

# Corporate Fact Sheet

## Third Quarter '09



IPG Photonics manufactures high-performance fiber lasers and amplifiers for use in a wide range of markets, such as materials processing, advanced technologies, telecommunications and medical.

IPG Photonics pioneered the development and commercialization of optical fiber-based lasers, which are a new generation of lasers that combine the advantages of semiconductor diodes with the high amplification and precise beam qualities of specialty optical fibers. Because these lasers deliver superior performance, reliability and usability at a lower total cost of ownership compared with conventional lasers, fiber lasers are displacing traditional lasers in many current applications and enabling new applications for lasers.

The Company's vertically integrated manufacturing provides significant competitive advantages and enhances its ability to meet customer requirements, manage costs and improve performance. IPG Photonics is based in Oxford, Massachusetts with additional manufacturing facilities in Germany, Italy and Russia, and regional sales offices in Detroit, Silicon Valley, China, France, India, Japan, Korea, Singapore and the U.K.



### Company Snapshot

Listing:	NASDAQ: IPGP
Share Price:	\$14.44 (11/3/09)
Cash & Equivalents:	\$76.3 million (6/30/09)
Market Cap:	\$657.4 million

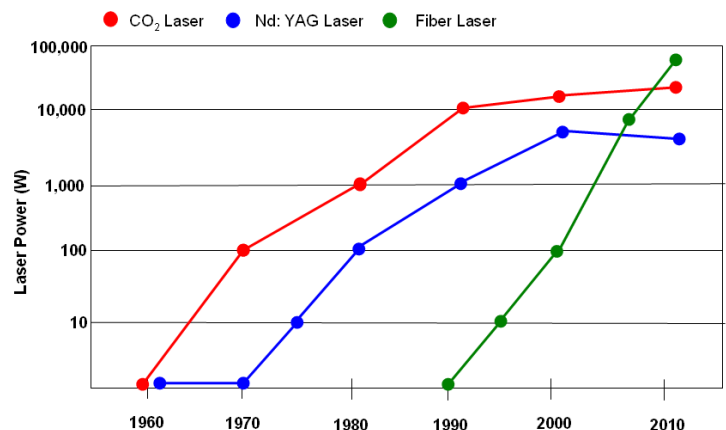
## Investment Highlights

- Leading supplier of fiber lasers worldwide
- Expanding fiber laser opportunities across several industries
- Competitive advantage: vertically integrated model
- Broad geographic and application diversity
- Proprietary technology platform delivering superior performance in high volumes
- Growth in high-power laser sales

## Growth Strategy

- Continue to displace existing laser and non-laser technologies
- Target new applications for fiber lasers
- Expand product portfolio & develop integrated laser systems business
- Optimize manufacturing for higher quality and lower cost
- Expand global reach
- Manufacture simple, more usable lasers

### Fiber Lasers: A Truly Disruptive Technology



Source: EALA, Automatic Feed Co., ALAW 2009

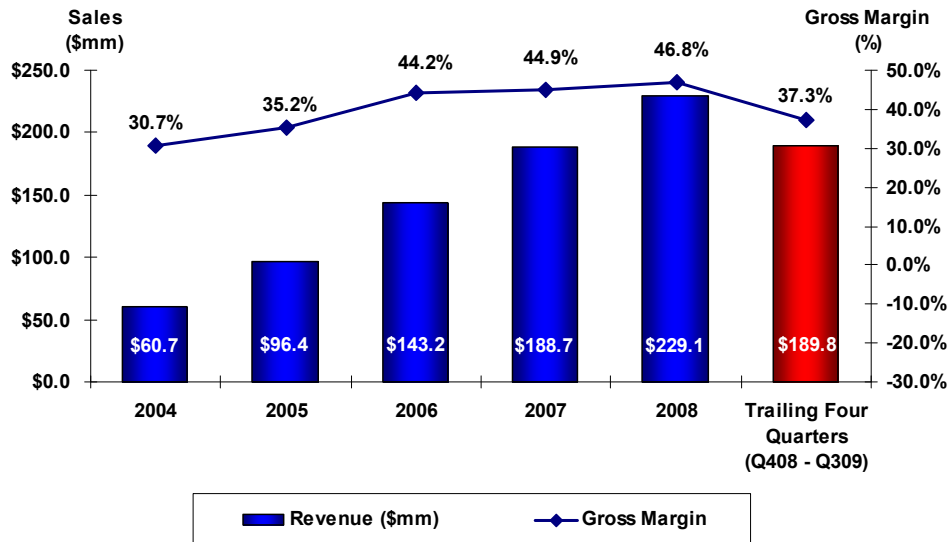
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World Leadership in High Power Fiber Lasers

### Sales & Gross Margin Momentum

IPG's vertically integrated business model provides significant operating leverage.



