

A PASSION FOR PERFECTION

PFEIFFER  VACUUM

Future

Half Year Financial Report

SECOND QUARTER 2014

Half Year Financial Report / Second Quarter 2014

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Key Figures

		Q2 2014	Q2 2013	Change	Q1-Q2 2014	Q1-Q2 2013	Change
Sales and profit							
Total sales	K€	99,597	99,988	-0.4%	198,147	199,953	-0.9%
Germany	K€	16,914	18,226	-7.2%	36,519	38,380	-4.8%
Other countries	K€	82,683	81,762	1.1%	161,628	161,573	0.0%
Operating profit	K€	10,381	10,187	1.9%	20,585	21,308	-3.4%
EBIT margin	%	10.4	10.2	0.2Pp	10.4	10.7	-0.3Pp
Net income	K€	7,060	6,899	2.3%	13,922	14,429	-3.5%
Return on sales	%	7.1	6.9	0.2Pp	7.0	7.2	-0.2Pp
Operating cash flow	K€	12,452	12,141	2.6%	15,059	17,037	-11.6%
Capital expenditures	K€	2,211	2,461	-10.2%	4,531	3,537	28.1%
Earnings per share	€	0.72	0.70	2.9%	1.41	1.46	-3.4%
Workforce							
Workforce (average)		2,249	2,203	2.1%	2,254	2,213	1.9%
Germany		842	808	4.2%	841	810	3.8%
Other countries		1,407	1,395	0.9%	1,413	1,403	0.7%
Sales per employee	K€	44	45	-2.2%	88	90	-2.2%
Balance sheet							
			June 30, 2014		December 31, 2013		Change
Balance sheet total	K€		415,484		430,537		-3.5%
Cash and cash equivalents	K€		78,342		95,129		-17.6%
Number of shares issued			9,867,659		9,867,659		0.0%
Shareholders' equity	K€		260,589		276,010		-5.6%
Equity ratio	%		62.7		64.1		-1.4Pp

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This half year 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 Half Year Financial Report as of June 30, 2014, is unaudited.

The Company

Pfeiffer Vacuum – a name that stands for innovative solutions, high technology and dependable products, along with first class service. For more than 120 years, we have been setting standards in vacuum technology with these attributes. One very special milestone was the invention of the turbopump at our Company more than 50 years ago. Thanks to our know-how, we continue to be the technology and world market leader in this field. To no small degree, this also manifests itself in our strong profitability.

Our extensive line of solutions, products and services ranges from vacuum pumps, measurement and analysis equipment right through to complex vacuum systems. And quality always plays a key role in this connection: Products from Pfeiffer Vacuum are being constantly optimized through close collaboration with customers from a wide variety of industries, through ongoing development work and through the enormous enthusiasm and commitment of our people. These are virtues that we will continue to embrace!

Pfeiffer Vacuum

Headquarters	Asslar
Established	1890
Purpose of the Company	To develop, manufacture and market components and systems for vacuum generation, measurement and analysis
Manufacturing sites	Asslar, Germany; Göttingen, Germany; Annecy, France; Asan, Republic of Korea; Cluj, Romania
Workforce (June 30, 2014)	2,249
Sales and service	20 subsidiaries and a multitude of agencies worldwide
Quality management	Certified under ISO 9001
Environmental management	Certified under ISO 14001
Stock exchange listing	Deutsche Börse, Prime Standard/TecDAX
Accounting	IFRS

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For more information please visit www.pfeiffer-vacuum.com.

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 June 30, 2014	100 %
Market capitalization as at June 30, 2014	€ 794.6 million

On January 2, 2014, the opening share price of Pfeiffer Vacuum shares was € 98.43 and the closing share price was € 80.53 on June 30, 2014. This represents a decrease by 18.2 %. On February 1, 2014 the high for the first half year 2014 was reached with € 102.05. The low for the first six months in 2014 was € 76.80 on May 23, 2014, the day after the Annual General Meeting (AGM) and thus reflected the dividend deduction. In the same period the TecDAX, starting at 1,167 points on January 2, 2014 and closing at 1,309 points on June 30, 2014, increased by 12.2 %.

As a still strong dividend issuer in the TecDAX, Pfeiffer Vacuum distributed repeatedly an above average high dividend to its shareholders in 2014. At the Annual General Meeting on May 22, 2014, a vast majority of shareholders followed the common proposal of Management and Supervisory Board and resolved a dividend of € 2.65 for the fiscal year 2013. Thus, the payout ratio of around 75 % of consolidated net income was kept constant. A total of € 26.1 million was paid to the shareholders.

Unchanged compared to December 31, 2013, the free-float is 100 %. This free-float is also the basis for the calculation of market capitalization as at June 30, 2014.

