH
  - Hamburg, Hattingen
  - Copenhagen, DK
- **North America**
  - Stamford, CT
  - San Jose, CA
  - Akron, OH
- **Asia**
  - Yokohama, Japan
  - Shanghai, China
  - Beijing, China

**YXLON**

**COMET**

Products

**Systems division**

**YXLON X-Ray Systems**

- End user business (NDT)

**Modules & Components division**

**Industrial X-Ray**

- X-ray modules
- e-beam

**Vacuum Capacitors**

- Vacuum capacitors and RF modules

**OEM customers**

23.3.2011 | 7

23.3.2011 | 8
### Target Markets

<table>
<thead>
<tr>
<th>Non destructive testing (OEM &amp; end user)</th>
<th>Security (OEM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>Cargo (Luggage &amp; pallets)</td>
</tr>
<tr>
<td>Aerospace</td>
<td></td>
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<tr>
<td>Energy</td>
<td></td>
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<tr>
<td>Electronics</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>e-beam (OEM)</th>
<th>Plasma excitation (OEM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food &amp; Pharma packaging sterilization</td>
<td>Chips</td>
</tr>
<tr>
<td></td>
<td>LCD flat panel</td>
</tr>
<tr>
<td></td>
<td>Thin film solar</td>
</tr>
</tbody>
</table>

### Overview

- **Introduction to the COMET Group**

- **Review FY 2010**
  - **Operational Results**
  - **Financial Results**

- **Outlook 2011**

- **Questions & Answers**
COMET Group in 2010: Strong and profitable Growth

<table>
<thead>
<tr>
<th></th>
<th>CHF 217.4m</th>
<th>CHF 28.3m</th>
<th>CHF 14.3m</th>
<th>52 %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>EBITDA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Free cash flow</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity ratio</strong></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

COMET Group in 2010: Key Figures

- **Net sales growth**: + 44.2% (in CHF) + 51.5% (currency adjusted)
- **EBITDA margin**: from 3.5% to 13.0%
- **Free cash flow**: from 5.8m to 14.3m
- **Equity ratio**: from 48.9% to 52.0%
Results FY 2010

Still well-balanced geographical diversification despite of strong growth in North America (+81%) and Asia (+70%)

Development and Distribution of Net Sales by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>32%</td>
<td>36%</td>
</tr>
<tr>
<td>North America</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Asia</td>
<td>30%</td>
<td>36%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>2%</td>
<td>38%</td>
</tr>
</tbody>
</table>

CHF 150.8m to CHF 217.4m

Results FY 2010

Results by Division

**COMET**

Modules & Components

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>EBITDA*</th>
<th>EBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>from CHF 78.6m to CHF 130.6m</td>
<td>from CHF 11.3m to CHF 27.3m</td>
<td>from 11.5% to 20.9%</td>
</tr>
</tbody>
</table>

**YXLON**

Systems

<table>
<thead>
<tr>
<th></th>
<th>Net sales</th>
<th>EBITDA*</th>
<th>EBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>from CHF 88.1m to CHF 106.2m</td>
<td>from CHF -4.4m to CHF 3.5m</td>
<td>- to 3.3%</td>
</tr>
</tbody>
</table>

* before special charges
Implementation of Strategy is bearing Fruits

a) Implementation of forward integration to RF match boxes

- Strongest sales growth within Modules & Components division
- Significant part of division and group sales
- Increased customer bonding

b) Investment in the fast-expanding markets in Asia (China)

- Asian share of net sales up from CHF 48.7m to CHF 82.8m in 2010
Implementation of Strategy is bearing Fruits

c) New, innovative products and further developments

Modules & Components
- Build-to-spec match boxes
- Unisolar - product line for solar applications
- High energy (e.g. 600kV)
- Low energy (e.g. 75 kV)
- Vario
- e-beam

Systems
- New product features and options (HDR, integrated option for Computer Tomography)
- Special product packages tailored to new applications (Aerospace)

Implementation of Strategy is bearing Fruits

d) Improvement of structures and processes

- Substantial improvement of lead times in both divisions with increase of productivity in the following product groups:
  - X-ray generators
  - Tubes
  - Vacuum capacitors
  - Feinfocus systems
- Efficient and certified match box production in China
- SAP rollout in North America and China
Implementation of Strategy supported by favorable Market Development

