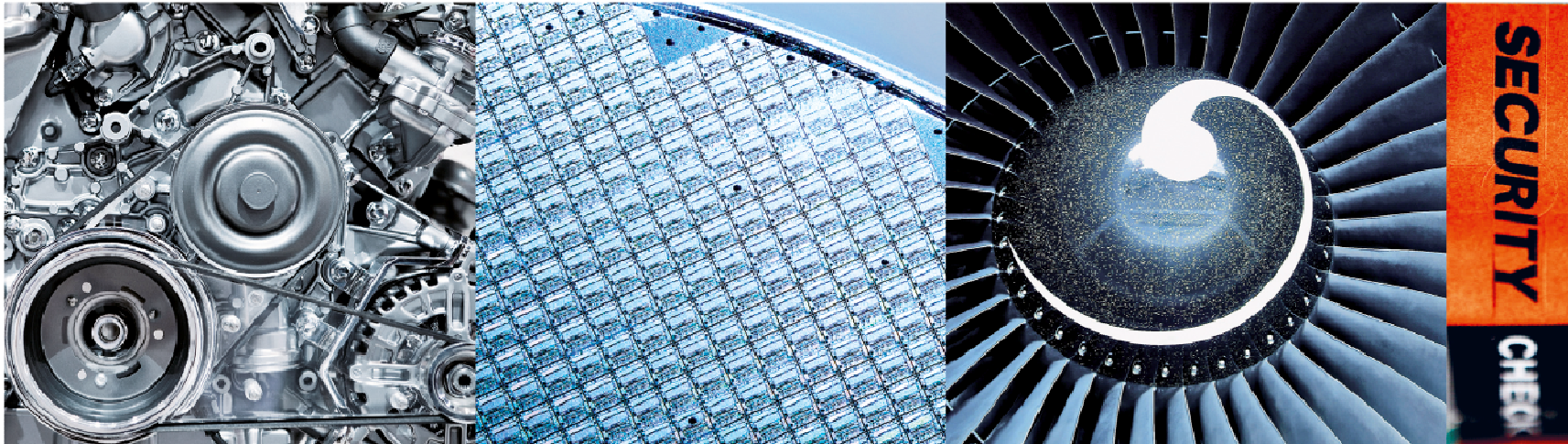

Zurich, 18 August 2011

Presentation of the Results for the First Half of 2011



Ronald Fehlmann, CEO
Markus Portmann, CFO

Agenda

- **Introduction to the COMET Group**
- **Review**
 - Operational Results HY1 2011
 - Financial Results HY1 2011
- **Acquisition of Stolberg HF-Technik AG**
- **Outlook 2011**
- **Questions & Answers**

HY 1 in brief

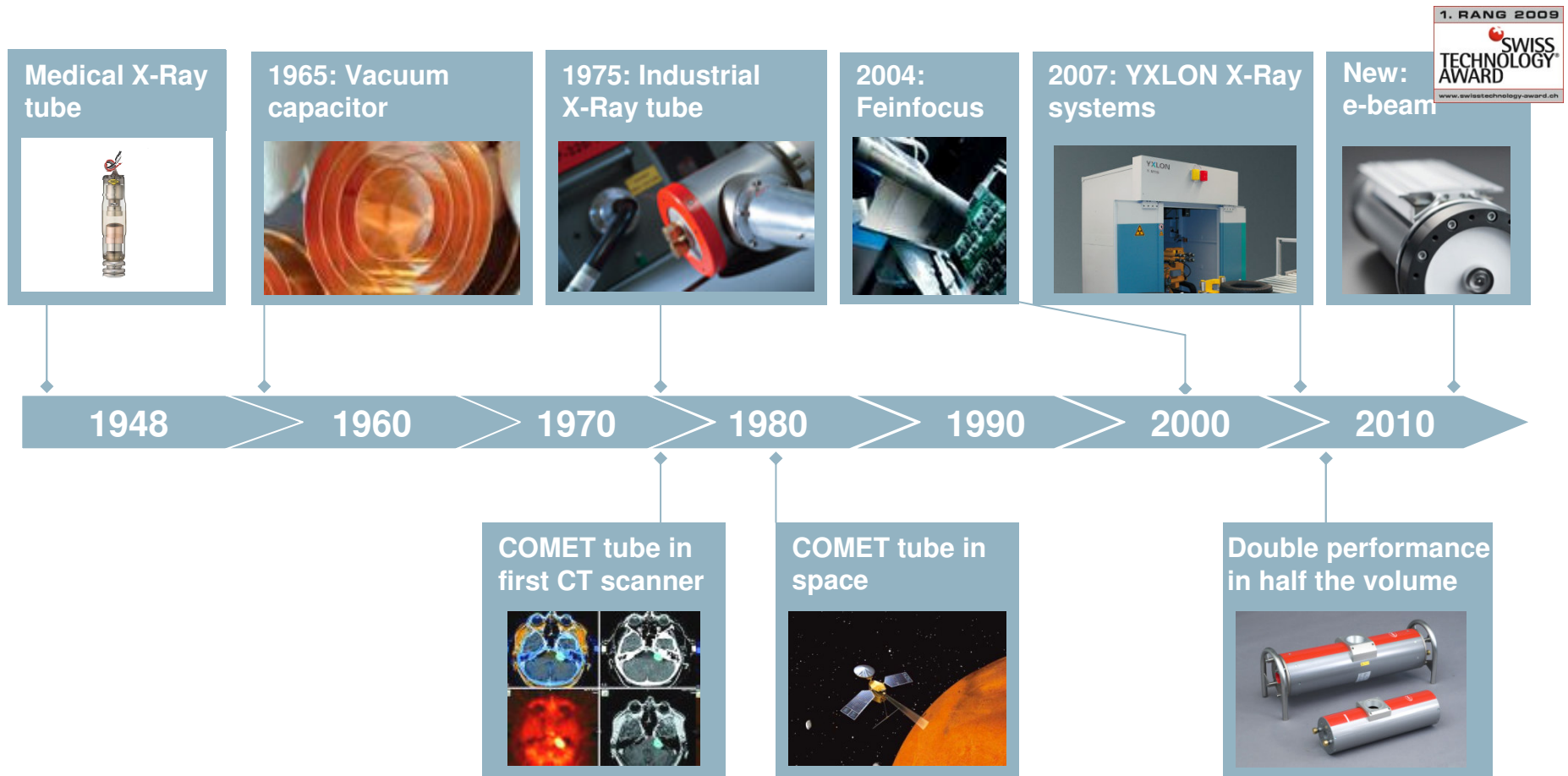
- 20% growth in sales (36% in currency-adjusted terms)
- Strong profitable growth in Systems division
- EBIT 50% higher at CHF 9.4 million
- Net income more than doubled at CHF 5.4 million

COMET Group – Key Facts



Employees	Ca. 700
Foundation	1948
Main locations	Flamatt (CH) Hamburg (DE)
Subsidiaries in	Germany Denmark China Japan USA
SIX Swiss Exchange	2002 (COTN)
Acquisitions	Philips Industrial X-ray (2002) Feinfocus (2004) YXLON (2007) Stolberg (2011)

Market leader through leading Core Technologies



Close Proximity to our Customers as Key Success Factor

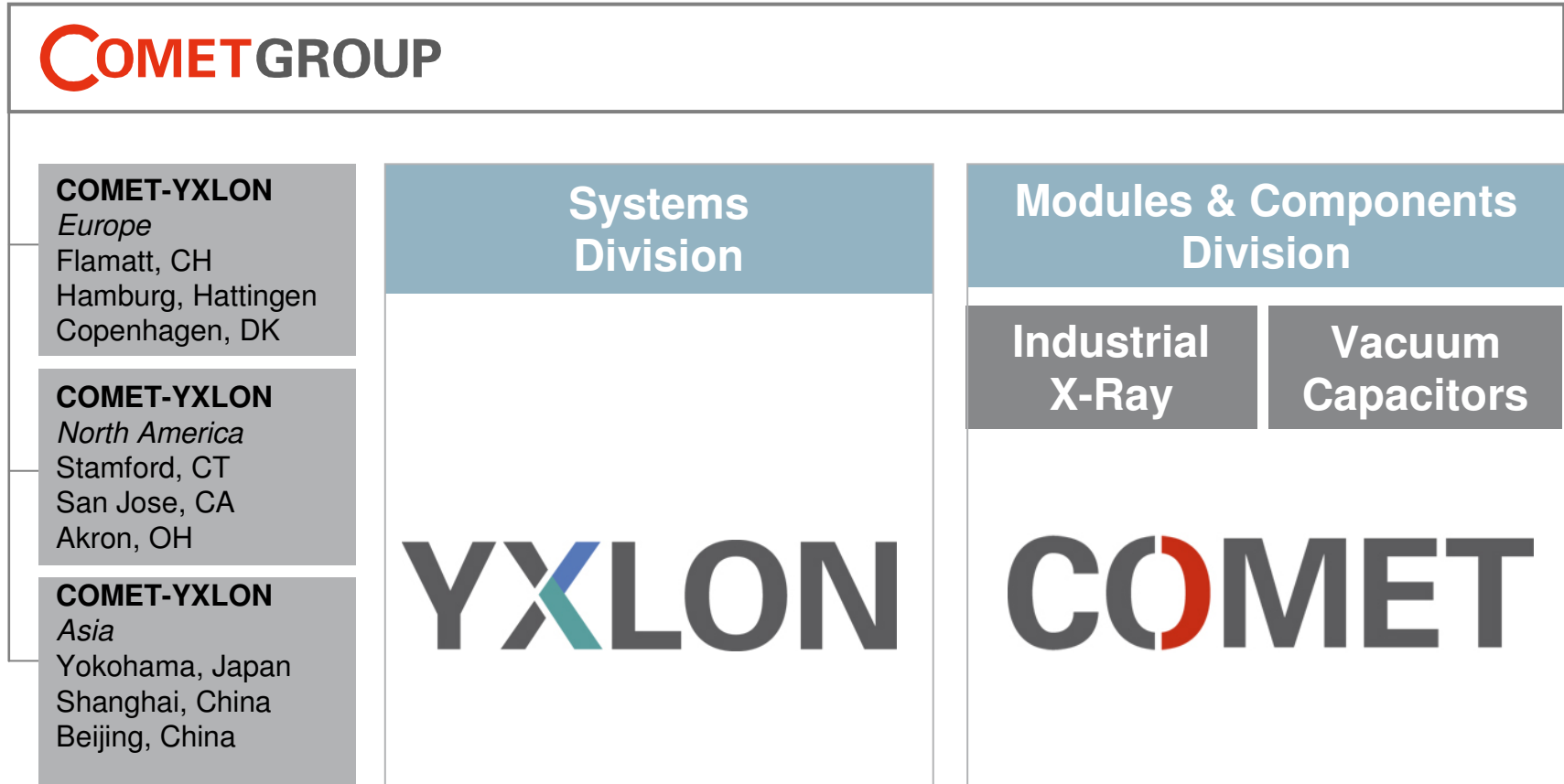


■ Main locations **■ Subsidiaries** **■ Sales & Service locations**

Differentiation through Excellence in serving our Customers



One Company – Two strong Brands



Products

Systems division

YXLON X-Ray Systems



End user business (NDT)