Interim Management Report

Based on a total demand unchanged compared to the first quarter of 2014, sales revenues were at € 99.6 million in Q2 2014 (Q1 2014: € 98.5 million), and accordingly totaled € 198.1 million for the first six months of 2014. Following € 200.0 million in the first half of 2013, this represents a decrease by € 1.9 million, or 0.9 %, respectively. A slight improvement in the demand from the semiconductor industry was partly compensated by a declining development in the analytical industry. This had an impact on the product mix and thus on the gross margin, particularly in Q2 2014. Compared to the first half year 2013 selling and marketing expenses, general and administrative expenses as well as R & D expenses were roughly on the same level. Also with regard to the first quarter 2014 there were no noteworthy changes. An improved foreign exchange result in the first six months of 2014 largely compensated the burden in gross margin. This resulted in an operating profit of € 20.6 million (2013: € 21.3 million). This corresponded to an EBIT margin of 10.4 % (2013: 10.7 %) also represented a small increase in comparison to the first quarter of 2014 where an EBIT margin of 10.3 % was achieved. Financial result totaled € -0.3 million and was therefore flat to prior year (€ -0.2 million). With regard to the tax ratio there were no material changes. In total, net income was slightly below the prior year level. After € 14.4 million a total of € 13.9 million was currently recorded. This led to earnings per share of € 1.41 (H1/2013: € 1.46).

Overall Economic Environment and Industry Situation

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Overall economic environment in the first half year 2014 largely developed without noteworthy changes compared to the close of fiscal 2013. For the time being worldwide economy does not show any considerable momentum. Economy in the former growth driver China is slowing down slightly. Accordingly demand in the vacuum industry is mostly unchanged compared to 2013. In contrast, semi business showed first signs of the expected improvement in the second half of 2014, while our analytical customers again acted rather observantly.

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.

Sales

Presented below are net sales by segment, by region, by product and by market for the periods ended June 30, 2014 and 2013.

Interim Management Report

Sales by Segment (Companies)

Pfeiffer Vacuum's subsidiaries in the individual countries are independent legal entities with their own management which distribute the products and provide services. Accordingly, we identify our operating segments geographically. Due to the similarity of their economic characteristics, including nature of products sold, type of customers, methods of product distribution and economic environment, the Company basically aggregates its European and Asian subsidiaries into one reporting segment, "Europe (without Germany, France)" and "Asia (without Republic of Korea)". In contrast, the companies in France and the Republic of Korea were each presented separately as an individual segment. This was caused by the different functions of the French entities, including research and development as well as production, and the production function of the Korean entities, respectively.

Sales by Segment

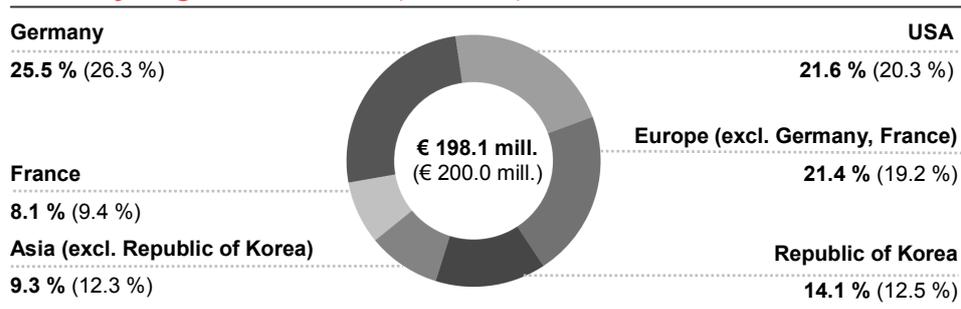
	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
	in K€	in K€	in K€	in K€
Germany	23,463	25,011	50,483	52,551
USA	23,030	19,717	42,704	40,546
Europe (without Germany, France)	21,127	19,079	42,359	38,456
Republic of Korea	14,810	13,573	28,031	24,998
Asia (without Republic of Korea)	10,061	13,655	18,514	24,518
France	7,106	8,953	16,056	18,884
Total	99,597	99,988	198,147	199,953

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Development of sales by segment in total showed a very heterogeneous picture. Sales in the US, in Europe (excluding Germany and France) and in the Republic of Korea developed satisfactory. Driver in the US and in Korea was mainly the semiconductor industry. In addition, sales development in the US was adversely impacted by € 1.8 million due to foreign exchange rate changes. In contrast, the entities in Germany, France and in Asia (excluding Republic of Korea) partly incurred above average sales decreases. The reasons for this development were widely spread.

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

Sales by Segment H1/2014 (H1/2013)



Interim Management Report

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.