### Non destructive testing

- Automotive
- Aerospace
- NDT Components
- Energy
- Electronics

### Security

- Cargo (Luggage)

### e-beam

- Food & Pharma packaging sterilization

### Plasma excitation

- Chips
- Flat panels
- Thin film solar

---

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**COMET Group: Strong Growth returned in 2010**

- **Strong Growth achieved in challenging market environment**
  - Net sales above prior year quarters throughout the year 2010
- **Differing growth between the two Divisions**
  - Systems division is showing solid growth. M&C division is outperforming

---

**Back to strong Profitability, no special Charges**

<table>
<thead>
<tr>
<th></th>
<th>FY 2010</th>
<th>FY 2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2010-2009</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>in %</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Absolute</td>
</tr>
<tr>
<td>Incoming Orders</td>
<td>230'686</td>
<td>158'179</td>
<td>72'507</td>
</tr>
<tr>
<td>Net sales</td>
<td>217'395</td>
<td>150'750</td>
<td>66'645</td>
</tr>
<tr>
<td>Gross profit</td>
<td>81'564</td>
<td>48'463</td>
<td>33'101</td>
</tr>
<tr>
<td>Gross profit margin in %</td>
<td>37.5%</td>
<td>32.1%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Other operating income</td>
<td>2'764</td>
<td>3'138</td>
<td>-374</td>
</tr>
<tr>
<td>Development expenses</td>
<td>-20'573</td>
<td>-17'844</td>
<td>-2'729</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>-47'516</td>
<td>-40'728</td>
<td>-6'788</td>
</tr>
<tr>
<td>Operating income (EBIT before special charges)</td>
<td>16'239</td>
<td>-6'571</td>
<td>23'210</td>
</tr>
<tr>
<td>Special charges</td>
<td>0</td>
<td>-7'021</td>
<td>7'021</td>
</tr>
<tr>
<td>Operating income (EBIT after special charges)</td>
<td>16'239</td>
<td>-13'992</td>
<td>30'231</td>
</tr>
<tr>
<td>Financing result and income taxes</td>
<td>-8'750</td>
<td>1'262</td>
<td>-10'012</td>
</tr>
<tr>
<td>Net income / (loss)</td>
<td>7'489</td>
<td>-12'730</td>
<td>20'219</td>
</tr>
<tr>
<td>EPS in CHF</td>
<td>9.89</td>
<td>-16.86</td>
<td>26.75</td>
</tr>
<tr>
<td>EBITDA before special charges</td>
<td>23'333</td>
<td>5'341</td>
<td>22'992</td>
</tr>
<tr>
<td>EBITDA margin in %</td>
<td>13.0%</td>
<td>3.5%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>
Results FY 2010

Net sales by Business Activity

<table>
<thead>
<tr>
<th></th>
<th>Net sales in millions of CHF</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY ’10</td>
<td>FY ’09</td>
</tr>
<tr>
<td>X-Ray Systems</td>
<td>106.2</td>
<td>88.1</td>
</tr>
<tr>
<td>Industrial X-Ray</td>
<td>54.7</td>
<td>47.9</td>
</tr>
<tr>
<td>Vacuum Capacitors</td>
<td>75.5</td>
<td>30.8</td>
</tr>
<tr>
<td>Elimination Intersegment</td>
<td>-19.0</td>
<td>-16.0</td>
</tr>
<tr>
<td>Group</td>
<td>217.4</td>
<td>150.8</td>
</tr>
</tbody>
</table>

* In local currencies

Group net Sales increased by CHF 66.6m or 44.2%
Results FY 2010 - Systems Division

Increase of net Sales by 20.6% and EBITDA by CHF 7.9m

<table>
<thead>
<tr>
<th>CHF million</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>108.1</td>
<td>126.2</td>
</tr>
<tr>
<td>EBITDA*</td>
<td>-4.4</td>
<td>3.5</td>
</tr>
</tbody>
</table>

* before special charges in 2009

Results FY 2010 - Modules & Components Division

Strong growth in net Sales of 66.1% and EBITDA by CHF 16m

<table>
<thead>
<tr>
<th>CHF million</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>78.6</td>
<td>130.6</td>
</tr>
<tr>
<td>EBITDA*</td>
<td>11.3</td>
<td>27.3</td>
</tr>
</tbody>
</table>

