EARNINGS CALL PRESENTATION

Third Quarter 2026

November 3, 2026 10:00 am ET

By phone
877-407-6184 in the US or
201-389-0877 internationally

A live webcast of the call will be available and archived on the investor relations section of the Company's website at investor.ipgphotonics.com

Note Regarding Forward-Looking Statements and Use of Non-GAAP Financials

Information and statements provided by IPG and its employees, including statements in this presentation, that relate to future plans, events or performance are forward-looking statements. These statements involve risks and uncertainties. Any statements in this presentation that are not statements of historical fact are forward-looking statements, including those statements related to being confident that our strategy will further differentiate our products, unlock new market opportunities, and fuel the long-term expansion of laser applications, actively taking advantage of our global manufacturing footprint and our in-house supply chain to mitigate potential impacts from tariffs, potential delays in shipping product rather than order cancellations, and statements related to revenue, gross margin and operating expenses outlook, adjusted earnings per share and adjusted EBITDA guidance, and the impact of the U.S. dollar on our guidance for the fourth quarter of 2026. Factors that could cause actual results to differ materially include risks and uncertainties, including risks associated with the strength or weakness of the business conditions in industries and geographic markets that IPG serves, particularly the effect of downturns in the markets IPG serves; uncertainties and adverse changes in the general economic conditions of markets; inability to manage risks associated with international customers and operations; changes in trade controls and trade and tariff policies; IPG's ability to penetrate new applications for fiber lasers and increase market share; the rate of acceptance and penetration of IPG's products; foreign currency fluctuations; high levels of fixed costs from IPG's vertical integration; the appropriateness of IPG's manufacturing capacity for the level of demand; competitive factors, including declining average selling prices; the effect of acquisitions and investments; inventory write-downs; asset impairment charges; intellectual property infringement claims and litigation; interruption in supply of key components; manufacturing risks; government regulations and trade sanctions; and other risks identified in IPG's SEC filings. Readers are encouraged to refer to the risk factors described in IPG's Annual Report on Form 10-K (filed with the SEC on February 23, 2026) and IPG's reports filed with the SEC, as applicable. Actual results, events and performance may differ materially. Readers are cautioned not to rely on the forward-looking statements, which speak only as of the date hereof. IPG undertakes no obligation to update the forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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Q3'26 Summary