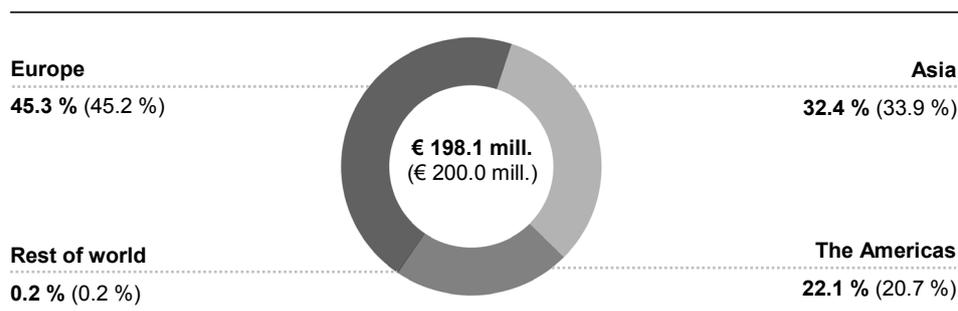
Sales by Region

	Three months ended June 30,		Six months ended June 30,	
	2014 in K€	2013 in K€	2014 in K€	2013 in K€
Europe	43,186	43,473	89,798	90,389
Asia	32,425	36,391	64,171	67,757
The Americas	23,805	19,969	43,805	41,482
Rest of world	181	155	373	325
Total	99,597	99,988	198,147	199,953

The table above shows that the Europe region with a sales decrease by only € 0.6 million was mainly on the 2013 first half year's level. The positive development in the US already presented in the sales by segment analysis was also noticeable in the sales in the Americas region. Development in Asia was not satisfactory. A really positive trend in the Republic of Korea was more than compensated by the development in other Asian regions, particularly in Taiwan and China.

The following graphic shows the still balanced split of sales by region with a slight increase in the Americas.

Sales by Region H1/2014 (H1/2013)



Interim Management Report

Sales by Products

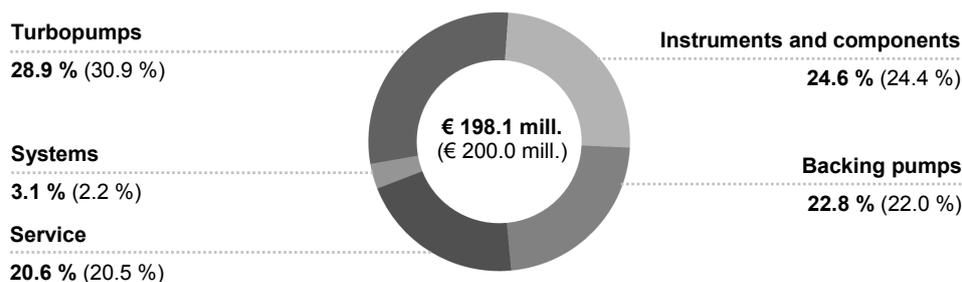
Sales by Products

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
	in K€	in K€	in K€	in K€
Turbopumps	26,142	30,082	57,267	61,863
Instruments and components	24,662	24,737	48,776	48,793
Backing pumps	24,094	22,049	45,076	43,912
Service	20,362	20,232	40,811	40,904
Systems	4,337	2,888	6,217	4,481
Total	99,597	99,988	198,147	199,953

The development of sales by product showed a very heterogeneous picture. While service sales as well as instruments and components sales were virtually on the previous year's levels, particularly turbopumps sales declined (€ 4.6 million), with this being mainly attributable to the development in Q2 (decline here € 3.9 million). In contrast systems sales increased by € 1.7 million and backing pumps sales increased by € 1.2 million, respectively. Both developments were mainly caused by the increasing demand in the semiconductor industry.

The relative split of sales by products was still well balanced with no single product being overweight.

Sales by Products H1/2014 (H1/2013)



Interim Management Report

Sales by Market

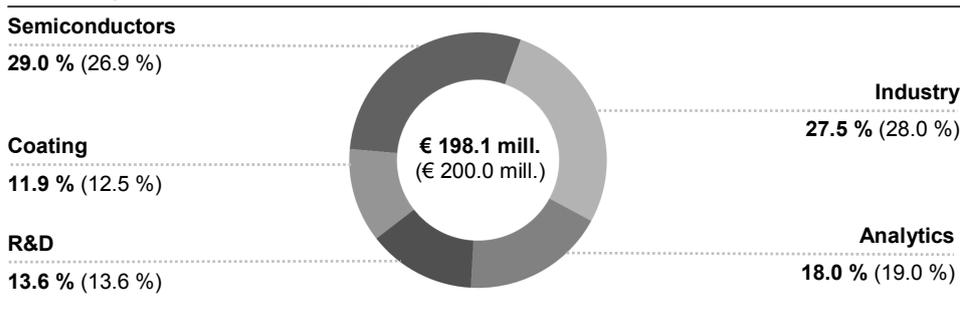
Sales by Market

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
	in K€	in K€	in K€	in K€
Semiconductors	29,285	27,889	57,578	53,900
Industry	27,354	28,315	54,433	55,981
Analytics	16,926	18,125	35,573	38,006
R & D	14,786	13,489	27,057	27,136
Coating	11,246	12,170	23,506	24,930
Total	99,597	99,988	198,147	199,953

The semiconductor market showed the first signs of the anticipated pick-up. Sales in this market segment in the first six months of 2014 improved from € 53.9 million to € 57.6 million, representing an increase by € 3.7 million. The R & D market segment showed rather constant while industry and coating segments saw slight sales decreases by € 1.5 million, and € 1.4 million, respectively. In the first half year of 2014 the analytical market recorded a sales decrease by € 2.4 million and thus the highest change in absolute numbers.