* before social charges for 2009
Back to strong net Income in 2010

- Operating income of CHF 16.2m (PY CHF -7.0m before special charges)
- Net financing expenses CHF 6.3m (PY CHF 3.2m)
- Income tax expense CHF 2.4m (PY tax income of CHF 4.6m)

Impact of net financing Items on net Income for the Period

Net financing items amounted to an expense of CHF 6.3m (prior year: CHF 3.2m), reflecting the following factors:

- Interest expenses were CHF 3.4m (PY CHF 3.2m) related mainly to senior debt and mortgage on building in Flamatt
- Due to the strong Swiss franc towards year-end, the net currency transaction loss recorded in the income statement rose up to CHF 2.8m (PY CHF 0.2m)
  - Almost naturally hedged position in EUR
  - Net exposure in USD hedged by means of forward exchange contracts

Impact on balance sheet:

- A currency translation loss of CHF 8.8m was recorded directly to equity, mainly related to the net asset exposure in Euros
Impact of income Taxes on the net Income of the Period

- Applying the local tax rates, the EBT of CHF 9.9m would lead to an expected tax expense of CHF 2.8m.
- Total income tax expense reported sums up to CHF 2.4m (PY tax income of CHF 4.6m). The difference to the expected tax expense of CHF 2.8m can be explained as follows:
  - Tax exemption by canton of Fribourg CHF -3.1m
  - Non-recognition of tax losses CHF 1.4m (no DTA recognized)
  - The sum of all other effects increased tax expense by CHF 1.3m
- The base income tax rate for normalized profits is expected to remain at approx. 28%.

Cash flow influenced by strongly growing Business

- Operations: 19'176 TCHF
- Investments: -4'874 TCHF
- Free Cash Flow: = 14'302 TCHF
- Financing: = 21'041 TCHF

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</tbody>
</table>
Sound Balance Sheet Ratios and Decrease of total Assets Amount

<table>
<thead>
<tr>
<th></th>
<th>FY2010</th>
<th>FY2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>99.5</td>
<td>100.8</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>115.3</td>
<td>128.8</td>
</tr>
<tr>
<td>Total assets</td>
<td>214.8</td>
<td>229.6</td>
</tr>
<tr>
<td>Liabilities</td>
<td>103.1</td>
<td>117.2</td>
</tr>
<tr>
<td>Equity</td>
<td>111.7</td>
<td>112.4</td>
</tr>
<tr>
<td>Total Liability and Equity</td>
<td>214.8</td>
<td>229.6</td>
</tr>
</tbody>
</table>

- Reduction of total assets amount by CHF 14.8m or 6% driven by repayment of debt and currency translation impacts. Working capital increased reflecting the business upswing.
- Strong increase in equity ratio related to high net income despite negative impact of currency translation adjustments.

Improvement on Working Capital Management

Liquidity on a comfortable level
- Liquidity decreased by CHF 7.6m related to investments in working capital, investment in fixed assets, dividend payments and substantial repayment of interest-bearing debt (undrawn credit facilities of CHF 11.7m)

Net working capital ratios
- Net working capital increased by CHF 9.0m reflecting the business upswing
- Increase in trade receivables to CHF 35.4m (prior year: CHF 31.3m) is driven by strong net sales volumes towards year-end. DSO (monthly average days sales outstanding) reached 48 days (prior year: 58 days)
- Inventories increased to CHF 38.7m (prior year: CHF 35.5m) related to growing business and reflecting high readiness for delivery. DIO (monthly average days inventory outstanding) reached 72 days (prior year: 99 days)
Capital Expenditures increased; significant Translation Effects

Non-current assets decreased by CHF 13.5m or 10%
- Compared to prior year-end property, plant and equipment and intangible assets decreased by CHF 13.3m
  - Non-current assets included depreciation of CHF 6.8m and amortization of CHF 5.3m (including CHF 4.0m from purchase price allocation of YXLO and Feinfocus)
  - Negative translation effects from strong Swiss franc totaled CHF 8.1m
  - Cash capital expenditures as a mixture of replacement, capacity increases and SAP investments totaled CHF 4.9m. Reclassification of CHF 2.2m for demo equipment from inventory
  - Pension assets increased to CHF 2.3m (prior year: CHF 2.1m)
  - The recognized deferred tax assets decreased to CHF 0.3m (prior year: CHF 0.7m)