Modules & Components division

Industrial X-Ray

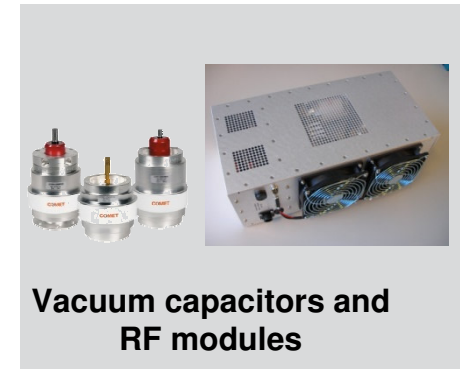


X-ray modules

e-beam

OEM customers

Vacuum Capacitors



Vacuum capacitors and
RF modules

OEM customers

Target Markets

Non destructive testing (OEM & end user)

Automotive
Aerospace
Energy
Electronics



Security (OEM)

Cargo (Luggage & pallets)



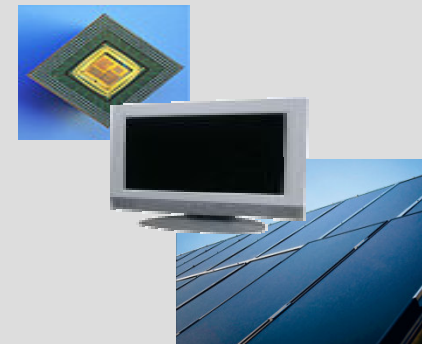
e-beam (OEM)

Food & Pharma
packaging
sterilization



Plasma excitation (OEM)

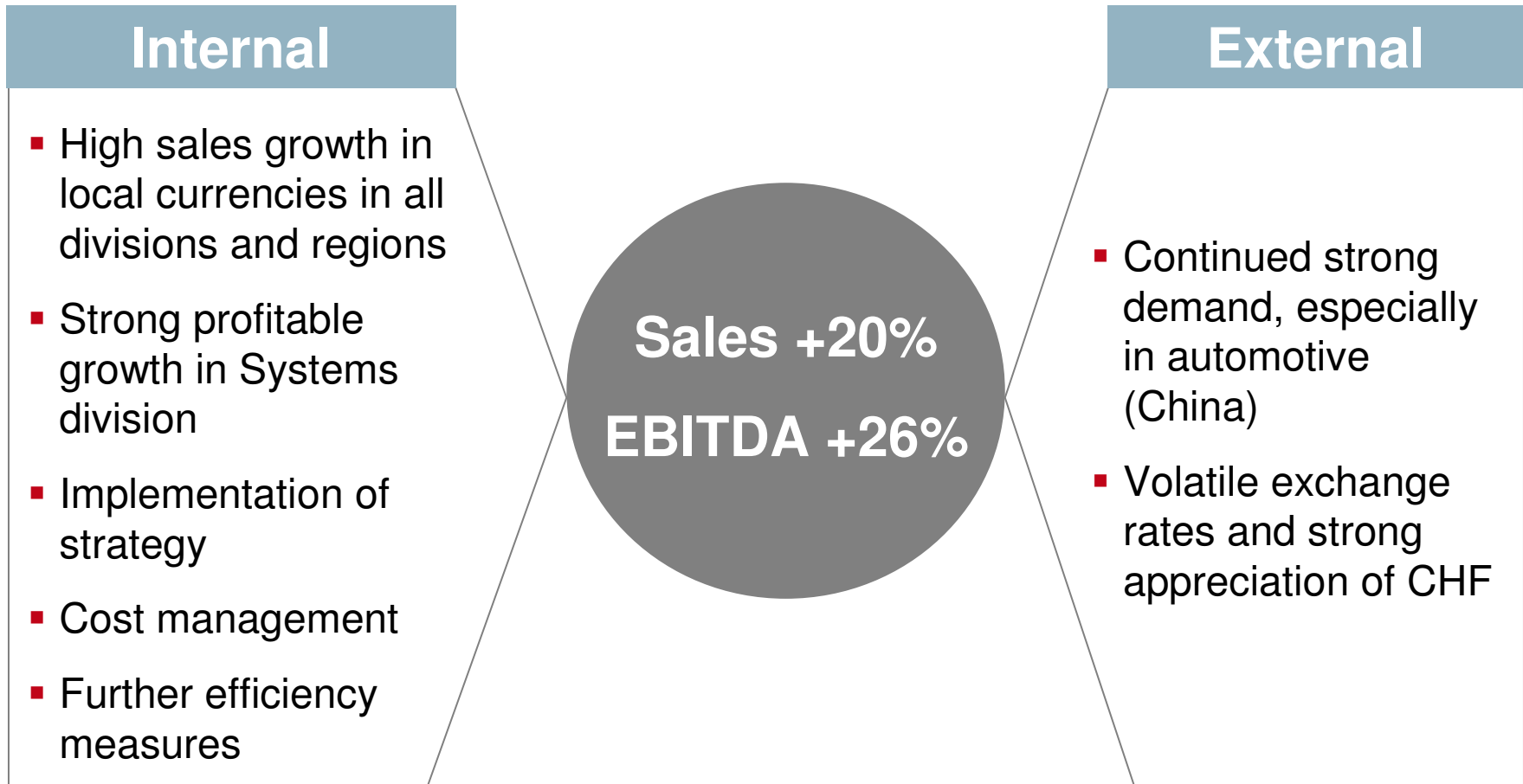
Chips
LCD flat panel
Thin film solar








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HY1 2011 – Strong profitable Growth

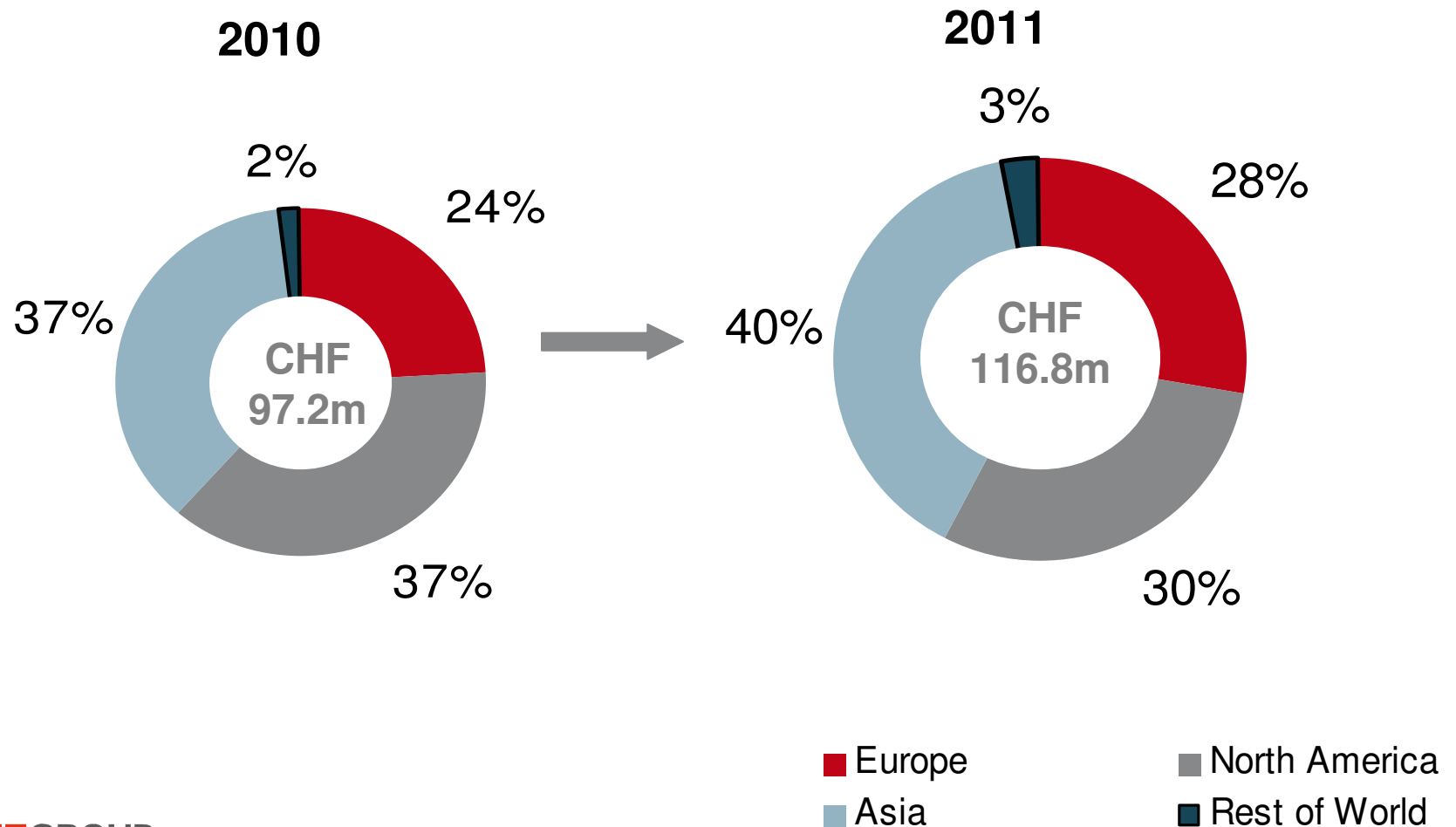


COMET Group HY1 2011: Strong profitable Growth vs. prior Year – despite strong Swiss Franc