$288M Revenue

$52M Adj. EBITDA

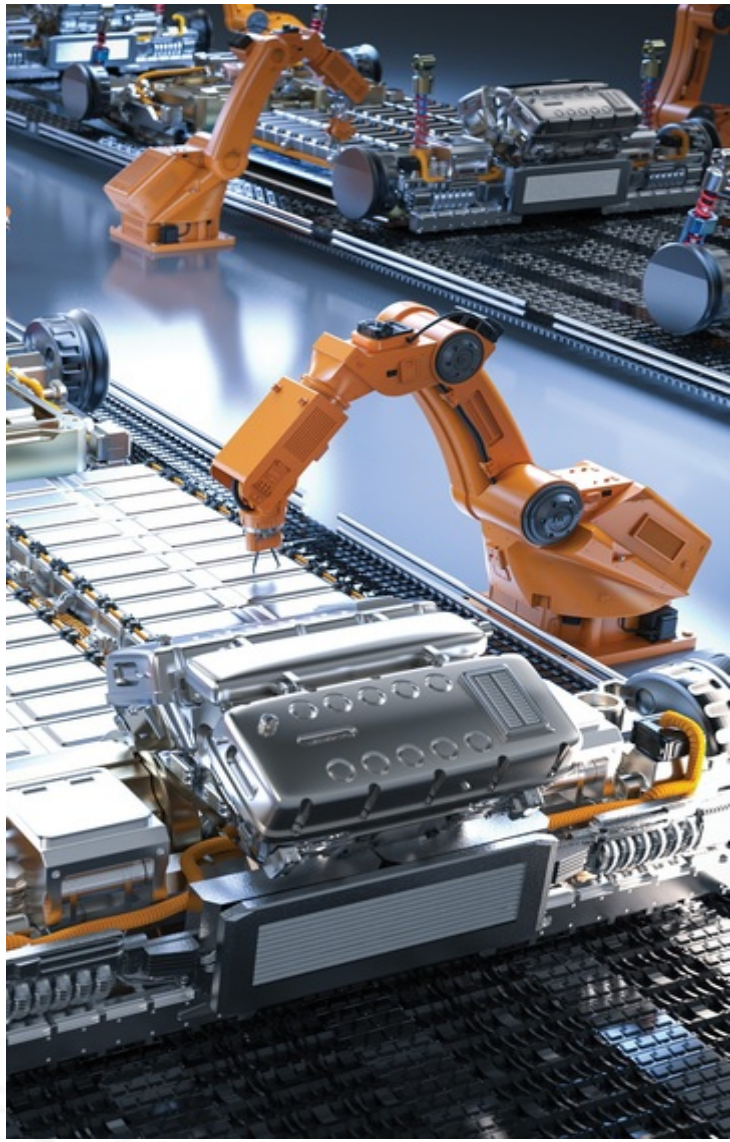
$0.61 Adj. EPS

Delivered double-digit year-over-year revenue growth for the fourth consecutive quarter

- **Industrial Solutions:** Strong growth in welding and additive manufacturing applications
- **Advanced Solutions:** Growth in defense and semiconductor sales, driven by our key strategic initiatives

Gross margin increased YoY in Q3, benefiting from lower product costs and $5M in net tariff refunds recorded in the period

Delivered YoY growth in adjusted EBITDA and adjusted EPS



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Revenue by Application

		Q3'26	Q3'25	Y/Y	Q2'26	Q/Q
Industrial Solutions	YoY growth was driven by welding and additive manufacturing. Sequential growth was driven by cutting, welding, and additive manufacturing.	$239.5M	$214.7M	12%	$237.0M	1%
Advanced Solutions	Higher defense and semiconductor sales drove YoY and sequential growth.	$48.0M	$36.1M	33%	$41.5M	15%
TOTAL		$287.5M	$250.8M	15%	$278.6M	3%

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Revenue by Geography

North America

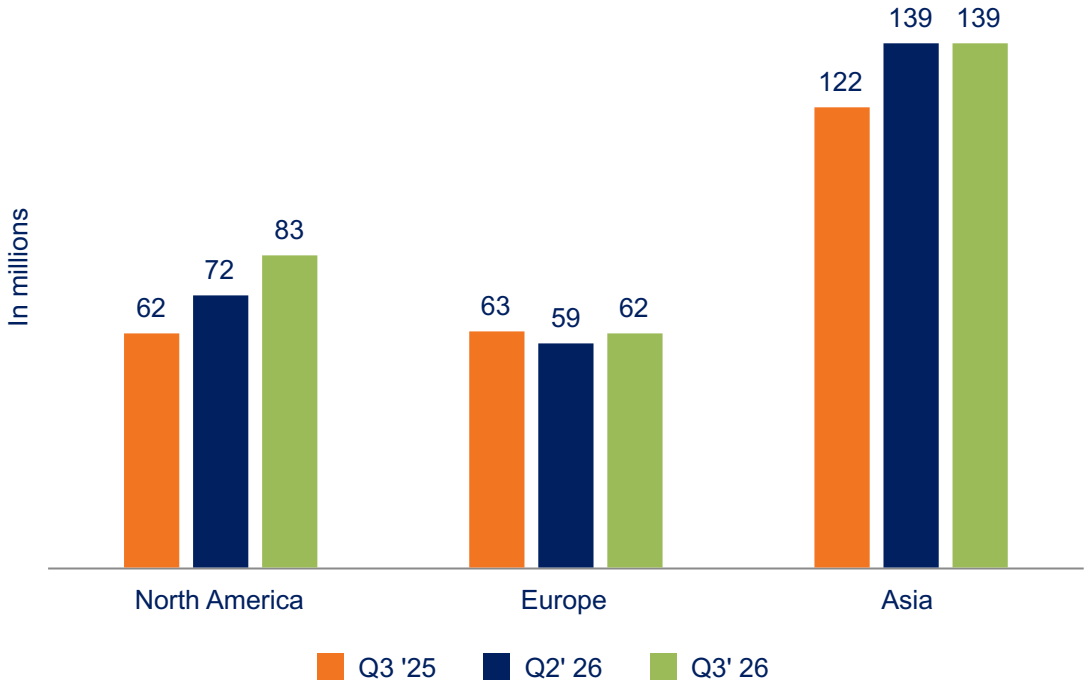
Sales grew sequentially and YoY with sequential growth driven by defense, medical, cleaning, cutting, and additive manufacturing while YoY growth was driven by welding and defense.