Gross margin includes stock-based compensation of \$0.2mm, \$0.0mm, \$0.1mm, \$0.3mm, \$0.3mm and \$0.5mm for 2004, 2005, 2006, 2007, 2008 and the trailing four quarters from Q408 to Q309.

### Corporate Officers

**Valentin P. Gapontsev, Ph.D.**  
Chairman and Chief Executive Officer

**Eugene Shcherbakov, Ph.D.**  
Managing Director, IPG Laser GmbH

**Timothy P.V. Mammen**  
Vice President and Chief Financial Officer

**Igor Samartsev**  
General Manager, NTO IRE-Polus

**Angelo Lopresti**  
Vice President, General Counsel and Secretary

**Bill Shiner**  
Vice President, Industrial Markets

**Alex Ovtchinnikov, Ph.D.**  
Vice President, Components

**George BuAbbud, Ph.D.**  
Vice President, Telecommunications Products

**Martin Laguerre, CFA**  
Vice President, Corporate Development and Strategic Marketing

### Analyst Coverage

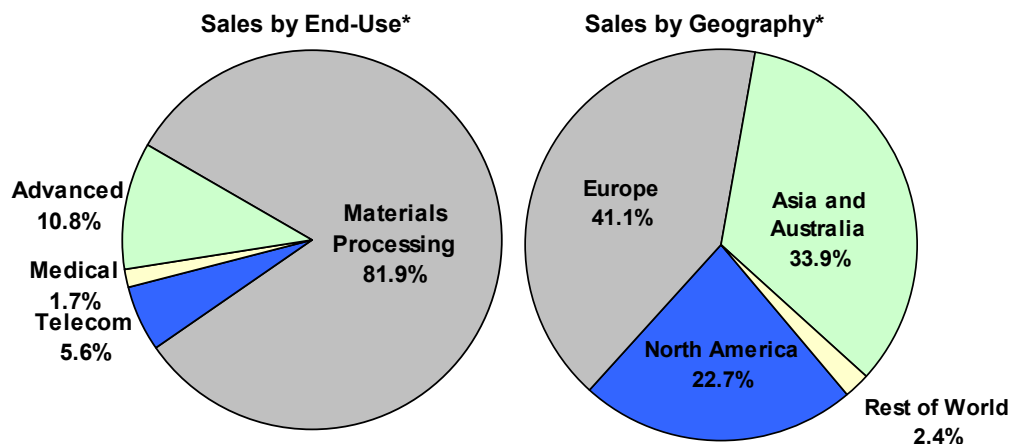
**Barclays Capital:** C.J. Muse  
**D.A. Davidson & Co.:** Avinash Kant  
**Dougherty & Co.:** Joe Maxa  
**Longbow Research:** Mark Douglass  
**Needham & Co.:** James Ricchiuti  
**Sidoti & Co.:** Jiwon Lee  
**Thomas Weisel Partners:** Ajit Pai

### Investor Contact

**David Calusdian**  
Executive Vice President & Partner  
Sharon Merrill Associates, Inc.  
Tel: (617) 542-5300  
email: IPGP@InvestorRelations.com

### Broad Applications for Global Customers

The diversity of IPG's customers and applications provides the Company with multiple growth opportunities around the world.



\*As of December 31, 2008

### Safe Harbor Statement

This fact sheet contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include without limitation, statements that may be identified by words such as "expectations," "remains," "focus," "expected," "prospective," "expanding," "building," "continue," "progress," "efforts," "hope," "believe," "objectives," "opportunities," "will," "seek," and other expressions which are predictions of or indicate future events and trends and which do not constitute historical matters identify forward-looking statements. The statements are based upon the current beliefs and expectations of management and are subject to significant risks, uncertainties and other factors. The Company's actual results could differ materially from any anticipated future results, performance or achievements described in the forward-looking statements as a result of a number of factors. Certain factors that might cause the Company's actual results to differ materially from those in the forward-looking statements include those set forth under the headings "Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's SEC filings.