Net sales growth	+ 20% (in CHF) + 36% (in local currency)	
Net sales	116.8m CHF	
EBITDA margin	from 12.7% to 13.3%	
EBITDA	15.5m CHF	
Free cash flow (in CHF)	from -2.2m to 7.2m	
Equity ratio	from 49.3% to 53.8%	
EPS	from CHF 2.78 to CHF 7.09	

Well-balanced Distribution of Net sales by Region

Strong growth in Europe (+37%) and Asia (+29%) in the first half of 2011.



Results by Division HY1 2011

COMET

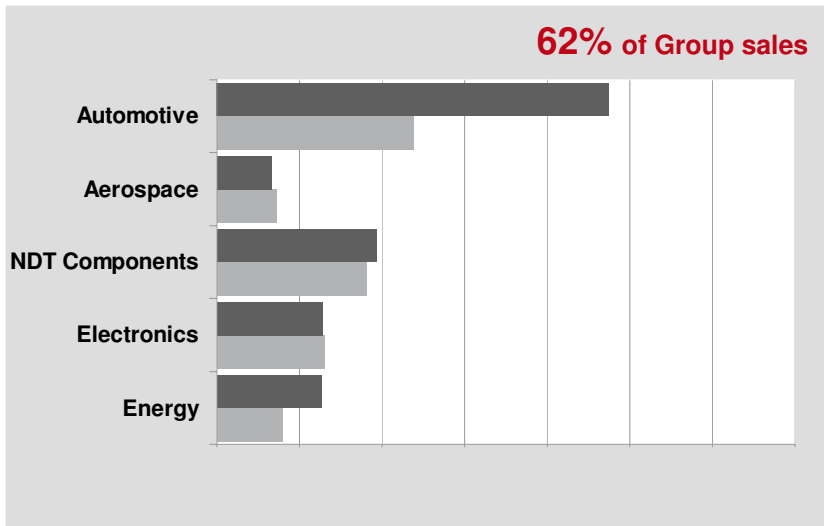
		HY1 2010	HY1 2011	Delta
Modules & Components	Net sales	from CHF 63.8m	to CHF 66.3m	+ 4%
	EBITDA	from CHF 14.8m	to CHF 12.3m	CHF -2.5m
	EBITDA margin	from 23.2%	to 18.5%	

YXLON

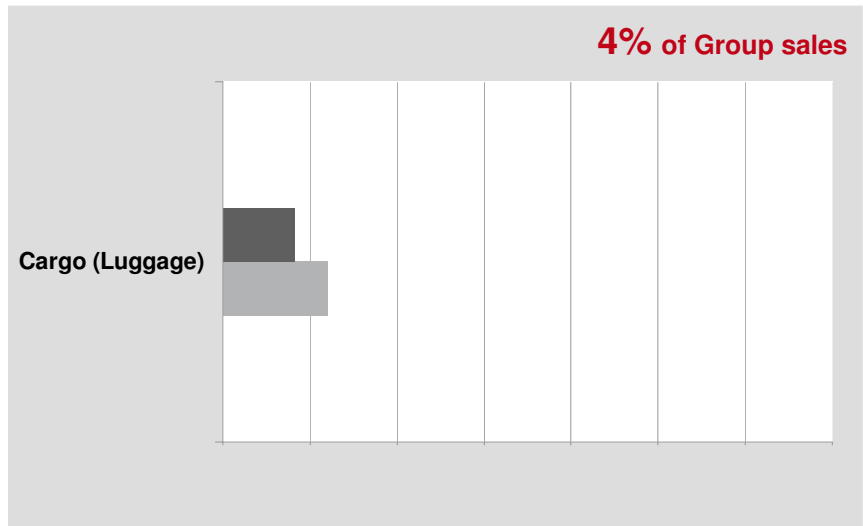
Systems	Net sales	from CHF 43.9m	to CHF 59.6m	+ 36%
	EBITDA	from CHF -0.4m	to CHF 3.9m	CHF +4.3m
	EBITDA margin	From -1%	to 6.5%	

Development of Market Segments HY1 2011 vs. HY1 2010

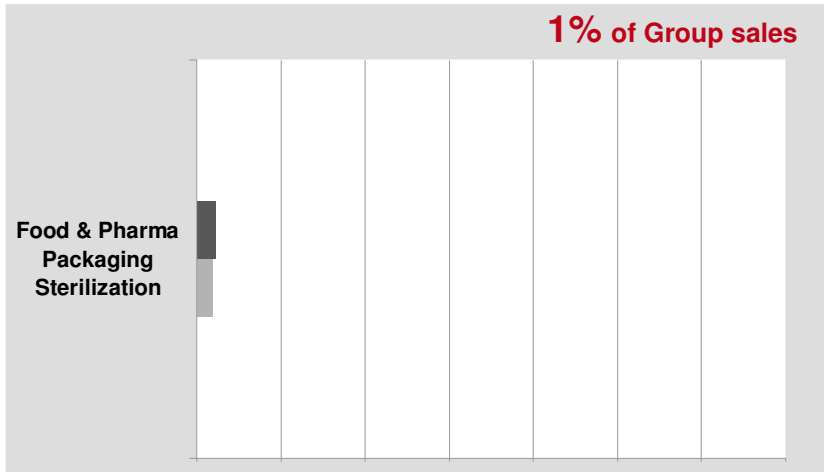
Non destructive testing



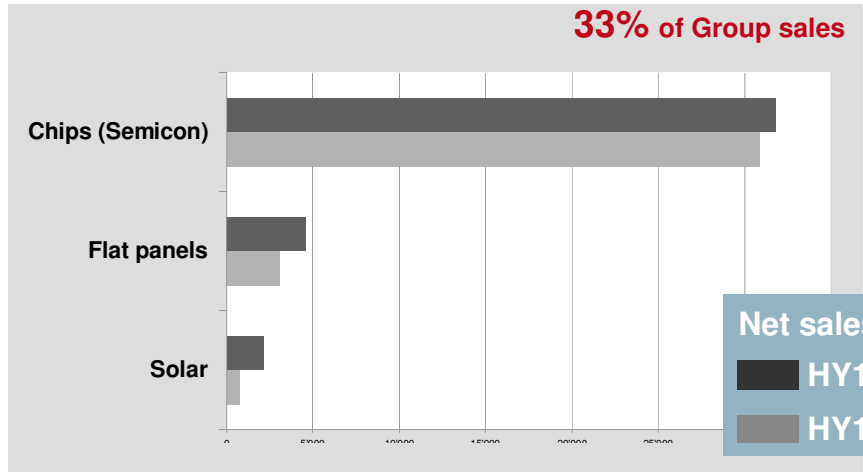
Security



e-beam



Plasma excitation



Net sales
 ■ HY1 2011
 ■ HY1 2010

How did we achieve this strong HY1 2011 result?

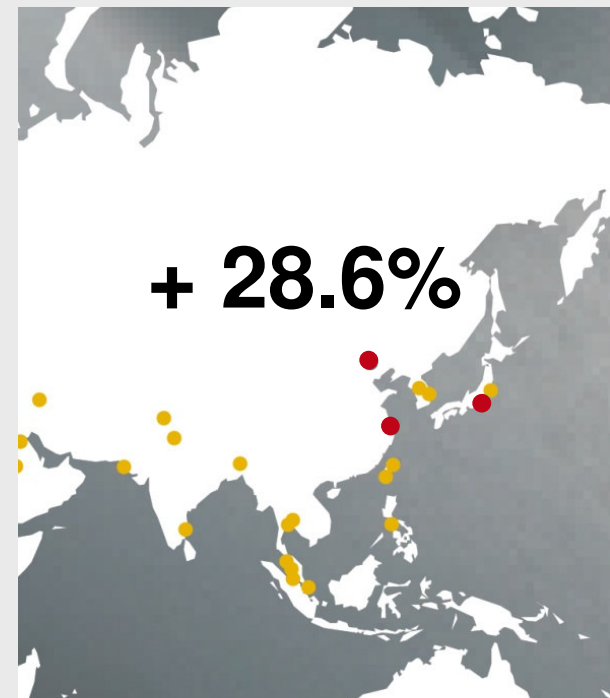
Further disciplined Implementation of Strategy

- a) Investment in the fast-expanding markets in Asia
- b) New products and further developments
- c) Improvement of structures and processes

Further disciplined Implementation of Strategy

a) Investment in the fast-expanding markets in Asia

- Growth of net sales in Asia by 28.6% in HY1 2011, 43.2% in local currencies
- Strong demand from automotive and electronic industry
- New customers for X-ray in China thanks to active market development



Further disciplined Implementation of Strategy

b) New products and further developments

Modules & Components

- Match boxes 49% of total Vacuum Capacitors' sales (HY1 2010: 43%)
 - Oerlikon order
 - Increased share of own match box designs
- New vacuum capacitor in lifetime tests (Neovac)
- High & low energy: projects and certification activities
- e-beam:
 - field test ongoing, proven technology
 - new renowned customer for application development