The sales split by markets was as follows:

Sales by Market H1/2014 (H1/2013)



Interim Management Report

Order Intake and Order Backlog

Following an order intake of € 205.6 million in the first six months of 2013 this number stood at € 195.9 million in the first half of 2014. A slight pick-up in the semiconductor market was more than compensated by a decrease in analytics. In the second quarter order intake of € 95.2 million saw a somewhat weaker trend compared to the immediately preceding first quarter (€ 100.7 million). The book to bill ratio, the ratio between new orders and sales, was 0.96 (Q2/2013: 1.02), meaning that sales were higher than order intake. On a year to date basis, the book to bill ratio was 0.99 on June 30, 2014 (1.03 for the first half year of 2013).

Order backlog decreased from € 61.1 million at the end of December 2013 to € 58.8 million as at June 30, 2014. Resulting from the book to bill ratio less 1 this order backlog was also lower compared to March 31, 2014 (€ 63.1 million).

Orders are only recorded in order backlog when they are based upon binding contracts. The value of orders on hand should not be used to predict future sales and order volumes.

Cost of Sales, Gross Profit and Gross Margin

In the first six months of 2014 cost of sales totaled € 127.9 million and thus were slightly above the amount of € 127.7 million in the comparable prior year period. Accounting for € 70.3 million, gross profit was € 2.0 million below previous year's number (€ 72.3 million). This development was caused by decreasing sales. Additionally gross profit and gross margin were also impacted by the product mix. The gross margin decreased and stood – after 36.2 % in the first half year 2013 – at 35.5 %. The effects from the change in product mix particularly impacted the second quarter of the current fiscal year. Here a gross margin of 34.5 % was recorded, compared to 36.7 % in Q 2 2013.

Selling and Marketing Expenses

With € 25.5 million, selling and marketing expenses of the first six months of the current fiscal year were down € 0.2 million from the comparable number in the previous fiscal year (€ 25.7 million). However, relative to sales, selling and marketing expenses remained at previous year's level (12.9 %).

General and Administrative Expenses

General and administrative expenses decreased from € 15.5 million in the first two quarters of 2013 to € 15.3 million in the current fiscal year. Relative to sales, this ratio declined slightly from 7.8 % to 7.7 %.

Interim Management Report

Research and Development Expenses

With € 11.8 million in the first half of 2014, research and development expenses were up € 0.6 million from the prior year's level of € 11.2 million. Accordingly, R&D ratio, the ratio between R & D expenses and sales, increased from 5.6 % to 6.0 %.

We will maintain the expenses allocated for research and development at a high level and invest in order to be able to sustain our position on the world market, to expand market shares and to open up new markets. All expenditures for research and development are expensed as they are incurred.

Other Operating Income/Other Operating Expenses

Balance of other operating income and expenses totaled € +2.9 million in the first two quarters of 2014 after a net gain of € 1.4 million was recorded in the prior year period. The amounts in 2014 included predominantly expense subsidies affecting net income of € 1.5 million (2013: € 2.0 million) and net foreign exchange gains of € 1.4 million (2013: net foreign exchange losses of € 0.6 million).

Operating Profit

Following € 21.3 million in the first half of 2013, operating profit in the first six months of 2014 decreased by € 0.7 million to € 20.6 million. The EBIT margin, the ratio between operating profit and sales, dropped slightly from 10.7 % in the first six months of 2013 to 10.4 % in the first half 2014. Given slightly decreased sales with marginally lower gross margin and a virtually unchanged remaining cost structure this development was mainly achieved due to positive foreign exchange results.

Financial Results

With € -0.3 million in the first half year 2014 net financial result was approximately on the prior year's level (€ -0.2 million). There were no significant changes in the composition of the financial results.

Income Taxes

With 31.5 % in the first half year 2014 the tax rate was on the prior year's level. There were no major changes also in the second quarter.

Interim Management Report

Net income / Earnings per share

Totalling € 13.9 million net income for the first half year of 2014 was down by € 0.5 million from the prior year results of € 14.4 million. Return on sales (after taxes) stood – after 7.2 % in 2013 – at 7.0 % in the first two quarters of 2014. Earnings per share developed parallel to net income. After € 1.46 in the first half year of 2013 an amount of € 1.41 was recorded for the current fiscal year. This represents a slight decrease by € 0.05.