Europe

Revenue decreased slightly on a YoY basis, but improved sequentially, driven by increased sales in cutting, welding, and semiconductor applications.

Asia

Sales were flat sequentially, but up YoY, driven by higher welding revenue.



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Financial Review

Revenue increased YoY, marking a fourth consecutive quarter of double-digit revenue growth.

GAAP and adjusted gross margin improved on both a YoY and sequential basis, driven by lower product costs and $5M in net tariff refunds recorded in the period.

Operating expenses were higher sequentially, with Q2 benefiting from a German R&D tax credit of $1.8 million. The YoY increase in operating expenses was primarily driven by ongoing investments in growth opportunities.

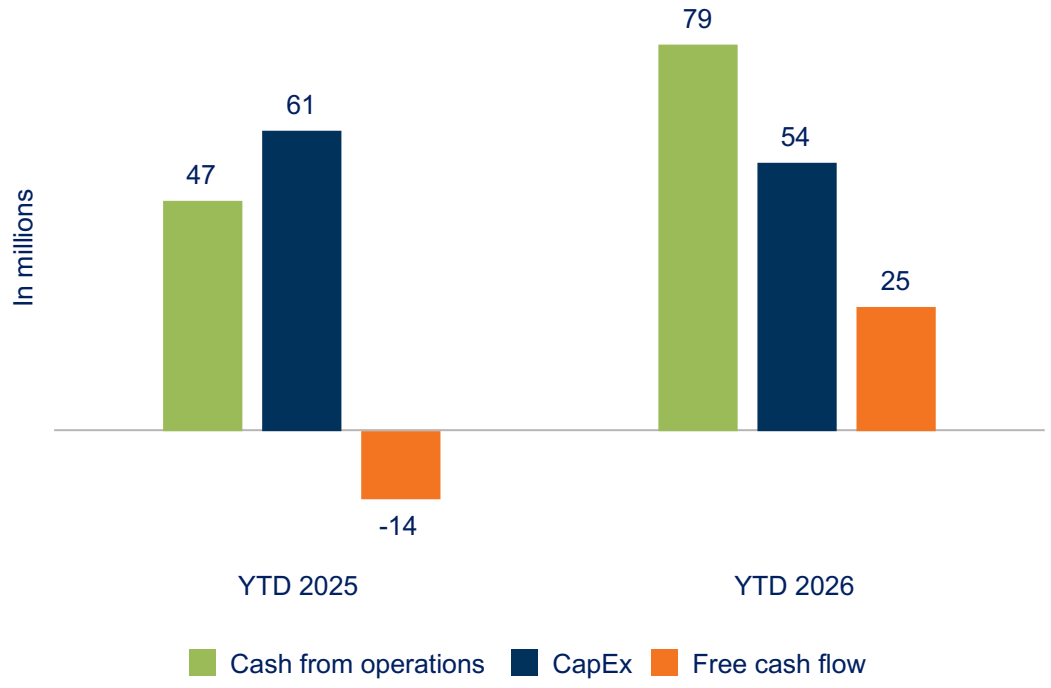
In millions except per share	Q3'26	Q3'25	Y/Y	Q2'26	Q/Q
Revenue	$287.5	$250.8	15%	$278.6	3%
Gross margin	40.7%	39.5%	+120 bps	40.4%	+30 bps
Adjusted gross margin	41.0%	39.8%	+120 bps	40.7%	+30 bps
Adjusted operating expenses	$91.2	$87.4	4%	$89.4	2%
Operating income (loss)	$20.8	$7.9	NM	$4.5	NM
Adjusted operating income (loss)	$26.5	$12.4	114%	$23.9	11%
Net income (loss)	$20.3	$7.5	171%	$5.2	290%
Adjusted net income (loss)	$26.3	$14.8	78%	$24.7	6%
Earnings (loss) per diluted share	$0.47	$0.18	161%	$0.12	292%
Adjusted EPS	$0.61	$0.35	74%	$0.58	5%
Adjusted EBITDA	$51.5	$37.0	39%	$48.5	6%

NM - not meaningful

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Balance Sheet and Cash Flow Summary

In millions	Q3'26
Cash and Short-term Investments	$926
Long-term Investments	$—
Inventories	$338
Total Debt	$—
Net Income to IPG	$20
Cash from Operations	$46
Depreciation and Amortization	$16
Capital Expenditures	$17
Stock Repurchases	$3
Days Sales Outstanding	61