Systems

- Successful launch of
 - new software features (void calculation)
 - digital detectors for wheel inspection
 - HDR in systems and as up-grades (Service business)



Further disciplined Implementation of Strategy

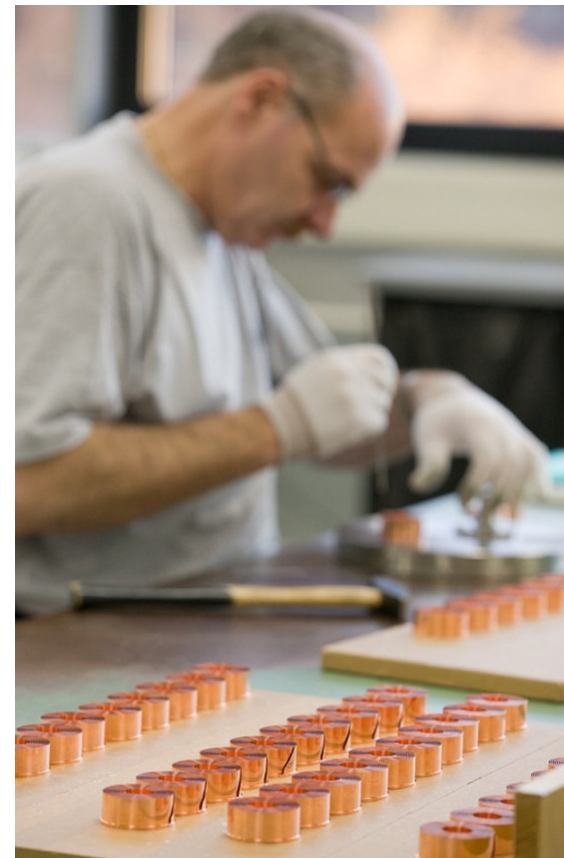
c) Improvement of structures and processes

Modules & Components

- Further implementation of lean management projects (e.g. improved production layouts)
- Buildup of production line for match boxes in San Jose
- Continuous implementation of cost optimization program for X-ray (e.g. cost of packaging material reduced by a factor of 25)

Systems division

- Lead time in production significantly improved
- Improvement of service management processes
- Roll out of CRM in USA

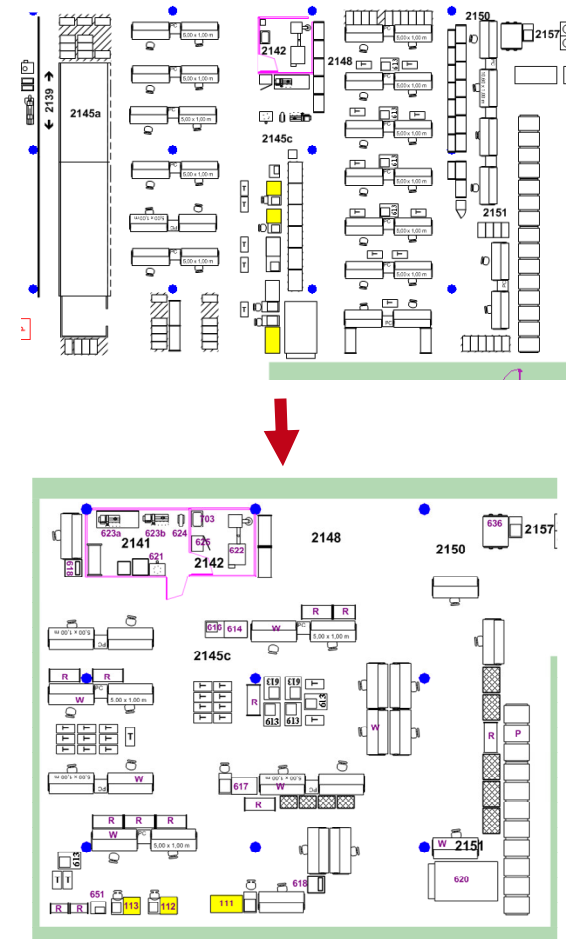


Further disciplined Implementation of Strategy

c 1) Improvement of structures and processes – Example Vacuum Capacitors

Improved production layout

- Shorter cycle times
- Fewer products handled at the same time
- Shorter distances
- Processes with increased efficiency
- Improved quality (control)
- Lower space requirement

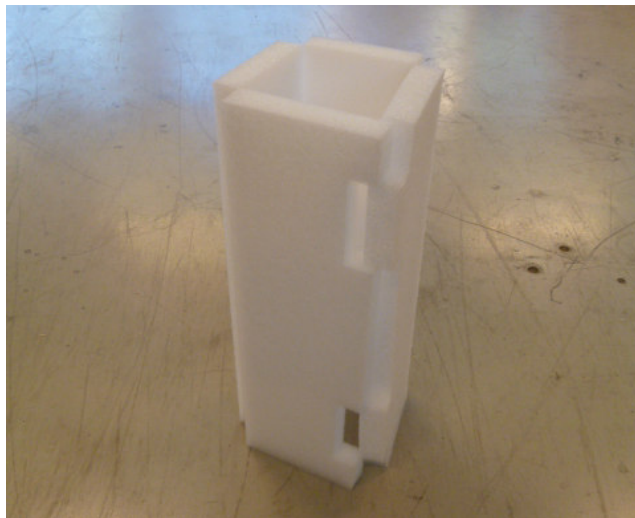


Further disciplined Implementation of Strategy

c 2) Improvement of structures and processes – Example Industrial X-ray

Cost reduction of packaging material by a factor of 25

Until now: Form plastic



New: Airbag

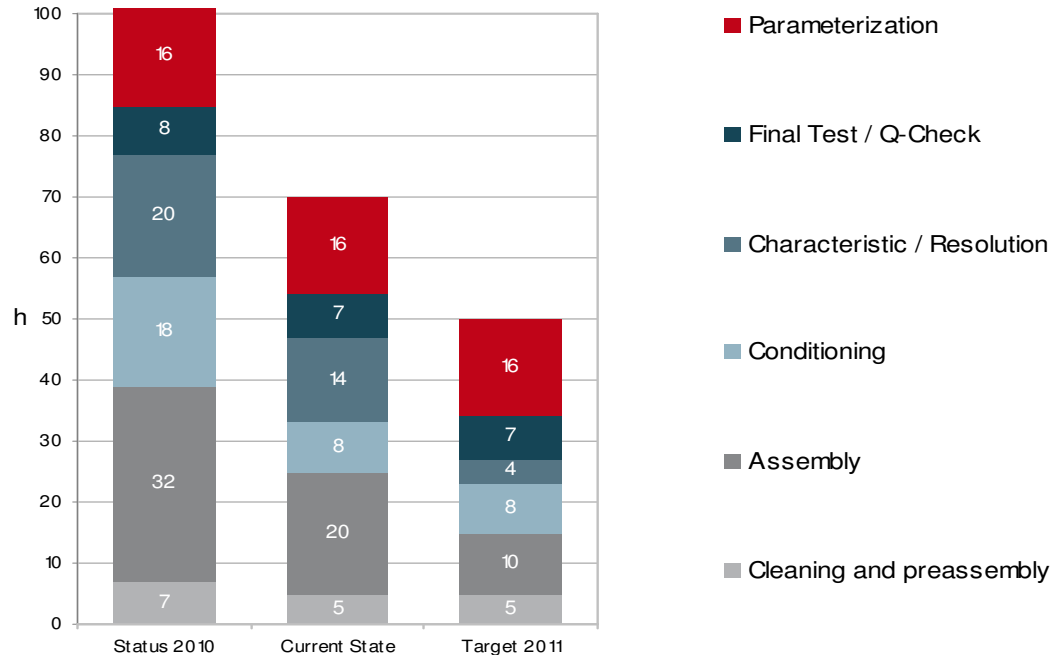


Further disciplined Implementation of Strategy

c 3) Improvement of structures and processes – Example Systems division

Lead time of FF standard systems reduced by > 30%

Assembly lead time in hours

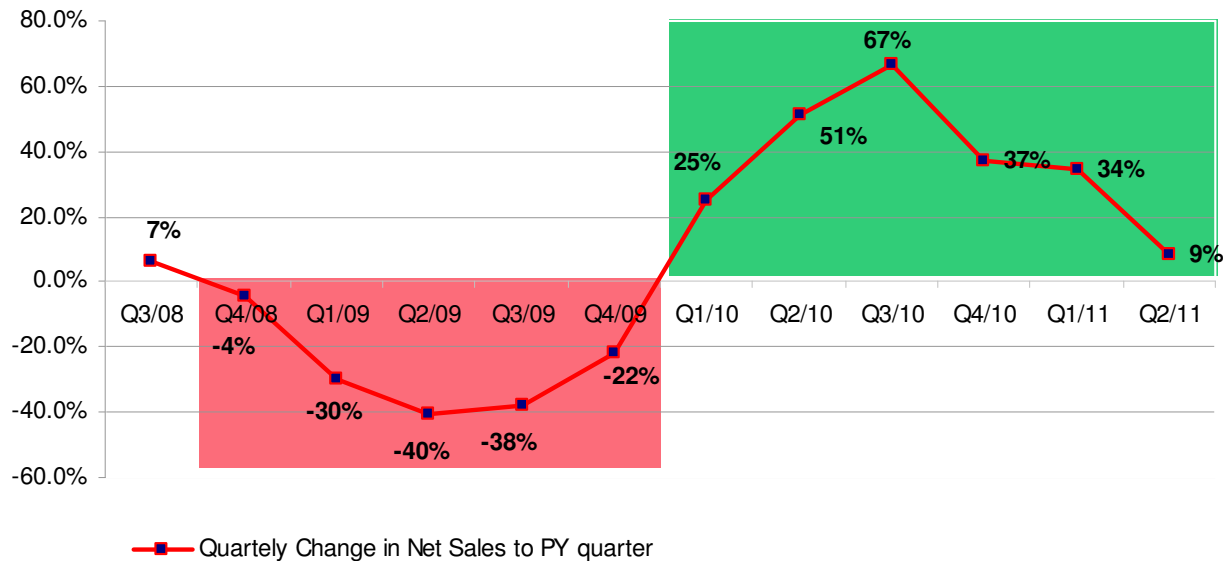


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Strong growth in HY1, 2011 compared to PY