Financial Position

Pfeiffer Vacuum's balance sheet total decreased by € 15.0 million, or 3.5 %, from € 430.5 million as at December 31, 2013, to € 415.5 million, as at June 30, 2014. On the assets side of the balance sheet, this was predominantly attributable to the decrease by € 16.8 million in cash and cash equivalents. This was mainly due to the dividend payment to the Pfeiffer Vacuum Technology AG shareholders following the Annual Shareholders' Meeting in May 2014 (€ 26.1 million). For further details with regard to the development of cash and cash equivalents please refer to the following section "Cash Flow". Other material changes related to tangible and intangible assets (decline by € 4.7 million in total, resulting mainly from scheduled depreciation and amortization) and other accounts receivable (decline by € 2.7 million). In contrast, inventory increased by € 6.3 million.

As at June 30, 2014, shareholders' equity totaled € 260.6 million. This represents a decrease of € 15.4 million from the level on December 31, 2013 (€ 276.0 million). This development was mainly due to the net income recorded for the first half year of 2014 (€ 13.9 million) and contrary to the dividend payment of € 26.1 million. In addition other equity components saw a net decrease by € 3.2 million. This was attributable to positive exchange rate impacts totaling € 1.2 million which were more than offset by pensions related revaluation impacts recorded directly in equity (€ -4.4 million). The equity ratio was 62.7 % after 64.1 % at the end of fiscal 2013 and accordingly is still above average. Other material line items related to the long and short-term financial liabilities of € 41.4 million in total (€ 41.5 million end of 2013) and provisions for pensions of € 35.8 million (€ 27.9 million as per December 31, 2013). The increase in pension provisions was mainly caused by a revaluation following another decrease in discount rates and did not impact profitability. Trade accounts payable (€ 21.2 million) decreased by € 2.2 million compared to prior year's level of € 23.4 million.

Interim Management Report

Cash Flow

Totalling € 15.1 million in the first half 2014, operating cash flow was down by € 1.9 million from the comparable prior year period (€ 17.0 million). Primarily the increase in inventories burdened operating cash flow in the current reporting period while there were no significant effects in this regard in 2013. On the other hand the development of receivables and other assets had a positive impact on the operating cash flow with € 2.2 million (2013: negative impact of € 5.4 million).

As in the prior year period capital expenditures were the major determinant for the cash flow from investing activities in 2014 (€ 4.5 million and € 3.5 million, respectively).

Net cash used in financing activities in the current fiscal year totaled € 26.4 million (2013: € 34.4 million). The dividend payment to the Pfeiffer Vacuum Technology AG shareholders caused the main cash outflow of € 26.1 million (2013: € 34.0 million). In addition there were small changes in the financial liabilities.

Considering exchange rate impacts, total cash outflow thus amounted to € 16.8 million (2013: € 20.1 million) and resulted in a decrease in cash and cash equivalents by 17.6 % to € 78.3 million.

Workforce

As of June 30, 2014, the company employed a workforce of 2,249 people, 842 of them in Germany and 1,407 in other countries.

Workforce

	Germany		Other countries		Total	
	June 30,					
	2014	2013	2014	2013	2014	2013
Manufacturing and Service	473	457	853	840	1,326	1,297
Research and Development	86	82	86	83	172	165
Sales and Marketing	190	184	334	335	524	519
Administration	93	85	134	137	227	222
Total	842	808	1,407	1,395	2,249	2,203

Interim Management Report

Risk and Opportunities Report

During the first six months of the 2014 fiscal year, there were no changes in the risks and opportunities as described in our Annual Report (Geschäftsbericht) for the year ended December 31, 2013. The Annual Report is available on our homepage at www.pfeiffer-vacuum.com.

Mayor Events in Fiscal 2014

After the end of the first half year 2014, there has not been any significant change in the industry environment or in the Company's position.

Outlook

Concerning our full-year result for 2014, the cyclical nature continues to make it difficult to give a precise forecast. Management continues to expect full-year sales in a range between € 410 and € 440 million. This is expected to coincide with an improvement of the EBIT margin

Consolidated Interim Financial Statements

Consolidated Statements of Income (unaudited)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
	in K€	in K€	in K€	in K€
Net sales	99,597	99,988	198,147	199,953
Cost of sales	-65,255	-63,300	-127,881	-127,655
Gross profit	34,342	36,688	70,266	72,298
Selling and marketing expenses	-12,765	-13,022	-25,515	-25,734
General and administrative expenses	-7,706	-7,655	-15,272	-15,517
Research and development expenses	-5,864	-5,598	-11,828	-11,177
Other operating income	2,400	709	3,951	4,299
Other operating expenses	-26	-935	-1,017	-2,861
Operating profit	10,381	10,187	20,585	21,308
Financial expenses	-260	-272	-513	-564
Financial income	186	161	252	320
Earnings before taxes	10,307	10,076	20,324	21,064
Income taxes	-3,247	-3,177	-6,402	-6,635
Net income	7,060	6,899	13,922	14,429
Earnings per share (in €):				
Basic	0.72	0.70	1.41	1.46
Diluted	0.72	0.70	1.41	1.46