Repayment of Debt and strong Equity Ratio

Current liabilities decreased by CHF 3.6m, mainly driven by:
- Decrease in share of current interest-bearing debt
- Increase in accounts trade payable and income tax payable
- Increase in accrued expenses (bonus, vacation and overtime credits)

Non-current liabilities fell sharply by CHF 10.6m, mainly due to:
- Repayment of interest-bearing debt
- Lower employee benefit plan liabilities
- Lower deferred tax liabilities in Systems division (from PPA) and lower provisions

Increase in equity ratio to 52.0%:
- Net income of CHF 7.5m for the FY 2010
- Share-based payments of CHF 1.1m
- Dividend payment of CHF 0.50 per share totaling CHF -0.4m
- Currency translation adjustments CHF -8.8m
**Strong Improvement in net Debt; Increase in Equity Ratio**

![Graph showing net debt vs. equity from December 31, 2008 to December 31, 2010.]

- **Results FY 2010**

**Proposal to pay out of “Reserves from Capital Contributions”**

![Graph showing CHF amounts for years 2006 to 2010.]

*The Board of Directors will propose to distribute CHF 3.50 per share as a tax-exempt repayment out of the reserve of capital contributions (Kapitaleinlageausschüttung).*
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We expect in general positive market economics but with different dynamics

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<tr>
<td>Electronics</td>
<td></td>
</tr>
</tbody>
</table>

e-beam

- Food&Pharma packaging sterilization

Plasma excitation

- Chips
- Flat panels
- Thin film solar

Net sales

2009 2010
Outlook 2011

Events in Japan: Our Evaluation

- Highest uncertainty in electronic market
- Solar market will receive further boost
- Otherwise minor impact on other markets of the COMET Group expected
- 8% of Group net sales earned in Japan - subsidiary in Japan not directly affected (occasional production stops due to electricity shortage)
- Few Japanese key suppliers – currently no supply bottlenecks expected

Outlook 2011

COMET 2011: Single digit Sales Growth expected

Continued implementation of our strategy:

**Top line growth**
- Organic growth as market leaders in all 3 business segments
- Investment in fast-expanding markets in Asia
- Forward integration of core components into subsystems
- Expansion of market shares in growing segments

**Margin Improvement**
- Focus on attractive applications with leadership position
- Roll-out of innovative products
- Expansion of service business
- Further efficiency improvement
## COMET 2011: Single digit Sales Growth expected

<table>
<thead>
<tr>
<th>COMET Group</th>
<th>Key Themes 2011</th>
<th>Outlook</th>
<th>Net Sales vs. 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vacuum Capacitors</strong></td>
<td>• Introduce new Capacitor Generation for Semi Applications</td>
<td></td>
<td>up to 7%</td>
</tr>
<tr>
<td></td>
<td>• Expand customer base in Asia in all Markets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Establish RF Generator design and manufacturing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Enhance Engineering and Applications competencies in Shanghai</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Industrial X-Ray</strong></td>
<td>• New products (high/low energy, vario focus)</td>
<td></td>
<td>up to 10%</td>
</tr>
<tr>
<td></td>
<td>• Design to cost of existing generator product line</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Validation of e-beam emitters in field tests and start of production</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>X-Ray Systems</strong></td>
<td>• Focus on timely adjustment of capacities &amp; efficiency increase to rising demand / back-log realization</td>
<td></td>
<td>up to 4%</td>
</tr>
<tr>
<td></td>
<td>• Expand sales in CT and establish position in film replacement market</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Software remains top priority</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Expansion of Service Business world-wide with dedicated products &amp; services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Outlook

Assuming there are no major disruptions in our markets:

- Mid term guidance confirmed (net sales of about CHF 300m, EBITDA margin of about 15% by 2013)
- Single digit growth for the year 2011
- Further improvements in operating margins
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Disclaimer

This document contains forward-looking statements about COMET that may be subject to uncertainty and risk. Readers should therefore be aware that such statements may deviate from actual future outcomes or events. Forward-looking statements in this document are projections of possible future developments. All forward-looking statements are made on the basis of data available to COMET at the time of preparation of this document. COMET assumes no obligation whatsoever to update or revise forward-looking statements in this document, whether as a result of new information, future events or otherwise.
Thank you for your attention.