Organic growth in Net sales
(quarterly changes based upon CHF results)



- **Continued growth compared to strong PY quarters**
More sales compared to respective past six quarters in a row
- **Growth achieved in challenging market environment**
Despite strong CHF increase in net sales by 20% (local currencies 36%) compared to first half-year 2010

Increase in Net Sales (local Currencies) for all Activities & Regions

	Net sales in CHF m		Growth		
	HY1 '11	HY1 '10	abs.	in %	LC* in %
X-Ray Systems	59.6	43.9	15.7	36%	54%
Industrial X-Ray	26.5	28.2	-1.7	-6%	5%
Vacuum Capacitors	39.8	35.5	4.3	12%	28%
COMET Group	116.8	97.2	19.6	20%	36%
Europe	32.3	23.7	8.7	37%	51%
North America	34.9	35.6	-0.7	-2%	17%
Asia	46.4	36.1	10.3	29%	43%
Rest of World	3.2	1.8	1.3	74%	96%
COMET Group	116.8	97.2	19.6	20%	36%

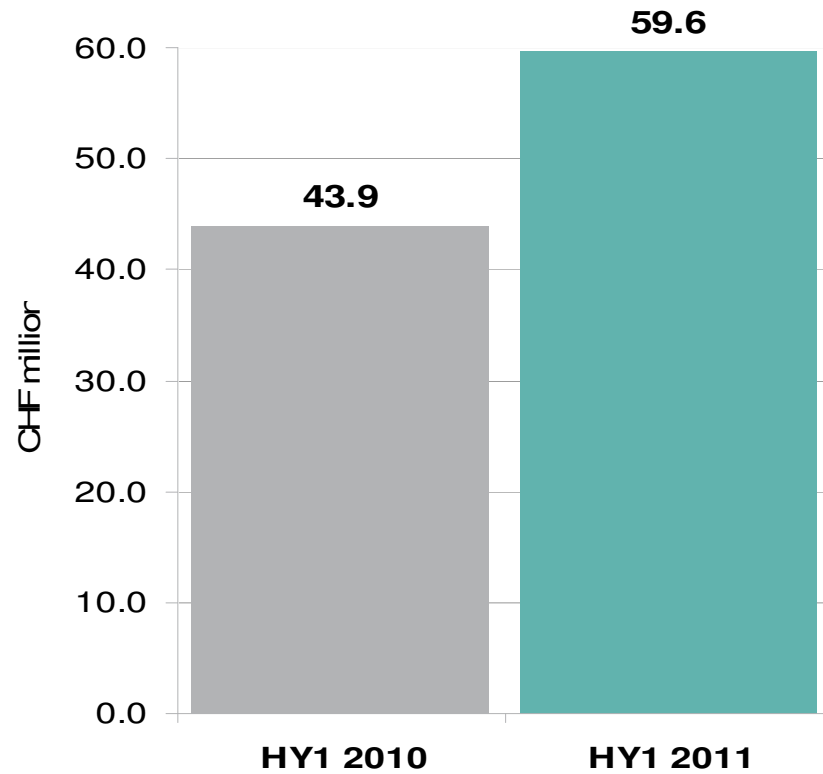
Growth in local currencies for all business activities and in all regions reflecting high demand in all target markets for our products despite strong CHF; decrease shown in North America induced by weak USD

Strong and profitable growth in HY1

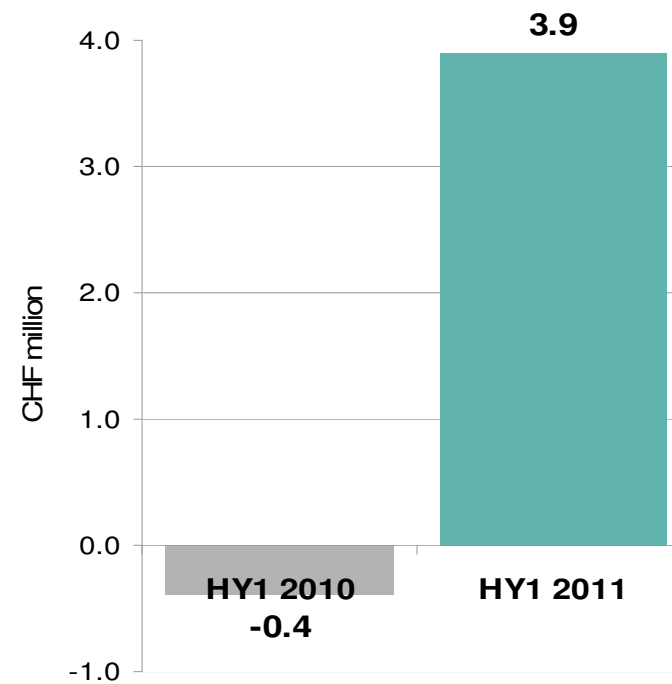
in thousands of CHF	HY		Change	
	2011	2010	Absolut	in%
Incoming Orders	116'280	117'674	-1'394	-1%
Net sales	116'754	97'183	19'571	20%
Cost of sales	-72'556	-58'960	-13'597	
Gross profit	44'198	38'223	5'975	
Gross profit margin in %	37.9%	39.3%	-1.5%	
Other operating income	1'128	1'745	-617	
Development expenses	-10'745	-10'154	-591	
SG&A	-25'162	-23'516	-1'646	
Operating income (EBIT)	9'419	6'298	3'121	50%
Financing result and income taxes	-4'041	-4'189	148	
Net income	5'378	2'109	3'269	155%
EPS in CHF	7.09	2.78	4.31	155%
EBITDA	15'495	12'300	3'195	
EBITDA margin in %	13.3%	12.7%	0.6%	

Division Systems: Volume driven profitable Growth

Net sales (Increase +36%; +54% in LC*)



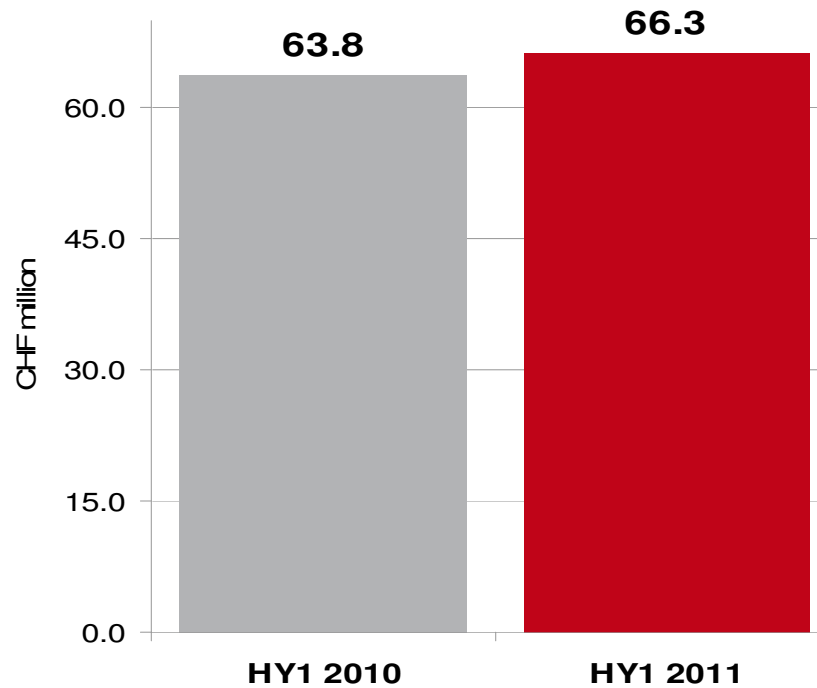
EBITDA



HY1, 2011: EBITDA Marge 6.5%

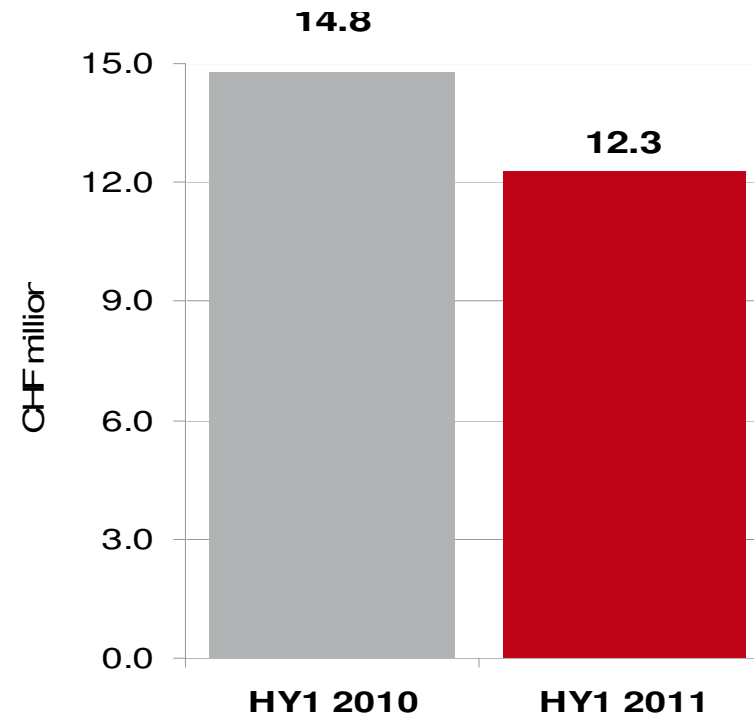
Division M&C: Volume driven Growth in Net Sales, Profitability impacted by strong CHF