See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Statements of Comprehensive Income (unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2014 in K€	2013 in K€	2014 in K€	2013 in K€
Net income	7,060	6,899	13,922	14,429
Other comprehensive income				
Amounts to be reclassified to income statement in future periods (if applicable)				
Currency changes	1,597	-1,668	1,234	-978
Results from cash flow hedges	-	46	-	-157
Deferred income tax effect on items to be reclassified to income statement	-	-14	-	44
	1,597	-1,636	1,234	-1,091
Amounts not to be reclassified to income statement in future periods				
Valuation of defined benefit plans	-6,225	61	-6,219	27
Deferred income tax effect on items not to be reclassified to income statement	1,792	-19	1,791	-3
	-4,433	42	-4,428	24
Other comprehensive income net of tax	-2,836	-1,594	-3,194	-1,067
Total comprehensive income net of tax	4,224	5,305	10,728	13,362

See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Balance Sheets (unaudited)

	June 30, 2014	December 31, 2013
	in K€	in K€
Assets		
Intangible assets	78,880	81,397
Property, plant and equipment	86,737	88,897
Investment properties	532	544
Shares in associated companies	1,600	1,600
Deferred tax assets	17,987	16,064
Other non-current assets	4,747	4,027
Total non-current assets	190,483	192,529
Inventories	76,226	69,975
Trade accounts receivable	52,021	54,128
Income tax receivables	7,824	5,909
Other accounts receivable	8,429	11,153
Prepaid expenses	2,159	1,714
Cash and cash equivalents	78,342	95,129
Total current assets	225,001	238,008
Total assets	415,484	430,537
Shareholders' equity and liabilities		
Share capital	25,261	25,261
Additional paid-in capital	96,245	96,245
Retained earnings	161,704	173,931
Other equity components	-22,621	-19,427
Total equity	260,589	276,010
Financial liabilities	41,053	40,945
Provisions for pensions	35,762	27,941
Deferred tax liabilities	10,210	10,690
Total non-current liabilities	87,025	79,576
Trade accounts payable	21,166	23,362
Other accounts payable	20,241	18,785
Provisions	20,287	23,519
Income tax liabilities	2,683	3,254
Customer deposits	3,182	5,481
Financial liabilities	311	550
Total current liabilities	67,870	74,951
Total shareholders' equity and liabilities	415,484	430,537

See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Statements of Shareholders' Equity (unaudited)

	Equity of Pfeiffer Vacuum Technology AG Shareholders				
	Share Capital in K€	Additional Paid-in Capital in K€	Retained Earnings in K€	Other Equity Components in K€	Total Equity in K€
Balance on Jan. 01, 2013	25,261	96,245	173,159	-17,682	276,983
Net income	-	-	14,429	-	14,429
Other comprehensive income	-	-	-	-1,067	-1,067
Total comprehensive income	-	-	14,429	-1,067	13,362
Dividend payment	-	-	-34,043	-	-34,043
Balance on June 30, 2013	25,261	96,245	153,545	-18,749	256,302
Balance on Jan. 01, 2014	25,261	96,245	173,931	-19,427	276,010
Net income	-	-	13,922	-	13,922
Other comprehensive income	-	-	-	-3,194	-3,194
Total comprehensive income	-	-	13,922	-3,194	10,728
Dividend payment	-	-	-26,149	-	-26,149
Balance on June 30, 2014	25,261	96,245	161,704	-22,621	260,589

See accompanying notes to the interim financial statements.

Consolidated Interim Financial Statements

Consolidated Statements of Cash Flows (unaudited)

	Six months ended June 30,	
	2014	2013
	in K€	in K€
Cash flow from operating activities:		
Net income	13,922	14,429
Depreciation/amortization	10,151	10,128
Other non-cash income/expenses	1,666	721
Effects of changes of assets and liabilities:		
Inventories	-7,231	994
Receivables and other assets	2,213	-5,396
Provisions, including pensions, and income tax liabilities	-2,401	-1,351
Payables, other liabilities	-3,261	-2,488
Net cash provided by operating activities	15,059	17,037
Cash flow from investing activities:		
Capital expenditures	-4,531	-3,537
Proceeds from disposals of fixed assets	54	84
Net cash used in investing activities	-4,477	-3,453
Cash flow from financing activities:		
Dividend payment	-26,149	-34,043
Redemptions of financial liabilities	-236	-328
Net cash used in financing activities	-26,385	-34,371
Effects of foreign exchange rate changes on cash and cash equivalents	-984	720
Net decrease in cash and cash equivalents	-16,787	-20,067
Cash and cash equivalents at beginning of period	95,129	102,006
Cash and cash equivalents at end of period	78,342	81,939

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See accompanying notes to the interim financial statements.

