

Media Release

With 44% sales growth and substantial earnings, COMET Group emerges from crisis all the stronger

Flamatt, Switzerland – March 23, 2011 – In 2010 the COMET Group emerged with new vigor from one of the most challenging crises of recent decades, thanks to the consistent implementation of the Group strategy, internal improvements, and a cyclical upturn in the relevant markets. This is documented by the year's compelling sales growth of 44% (or 52% in currency-adjusted terms) to CHF 217.4 million and a pronounced increase in EBITDA margin to 13.0%. With free cash flow of CHF 14.3 million and a healthy balance sheet boasting an equity ratio of 52%, the COMET Group's sustained financial strength and flexibility are evident. In light of these good results and the optimistic outlook for 2011, the Board of Directors will propose a payment to shareholders of CHF 3.50 per share from contributed capital.

Thanks to the successful forward strategy, a wealth of new products, operational measures to boost efficiency, and a favorable market trend especially in Asia and North America, the COMET Group recorded consolidated net sales of CHF 217.4 million (prior year: CHF 150.8 million). This represents growth of 44% (or 52% on a constant-currency basis).

The biggest gains in sales and market share were made in vacuum capacitors and RF (radio frequency) matchboxes for plasma processes in the semiconductor industry. Likewise, in the new market environment, the systems for non-destructive testing generated strong growth in various application segments (notably the auto industry in Asia) and won further market share. In industrial X-ray technology, the first series-produced new high voltage X-ray sources were delivered to customers in 2010.

The powerful market growth in Asia and North America led to a shift in the relative importance of the three main market regions. Asia's share in the COMET Group's sales climbed to 38% and North America's share rose to 36%. Europe now accounted for 24% of Group sales.

Strong earnings: EBITDA margin improves to 13%

Through tangible efficiency gains in all major business processes and the brisk sales growth, the COMET Group markedly improved its profitability in the year under review. As a result of the



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good manufacturing capacity utilization and attractive new products, gross margin grew to 37.5% in 2010 (prior year: 32.2%). Overcoming negative currency effects, the EBITDA margin rose to 13.0% (prior year: 3.5% before special charges) and the EBIT margin improved to 7.5% (prior year: negative 4.6% before special charges). Both divisions contributed to this upward jump in profitability. Even with slightly higher interest rates, considerable foreign exchange losses and higher taxes, the COMET Group achieved an improvement of CHF 20.2 million in net income, to a level of CHF 7.5 million, or CHF 9.89 per share. Although the COMET Group's balance sheet was not immune to the effect of the strong Swiss franc in 2010, the equity ratio improved to 52%. The COMET Group ended the year with a sound balance sheet and free cash flow of CHF 14.3 million.

Modules & Components division

Sales in the Modules & Components business grew by 66.1% to CHF 130.6 million (prior year: CHF 78.6 million) and the division's EBITDA margin reached a new high of 21.0%.

Vacuum Capacitors

The powerful upswing in the semiconductor industry, the successful forward strategy in the business with RF matchboxes for plasma processes, efficiency improvements and the correct judging of risks were the key factors behind the outstanding results of the Vacuum Capacitors product area. Having made the right preparations in advance, Vacuum Capacitors was able to operate its manufacturing plants in high gear when demand grew in response to the economic upturn. This demand surge was further strengthened by numerous new product launches by OEMs, such as mobile tablet computers (led by Apple's iPad), and new generations of other personal computers and smartphones. The market share in RF matchboxes was significantly increased in 2010 and, for the first time, these products accounted for a substantial portion of the division's sales. Positive trends, although less vigorous than in semiconductors, also characterized the market segments of flat screen and solar panel manufacturing. Innovative developments will increasingly become a driving force in these segments in 2011.