Net sales (Increase +4%; +18% in LC*)



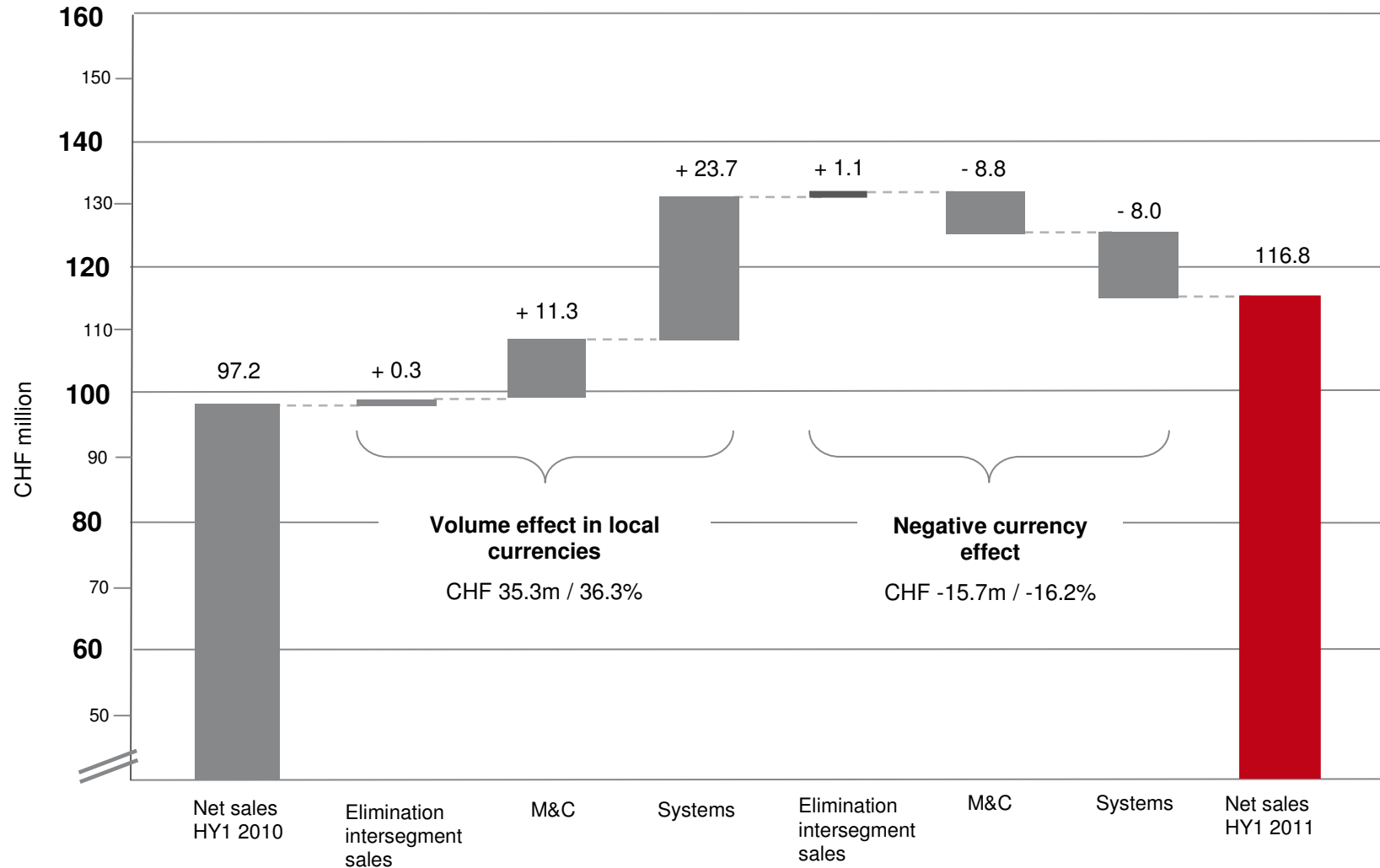
* In local currencies

EBITDA

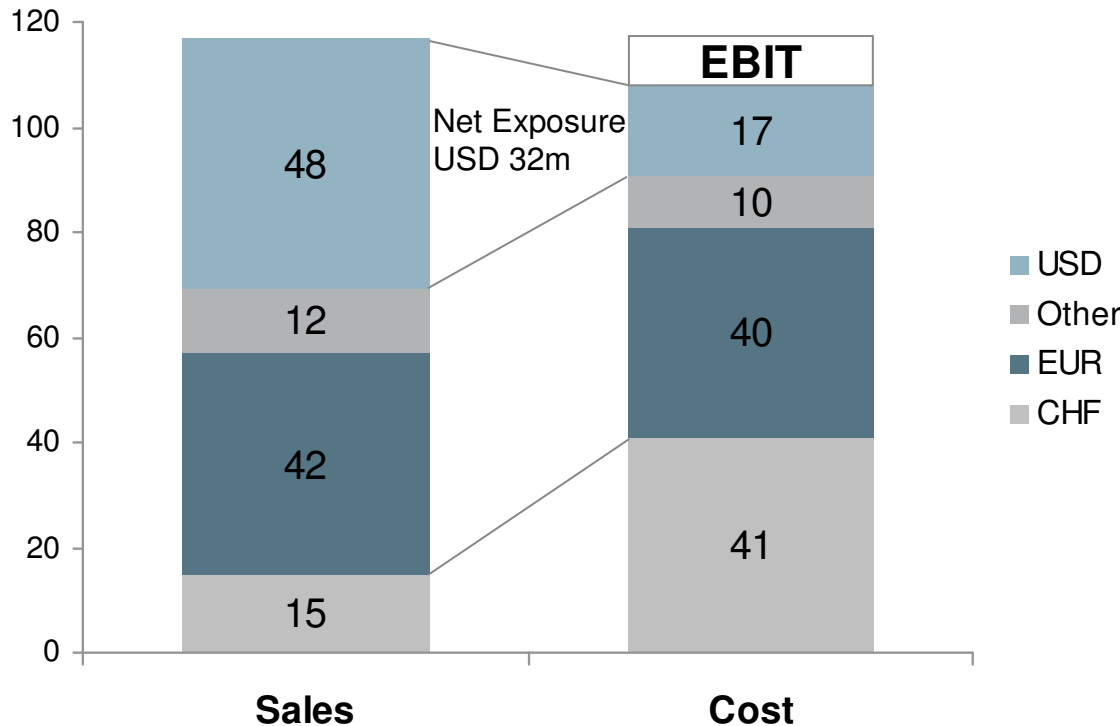


HY1, 2011: EBITDA Marge 18.5% (PY 23.2%)

Group Net Sales increased by 36% in local Currencies (strong currency effects in both Divisions)



Net Exposure of USD 32m in HY1 2011, natural Hedge for EUR

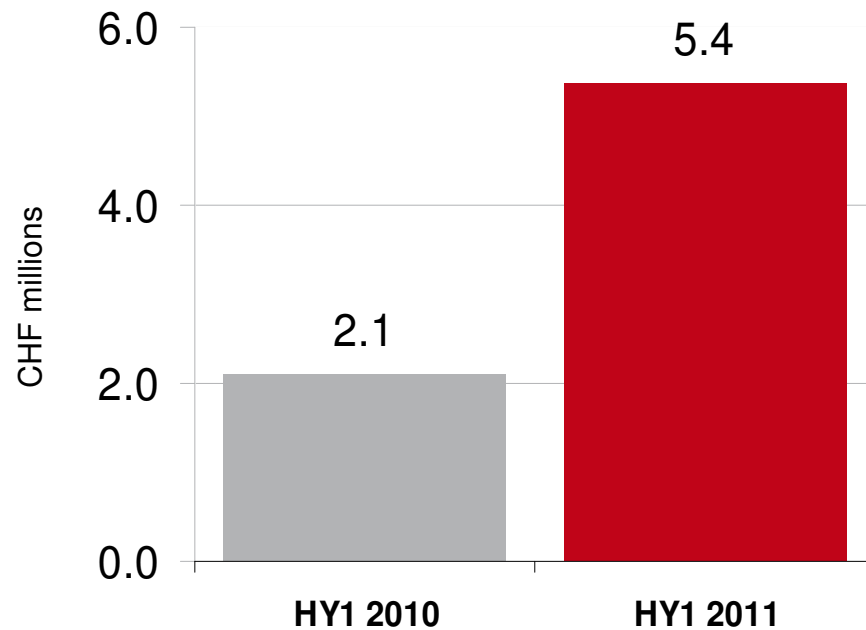


Activities to mitigate the net exposure include

- Sourcing in USD / EUR, exchange rate clauses
- Increase efficiency (processes, automation, cost management)
- Financial hedging using forward exchange contracts

- At constant currencies and compared to the prior year period
 - Net sales would have increased by an additional ~ CHF 15.7m
 - EBIT would have increased by an additional ~ CHF 5.3m

Net Income in HY1 2011 more than doubled



- Operating income of CHF 9.4m (PY CHF 6.3m)
- Net financing expenses CHF 4.1m (PY CHF 2.1m)
- Income tax expense CHF 0.0m (PY tax expense of CHF 2.1m)

Currency Transaction Losses reduce Net Income for the Period

Net financing items amounted to an expense of CHF 4.1m (prior year: CHF 2.1m), reflecting the following factors:

- Interest expenses were CHF 1.5m (PY CHF 1.8m) related mainly to senior debt and mortgage on building in Flamatt
- Due to weakness of the USD and the EUR, the currency transaction loss recorded in the income statement rose up to CHF 2.6m (PY profit of CHF 0.4m)
 - Almost natural hedge position in EUR
 - Net exposure in USD hedged by means of forward exchange contracts