Notes to the Consolidated Interim Financial Statements (unaudited)

1. The Company and Basis of Presentation

The parent company within the Pfeiffer Vacuum Group (“the Company” or “Pfeiffer Vacuum”) is Pfeiffer Vacuum Technology AG, domiciled at Berliner Strasse 43, 35614 Asslar, Germany. Pfeiffer Vacuum Technology AG is a stock corporation organized under German law and recorded in the Register of Companies at the Local Court of Wetzlar under Number HRB 44. The Company is listed on the Deutsche Börse Stock Exchange in Frankfurt am Main, Germany, where it is included in the TecDAX index.

Pfeiffer Vacuum is one of the leading full-line vacuum technology manufacturers, offering custom solutions for a wide range of needs in connection with the generation, control and measurement of vacuum. The product portfolio includes turbopumps, a range of backing pumps, such as rotary vane, Roots and dry pumps, complete pumping stations, as well as custom vacuum systems, vacuum chambers and components.

Pfeiffer Vacuum markets and distributes its products through its own network of sales companies and independent marketing agents. Moreover, there are service support centers in all major industrial locations throughout the world. The Company’s primary markets are located in Europe, the United States and Asia.

The Consolidated Financial Statements of Pfeiffer Vacuum Technology AG have been prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRS IC) as applicable in the European Union (EU). This includes the International Accounting Standards (IAS), which continue to retain their validity, the interpretations of the Standing Interpretations Committee (SIC) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

Pfeiffer Vacuum prepares its Consolidated Interim Report (“Interim Report”) in euros (€). Unless otherwise indicated, the presentation is in thousands of euros (K €).

2. Accounting and Valuation Methods

In preparing this interim report as of June 30, 2014, IAS 34 “Interim Financial Reporting” was applied. In doing so, the same accounting and valuation methods as in the Consolidated Financial Statements for the fiscal year ended December 31, 2013 were used. Please refer to the detailed description of these methods in the Notes to the Consolidated Financial Statements 2013, which are available in the internet at www.pfeiffer-vacuum.com.

Notes to the Consolidated Interim Financial Statements (unaudited)

3. Intangible Assets

Intangible assets consist of the following:

Intangible assets

	June 30, 2014	December 31, 2013
	in K€	in K€
Goodwill	53,644	53,404
Software	1,878	1,932
Other intangible assets	23,358	26,061
Total intangible assets	78,880	81,397

4. Property, Plant and Equipment

Property, plant and equipment comprise the following:

Property, Plant and Equipment

	June 30, 2014	December 31, 2013
	in K€	in K€
Land and buildings	42,068	43,233
Technical equipment and machinery	30,845	32,827
Other equipment, factory and office equipment	10,221	10,499
Construction in progress	3,603	2,338
Total property, plant and equipment	86,737	88,897

5. Inventories

Inventories consist of the following:

Inventories

	June 30, 2014	December 31, 2013
	in K€	in K€
Raw materials	31,501	29,743
Work-in-process	18,130	16,676
Finished products	26,595	23,556
Total inventories, net	76,226	69,975

Notes to the Consolidated Interim Financial Statements (unaudited)

6. Paid Dividends

At the Annual Shareholders' Meeting on May 22, 2014, the shareholders resolved a dividend of € 2.65 per share for the year 2013. Thus, a total of € 26,149,296.35 was paid to the shareholders.

7. Pension Benefits

Pension expense for all plans included the following components:

Pension Expense for All Plans

	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
	in K€	in K€	in K€	in K€
Service cost	749	785	1,494	1,573
Interest cost	232	227	465	454
Net pension cost	981	1,012	1,959	2,027

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8. Warranty

Warranty provisions developed as follows:

Warranty provisions

	Six months ended	
	June 30,	
	2014	2013
	in K€	in K€
Balance on January 1	12,136	15,081
Currency changes	235	-187
Additions	4,632	4,537
Utilization	-4,481	-4,033
Balance on June 30	12,522	15,398

Notes to the Consolidated Interim Financial Statements (unaudited)

9. Earnings per Share

The following table sets forth the computation of basic and diluted earnings per share:

Earnings per Share

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
Net income (in K€)	7,060	6,899	13,922	14,429
Weighted average number of shares	9,867,659	9,867,659	9,867,659	9,867,659
Number of conversion rights	-	-	-	-
Adjusted weighted average number of shares	9,867,659	9,867,659	9,867,659	9,867,659
Earnings per share in € (basic/diluted)	0.72	0.70	1.41	1.46