Industrial X-Ray

The growth driver in Industrial X-ray was the market segment of stationary non-destructive testing and examination. Here the COMET Group benefited both from the strong cyclical recovery in the automotive and aircraft sectors and from new products that extended the portfolio. In industrial X-ray technology, the first series-produced new high voltage X-ray sources



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(600 kV) were delivered to customers in 2010. Meanwhile, the novel e-beam technology not only met but far surpassed the requirements of the most crucial test, the service life verification of the commercialized products in all trial installations.

Systems division

The Systems division, consisting of the X-Ray Systems segment, posted sales of CHF 106.2 million in the year, an increase of 20.6% compared to 2009. At the EBITDA level, earnings were CHF 3.5 million (prior year: loss of CHF 4.4 million before special charges). The economic upswing, technology trends and innovative products were key reasons for the division's full order books. There is growing demand for new software features, upgrades and generally for measures that extend system life. Going forward, X-Ray Systems plans to make more aggressive use of these growth opportunities for high-margin software and support services. For example, the worldwide network of service locations continues to be expanded further; a new demonstration and application center is opening in the second quarter of 2011 in Heilbronn, Germany, and other centers are being enlarged.

Outlook for 2011

The site of the Japanese subsidiary YXLON International in Yokohama is not directly affected by current events in Japan at present. The sales generated in Japan by both divisions of the COMET Group – Modules & Components and Systems – represented approximately 8% of Group sales in 2010.

Although not all of the world economy has yet regained as much stability as desired and there remain risks in a number of countries, the COMET Group reaffirms the medium-term targets published in November 2010. Provided that there are no serious disruptions on the currency front or in our markets, the Board of Directors and Executive Committee are optimistic that in 2011, the COMET Group will be able to achieve sales growth in the single digits and further improvements in operating margins. The current course of business indicates a successful start to 2011.

Distribution from contributed capital

In view of the COMET Group's good results in the year completed and the optimistic outlook for 2011, the Board of Directors will propose to the Annual Shareholder Meeting a distribution of CHF 3.50 per share from contributed capital (prior year: dividend of CHF 0.50 per share). This proposed payment to shareholders will be exempt from Swiss anticipatory tax. The amount



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represents a strong increase from the previous year's dividend and corresponds to a distribution of 35% of net income.

Annual Report 2010

The COMET Group Annual Report 2010 is available at www.comet.ch/en/investor-relations/financial-reports-presentations/annual-reports.

Media and analyst conference

COMET will present the published financial results for 2010 today, March 23, at 10:00 a.m. at the media and analyst conference in Zurich (location: SIX Swiss Exchange, Convention Point, Selnaustrasse 30).

Further information

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Financial calendar for 2011

April 27, 2011 Annual Shareholder Meeting at Kursaal Bern

August 18, 2011 Publication of Half-Year Report 2011

The COMET Group is one of the world's leading manufacturers of systems and components for the non-destructive testing, security and semiconductor markets. Since acquiring the YXLON group, COMET has been the global market leader in X-ray-based non-destructive testing and examination. Based on the core competencies of vacuum technology, high voltage engineering and materials science, as well as the core products of X-ray tubes and vacuum capacitors, COMET supplies a complete and highly flexible range of components, modules, systems and services from a single source.

COMET was founded in 1948 and is based in Flamatt near Berne, Switzerland. Today the COMET Group, which in 2010 brought its visual identity into line with the formal organizational structure through the new COMETGROUP logo, has a presence in all world



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markets. The company manufactures in Switzerland, Germany, Denmark and China and maintains other subsidiaries in the USA and Japan. The business segments are reflected in the divisions for OEM and end-customer business. COMET's stock (COTN) is listed on the SIX Swiss Exchange.

Disclaimer

This document contains forward-looking statements about the COMET Group that may be subject to uncertainty and risk. Readers should therefore be aware that actual future outcomes or events may differ from such statements. Forward-looking statements in this document are projections of possible future developments. All forward-looking statements are made on the basis of information available to COMET at the time of preparation of this document. The COMET Group 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.