Impact on balance sheet:

- A currency translation loss of CHF 2.4m was recorded directly to equity in the first half of 2011, mainly linked to the net asset exposure in Euros

Recognition of DTA leads to lower Income Taxes

- Applying the local tax rates, the EBT of CHF 5.3m would lead to an expected tax expense of CHF 1.5m
- Total income tax expense reported sums up to CHF 0.0m (PY tax expense of CHF 2.1m). The difference to the expected tax expense can be explained as follows:
 - Tax exemption by canton of Fribourg CHF 0.8m
 - Recognition of DTA in Germany of CHF 0.6m
 - The sum of all other effects reduced tax expense by CHF 0.1m
- The base income tax rate for normalized profits is expected to remain at approx. 28%

Sound Balance Sheet Ratios and Decrease of total Assets Amount

In millions of CHF	June 30, 2011		Dec. 31, 2010	
Current assets	97.8	46.8%	99.5	46.3%
Non-current assets	111.1	53.2%	115.3	53.7%
Total assets	208.9	100.0%	214.8	100.0%
Liabilities	96.4	46.2%	103.1	48.0%
Equity	112.5	53.8%	111.7	52.0%
Total Liability and Equity	208.9	100.0%	214.8	100.0%

- Strong equity ratio maintained driven by profitability in HY1
- Reduction of total assets amount by CHF 5.9m or 3% despite the volume related increase in business. The decrease in assets is related to the repayment of debt, the amortization of intangibles and the negative translation effect on assets denominated in foreign currencies

Improved Working Capital Management

Liquidity on a comfortable level

- Compared to year-end 2010, liquidity decreased by CHF 1.1m related to investments in working capital and fixed assets, repayment of interest-bearing debt and dividend payments

Net working capital ratios compared to HY1, 2010

- Net working capital decreased by CHF 3.5m or 5% despite a business upswing driven by higher volumes
- Decrease in trade receivables to CHF 34.1m (prior year: CHF 35.6m) is driven by efforts to cash in receivables outstanding. DSO (12m average days sales outstanding) reached 44 days (prior year: 53 days)
- Inventories decreased to CHF 39.8m (prior year: CHF 42.7m) reflecting improved supply chain processes. DIO (12m average days inventory outstanding) reached 69 days (prior year: 82 days)

Capital Expenditures increased; significant Translation Effects

Non-current assets decreased by CHF 4.2m or 4%

Tangible and intangible assets decreased by CHF 4.8m

- Compared to prior year-end property, plant and equipment and intangible assets decreased by CHF 4.8m
 - Non-current assets included depreciation of CHF 3.5m and amortization of CHF 2.6m (including CHF 1.9m from purchase price allocation of YXLON and Feinfocus)
 - Negative translation effects from strong Swiss franc totaled CHF 2.0m
 - Cash capital expenditures as a mixture of replacement, capacity increases and SAP investments totaled CHF 3.5m
- Due to the recognition of a deferred tax asset in Germany the DTA increased to CHF 0.9m (prior year: CHF0.3m)

Repayment of Debt and improved Equity Ratio

Current liabilities decreased by CHF 3.2m, mainly driven by:

- Increase in accrued expenses (bonus, vacation and overtime credits) and provisions
- Decrease in accounts payable trade and current debt

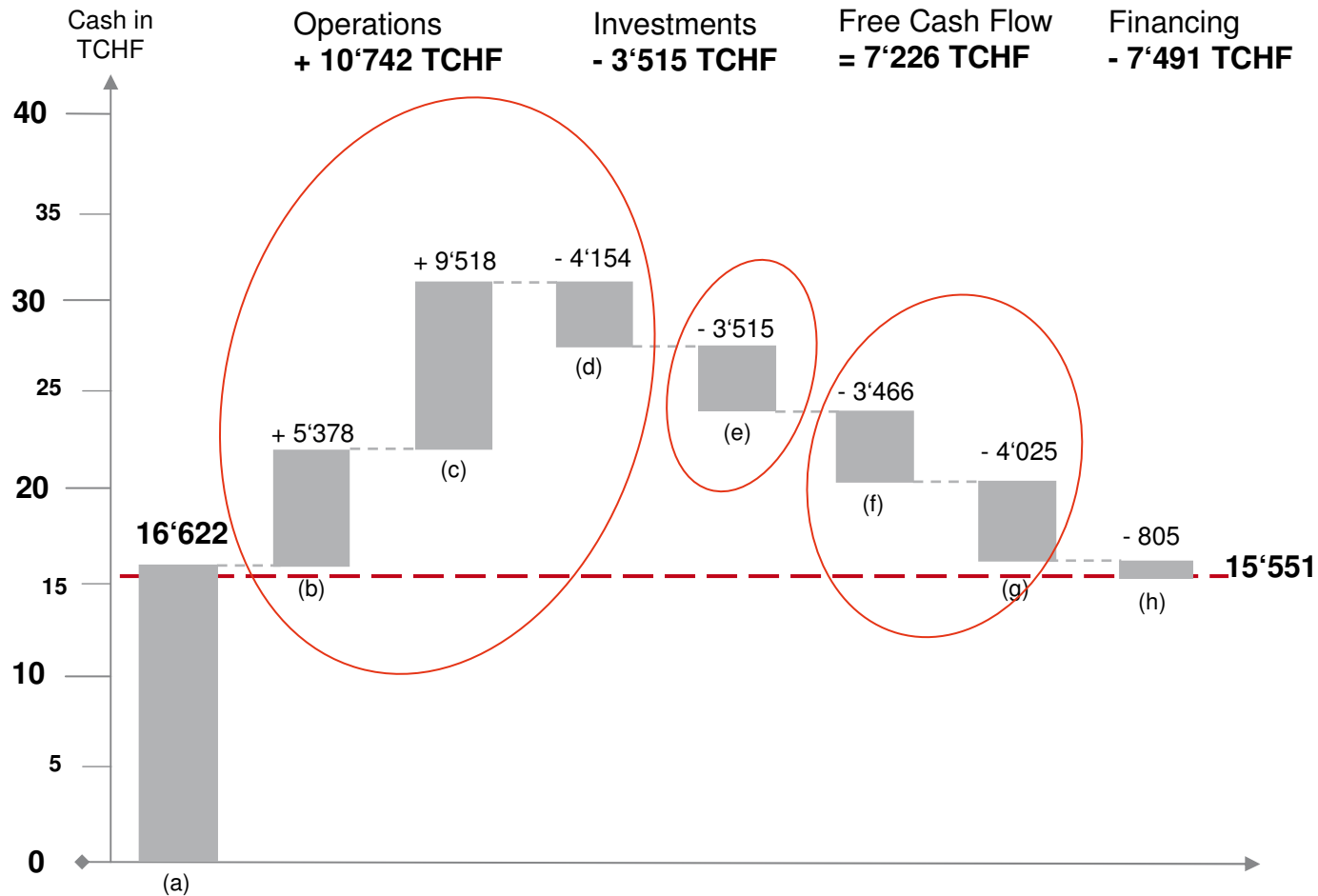
Non-current liabilities fell by CHF 3.4m, mainly due to:

- Repayment of interest-bearing debt
- Lower deferred tax liabilities in Systems division (from PPA) and lower employee benefit plan liabilities

Equity increased by CHF 0.7m, resulting in equity ratio of 53.8% (prior year-end 52.0%):

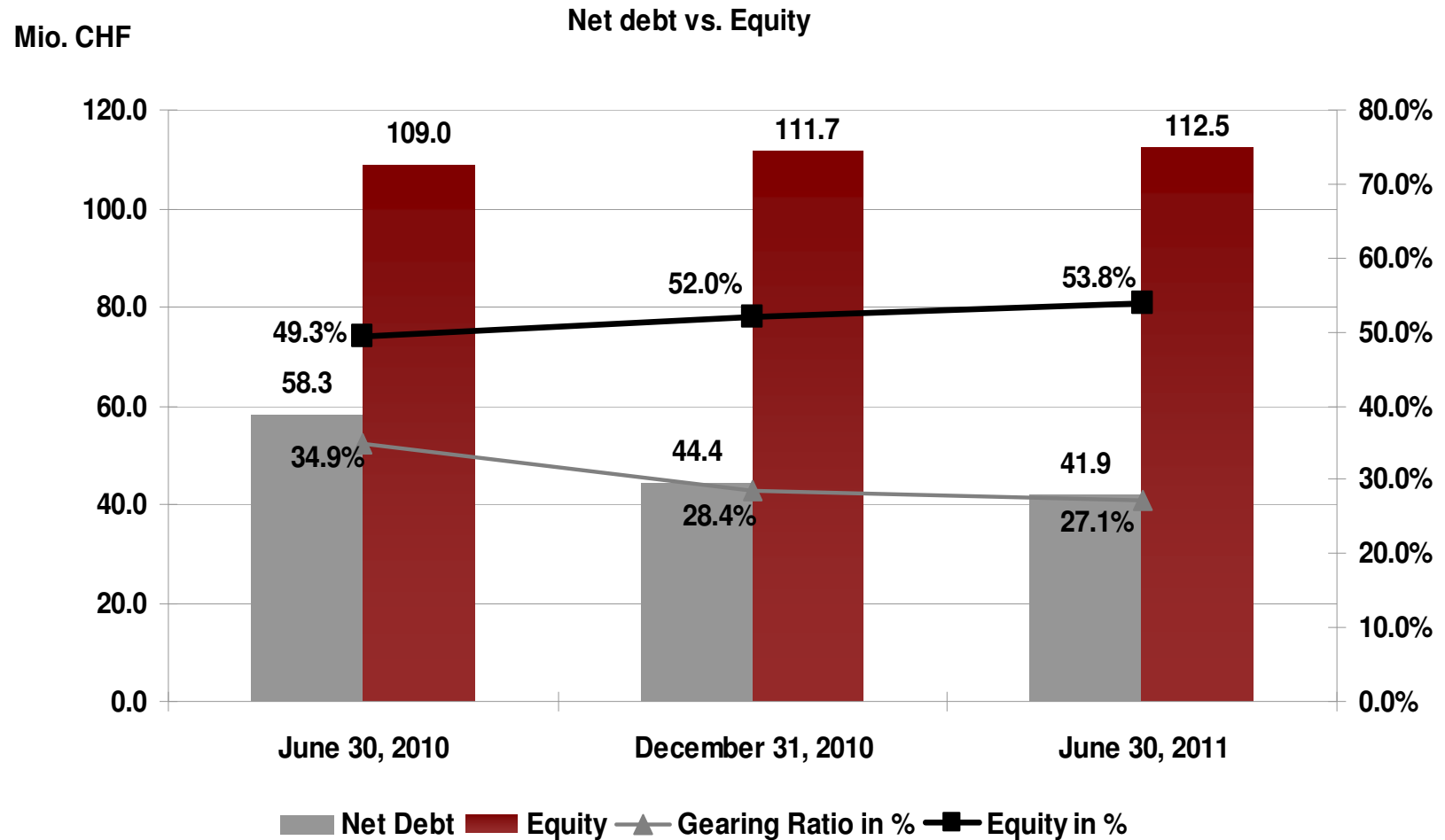
- Share-based payments of CHF 0.4m
- Net income for the HY1 period of CHF 5.4m
- Dividend payment of CHF 3.50 per share (totaling CHF 2.7m)
- Currency translation adjustments CHF -2.4m