Free cash flow is defined as cash flow from operations less capital expenditures

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Q4 '26 Outlook

Revenue	$265M - $295M
Adjusted Gross Margin	37.0% - 40.0%
Adjusted Operating Expenses	$91M - $94M
Adjusted EPS	$0.30 - $0.60
Adjusted EBITDA	$33M - $50M
Tax Rate	~25%
Diluted common shares	~43M

ADDITIONAL DETAILS

Q3 book-to-bill was approximately 1

Our revenue outlook factors in assumptions of a generally stable operating environment and no contribution from the acquisition of Lumibird Medical

Q4 gross margin guidance includes current estimate for tariffs and assumes no refunds



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Save the Date

New York City
on Tuesday, March 2, 2027

2027 Investor Day

Join us as we share:

- A deeper view of our strategy to generate profitable growth
- How we are solving complex challenges with innovative laser-based solutions
- An introduction of our long-term financial targets

Details will be announced soon

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Appendix: Reconciliation of Non-GAAP Financial Measures

Use of Non-GAAP Adjusted Financial Information

We refer to certain financial measures that are not recognized under United States generally accepted accounting principles ("GAAP") and are provided as supplemental information to enhance understanding of the Company's financial performance. These measures should not be considered as a substitute for, or superior to, GAAP financial measures. The following information provides the definition of adjusted gross profit, adjusted gross margin, adjusted operating income, EBITDA, adjusted EBITDA, adjusted net income, adjusted earnings per share (EPS), and adjusted tax rate as presented, which are financial measures that are not calculated or presented in accordance with GAAP, and reconciliation to the most directly comparable financial measures calculated and presented in accordance with GAAP. The Company has provided adjusted gross profit, adjusted gross margin, adjusted operating income, EBITDA, adjusted EBITDA, adjusted net income, adjusted EPS, and adjusted tax rate as supplemental information and in addition to the financial measures presented by the Company that are calculated and presented in accordance with GAAP. Such non-GAAP financial measures should not be considered superior to, as a substitute for or alternative to, and should be considered in conjunction with, the GAAP financial measure presented by the Company.

Management believes that these non-GAAP financial measures provide additional means of evaluating period-over-period operating performance. Specifically, these non-GAAP financial measures provide management with additional means to understand and evaluate the operating results and trends in our ongoing business by eliminating certain non-cash expenses and other items that management believes might otherwise make comparisons of our ongoing business with prior periods more difficult, obscure trends in ongoing operations, or reduce management's ability to make useful forecasts.

In addition, management understands that some investors and financial analysts find this information helpful in analyzing our financial and operational performance and comparing this performance to our peers and competitors. However, these non-GAAP financial measures have limitations as an analytical tool and are not intended to be an alternative to financial measures prepared in accordance with GAAP. In addition, it should be noted that these non-GAAP financial measures may be different from non-GAAP measures used by other companies. Management may, however, utilize other measures to illustrate performance in the future. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures.

We have not provided a quantitative reconciliation of forward-looking Non-GAAP adjusted earnings per diluted share and adjusted EBITDA to their most directly comparable GAAP financial measures because we are unable to estimate with reasonable certainty the ultimate timing or amount of certain significant items without unreasonable efforts. This is due to the inherent difficulty of forecasting the timing and/or amount of various items that would impact adjusted earnings per diluted share and adjusted EBITDA. This includes items that have not yet occurred, are out of the Company's control, cannot be reasonably predicted and/or for which there would not be any meaningful adjustment or difference. For the same reasons, the Company is unable to address the probable significance of the unavailable information.

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Appendix: Reconciliation of Non-GAAP Financial Measures

(In thousands, except percentages)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Gross profit	$ 117,054	$ 99,005	$ 329,077	$ 282,390
Gross margin	40.7 %	39.5 %	39.6 %	38.7 %
Amortization of acquisition-related intangibles	720	851	2,360	2,928
Acquisition and integration charges	—	—	—	482
Adjusted gross profit	$ 117,774	$ 99,856	$ 331,437	$ 285,800
Adjusted gross margin	41.0 %	39.8 %	39.9 %	39.2 %

We define adjusted gross profit as reported gross profit, adjusted for non-recurring, infrequent, or unusual changes.

We define adjusted gross margin as adjusted gross profit divided by total revenue.