10. Segment Reporting

Segment Reporting June 30, 2014

	Germany in K€	France in K€	Europe (excl. G and F) in K€	USA In K€	Repub- lic of Korea in K€	Asia (excl. Korea) in K€	Other/ Consoli- dation in K€	Group in K€
Net sales	97,601	77,065	43,494	43,235	30,514	20,439	-114,201	198,147
Third party	50,483	16,056	42,359	42,704	28,031	18,514	-	198,147
Intercompany	47,118	61,009	1,135	531	2,483	1,925	-114,201	-
Operating profit	14,735	1,696	2,650	2,296	-2,335	1,381	162	20,585
Financial results	-	-	-	-	-	-	-261	-261
Earnings before taxes	14,735	1,696	2,650	2,296	-2,335	1,381	-99	20,324
Segment assets	122,548	120,430	33,322	51,038	50,430	37,716	-	415,484
Thereof assets according to IFRS 8.33 (b) ¹	53,826	70,321	4,976	9,615	20,021	12,137	-	170,896
Segment liabilities	78,853	51,861	6,976	3,730	9,410	4,065	-	154,895
Capital expenditures:								
Property, plant & equipment ²	1,042	875	298	533	132	1,514	-	4,394
Intangible assets	101	36	-	-	-	-	-	137
Depreciation ²	2,218	2,963	264	98	614	465	-	6,622
Amortization	320	2,102	96	293	463	255	-	3,529

¹ Non-current assets other than financial instruments, deferred tax assets and prepaid pension cost

² Including investment properties

Segment Reporting June 30, 2013

	Germany	France	Europe (excl. G and F)	USA	Repu- blic of Korea	Asia (excl. Korea)	Other/ Consoli- dation	Group
	in K€	in K€	in K€	in K€	in K€	in K€	in K€	in K€
Net sales	102,039	68,384	39,701	41,029	27,103	26,881	-105,184	199,953
Third party	52,551	18,884	38,456	40,546	24,998	24,518	-	199,953
Intercompany	49,488	49,500	1,245	483	2,105	2,363	-105,184	-
Operating profit	19,021	233	2,067	1,114	-1,098	1,627	-1,656	21,308
Financial results	-	-	-	-	-	-	-244	-244
Earnings before taxes	19,021	233	2,067	1,114	-1,098	1,627	-1,900	21,064
Segment assets	120,938	130,301	34,494	47,425	51,214	41,106	-	425,478
Thereof assets according to IFRS 8.33 (b) ¹	56,095	76,860	4,916	9,840	19,820	11,798	-	179,329
Segment liabilities	83,562	57,221	7,376	5,209	11,549	4,259	-	169,176
Capital expenditures:								
Property, plant & equipment ²	2,098	861	113	21	29	102	-	3,224
Intangible assets	275	29	9	-	-	-	-	313
Depreciation ²	2,161	2,941	233	120	598	563	-	6,616
Amortization	275	2,092	96	332	462	255	-	3,512

¹ Non-current assets other than financial instruments, deferred tax assets and prepaid pension cost

² Including investment properties

11. Income Tax Expense

Under German corporate tax law, taxes on income are composed of corporate taxes, trade taxes and an additional surtax.

The Company's effective tax rate was 31.5 % for the first six months of 2014 and for the second quarter, respectively.

12. Independent Auditor

At the Annual General Meeting on May 22, 2014, the Supervisory Board proposed and the Shareholders elected Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Eschborn, Germany, as the independent auditor of both the accounts of the Company and the consolidated accounts for the 2014 fiscal year.

Notes to the Consolidated Interim Financial Statements (unaudited)

13. Major Related Party Transactions

Besides the transactions between the subsidiaries that are eliminated during the consolidation process and regular compensation of Management and Supervisory Board members there were no related party transactions in the first half of 2014.

Asslar, August 4, 2014

Pfeiffer Vacuum Technology AG

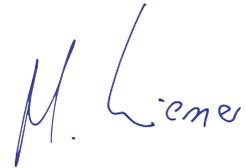
Management Board



Manfred Bender



Nathalie Benedikt



Dr. Matthias Wiemer

Certification of the Legal Representatives

We hereby certify that, to the best of our knowledge and in accordance with the principles of due group interim reporting, the Consolidated Interim Financial Statements provide a true and fair view of the Group's net worth, financial position and results of operations, that the Consolidated Interim Management Report presents the course of business, including the results of operations and the Group's position, such as to provide a true and fair view and that the major opportunities and risks relating to the anticipated development of the Group in the remaining financial year are described.

Asslar, August 4, 2014

Pfeiffer Vacuum Technology AG

Management Board

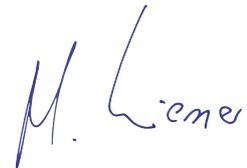
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Manfred Bender



Nathalie Benedikt



Dr. Matthias Wiemer

Additional Information

Financial Calendar 2014

- 3rd Quarter 2014 (9-Months) Results
Tuesday, November 4, 2014

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*This version of the Half Year Financial Report is a translation of the German version.
Only the German version is binding.*