Strong Free Cash Flow related to profitably growing Business



- a) Cash as per 1.1.2011
- b) Net income HY1 2011
- c) Other non-cash income/expenses incl. depreciation/amortization and income taxes paid
- d) Increase in NWC
- e) Net investment in tangible and intangible goods
- f) Net repayment of debt
- g) Dividend payments and interests paid
- h) Foreign currency translation losses on cash

Increase in Equity Ratio, combined with lower Net Debt

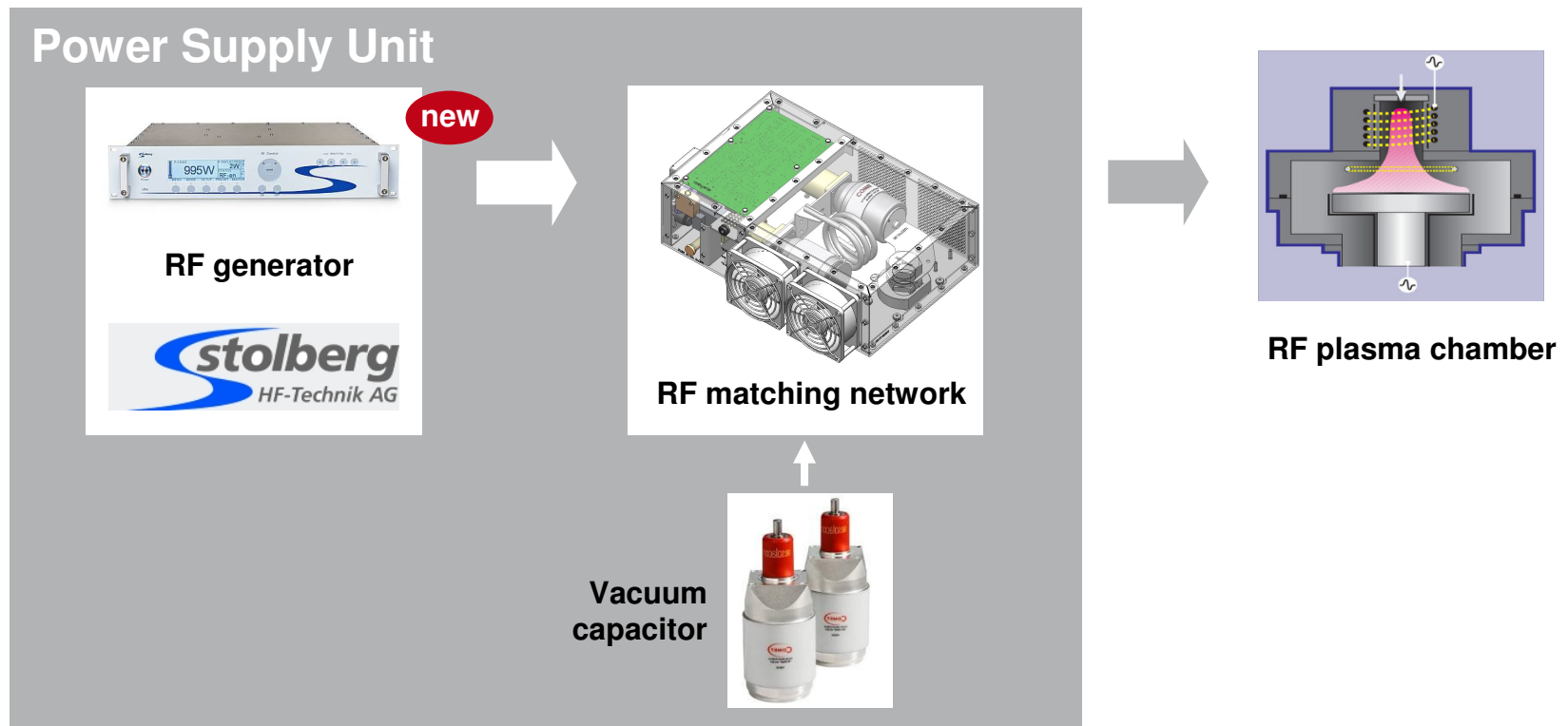


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Implementation of Strategy: Forward Integration

Acquisition of Stolberg HF Technik AG (signing August 17)



Implementation of Strategy on Track

Important milestone in forward integration to RF Power Supply Units

Acquisition of Stolberg HF Technik AG:

- Recognized expert for demanding RF power generators with profound knowledge and experience
- Fully fledged production line and R&D for RF generators
- Access to the RF power supply market (Total accessible market: CHF 350m)



⇒ Renaming of *Vacuum Capacitors* to *Plasma Control Technologies* as a consequence of the forward integration to RF Power Supply Units

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Outlook: Assumptions for HY2 2011

- Swiss Franc expected to remain strong
- Increasing competition driven by appreciation of CHF, especially in the US Dollar area
- Weakening demand, from the semiconductor industry amongst others

Outlook




In the light of the current economic situation and given the assumptions made, management and Board of Directors expects

- to end the second half-year with sales and profitability below the strong first half-year figures

leading to

- Net sales and EBITDA FY 2011 on prior year level

COMET 2011: Sales and EBITDA on prior year level in CHF

			Outlook Net Sales vs. 2010 in LC
Modules & Components	Vacuum Capacitors	<ul style="list-style-type: none"> ▪ Integrate Stolberg and offer first RF Power Supply Units to solar market ▪ Start of match box production in San Jose ▪ Enhance engineering and application competencies in Shanghai 	
	Industrial X-Ray	<ul style="list-style-type: none"> ▪ New products (high/low energy, Vario focus, e-beam) ▪ Design to cost program (all new products) ▪ New market development strategy in Asia (Focus on small & medium sized companies) 	
Systems	X-Ray Systems	<ul style="list-style-type: none"> ▪ Expand sales in CT and establish position in film replacement market ▪ Software remains top priority ▪ Expansion of Service Business world-wide with dedicated products & services ▪ Further investment in sales channels (Application lab Heilbronn) 	

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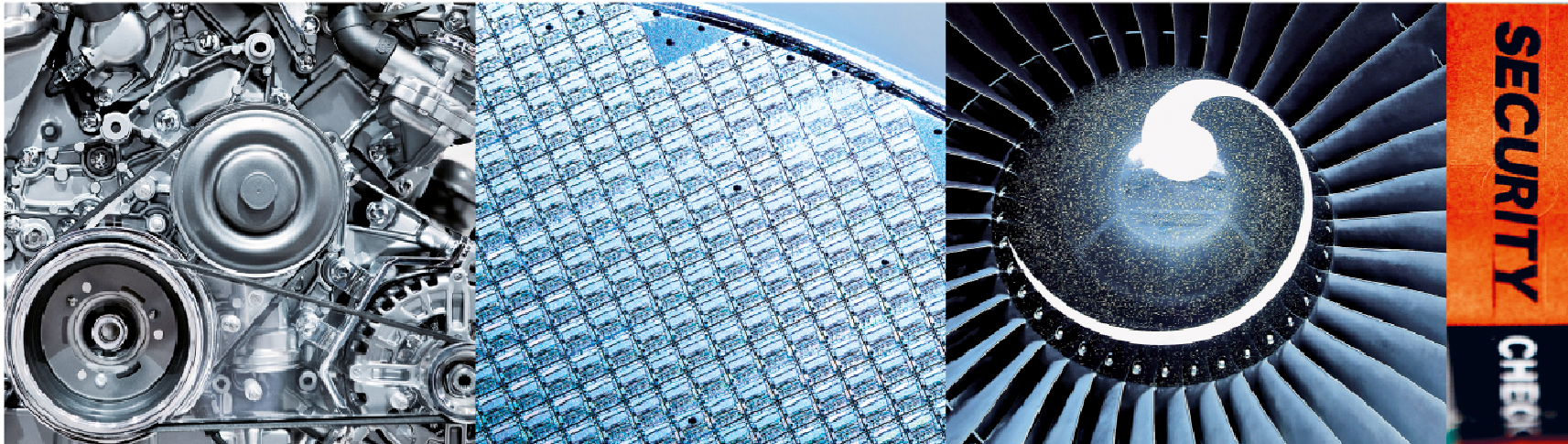
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Disclaimer

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Thank you for your attention.



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Technology with Passion

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