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Appendix: Reconciliation of Non-GAAP Financial Measures

(In thousands)	Three Months Ended September 30, 2026	2025	Nine Months Ended September 30, 2026	2025
Operating expenses	$ 96,277	$ 91,150	$ 311,505	$ 272,604
Amortization of acquisition-related intangibles	1,231	1,551	3,701	4,570
Acquisition and integration charges	151	246	987	1,823
Impairment charges	231	—	17,805	—
Restructuring charges	149	425	500	425
Settlement and fees of litigation matters	—	—	14,435	—
Loss on foreign exchange	3,275	1,504	2,293	7,013
Adjusted operating expenses	$ 91,240	$ 87,424	$ 271,784	$ 258,773

We define adjusted operating expenses as reported operating expenses, adjusted for non-recurring, infrequent, or unusual charges.

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Appendix: Reconciliation of Non-GAAP Financial Measures

(In thousands)	Three Months Ended September 30, 2026	2025	Nine Months Ended September 30, 2026	2025
Operating income	$ 20,777	$ 7,855	$ 17,572	$ 9,786
Amortization of acquisition-related intangibles	1,951	2,402	6,061	7,498
Acquisition and integration charges	151	246	987	2,305
Impairment charges	231	—	17,805	—
Restructuring charges	149	425	500	425
Settlement and fees of litigation matters	—	—	14,435	—
Loss on foreign exchange	3,275	1,504	2,293	7,013
Adjusted operating income	$ 26,534	$ 12,432	$ 59,653	$ 27,027

We define adjusted operating income as reported income from operations, adjusted for non-recurring, infrequent, or unusual charges.

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Appendix: Reconciliation of Non-GAAP Financial Measures

(In thousands)	Three Months Ended September 30, 2026	2025	Nine Months Ended September 30, 2026	2025
Net income	$ 20,273	$ 7,463	$ 27,099	$ 17,826
Interest income, net	(7,688)	(7,283)	(21,720)	(22,728)
Provision for income taxes	8,142	8,191	14,876	16,714
Depreciation	12,986	12,392	38,447	36,120
Amortization	2,976	3,240	8,930	10,679
EBITDA	36,689	24,003	67,632	58,611
Impairment charges	231	—	17,805	—
Stock based compensation	11,022	10,780	31,597	32,834
Restructuring charges	149	425	500	425
Acquisition and integration charges	151	246	987	2,305
Settlement and fees of litigation matters	—	—	14,435	—
Loss on foreign exchange	3,275	1,504	2,293	7,013
Adjusted EBITDA	$ 51,517	$ 36,958	$ 135,249	$ 101,188

We define EBITDA as net income plus interest expense (income), provision for income taxes, depreciation expense, and amortization expense.

We define Adjusted EBITDA as EBITDA adjusted for non-recurring, infrequent, or unusual charges, and other adjustments that the Company believes appropriate.

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Appendix: Reconciliation of Non-GAAP Financial Measures

(In thousands, except per share data)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Net income	$ 20,273	$ 7,463	$ 27,099	$ 17,826
Impairment charges	231	—	17,805	—
Amortization of acquisition-related intangibles	1,951	2,402	6,061	7,498
Restructuring charges	149	425	500	425
Acquisition and integration charges	151	246	987	2,305
Settlement and fees of litigation matters	—	—	14,435	—
Loss on foreign exchange	3,275	1,504	2,293	7,013
Certain discrete tax items	949	3,414	84	8,303
Tax impact of non-GAAP adjustments	(711)	(613)	(5,337)	(2,471)
Adjusted net income	$ 26,268	$ 14,841	$ 63,927	$ 40,899
Adjusted net earnings per diluted share	$ 0.61	$ 0.35	$ 1.49	$ 0.96
Weighted average diluted shares outstanding	42,840	42,556	42,904	42,659

We define adjusted net income as reported net income, adjusted for non-recurring, infrequent, or unusual changes, and other adjustments that the Company believes appropriate.

We define adjusted EPS as adjusted net income divided by the weighted-average diluted shares outstanding.

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Appendix: Reconciliation of Non-GAAP Financial Measures

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Tax Rate	29 %	52 %	35 %	48 %
Discrete tax items	(3)%	(22)%	— %	(24)%
Net impact of non-GAAP adjustments	(3)%	(3)%	(11)%	(3)%
Adjusted tax Rate	23 %	27 %	24 %	21 %

We define adjusted tax rate as the GAAP tax rate, adjusted for discrete tax items and the net impact of non-GAAP adjustments.

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