



IPG Photonics Corporation



IPGP NASDAQ

Electrical Components / Equipment

Market Capitalization USD:

\$2,062.27 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Valentin P. Gapontsev

Age: 73

CEO Since: 1990

	2009	2010	2011
Base Salary	\$389,025	\$393,735	\$418,167
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$0	\$512,682	\$808,306
Benefits and Perquisites	\$62,579	\$15,879	\$16,261
TOTAL ANNUAL COMPENSATION	\$451,604	\$922,296	\$1,242,734
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$0	\$0	\$0
TOTAL COMPENSATION	\$451,604	\$922,296	\$1,242,734
Median of Other Named Executive Officers Total Compensation	\$442,728	\$866,933	\$1,416,147
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$0	\$0	\$0
TOTAL REALIZED EQUITY COMPENSATION	\$0	\$0	\$0

Proxy Date: 16 Apr 2012

Annual Meeting Date: 5 Jun 2012

Equity Reserves: 20.42%

Stock Option Run Rate: 1.26%

IPG Photonics Corporation

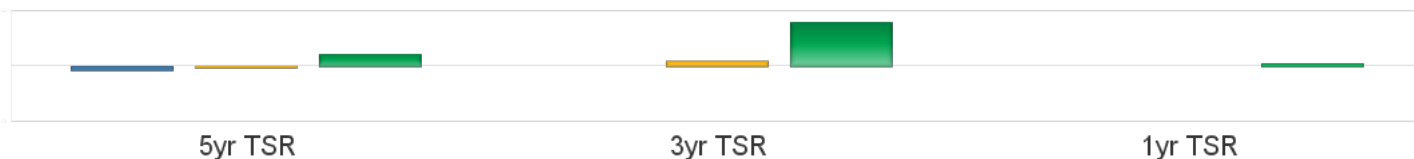
IPGP NASDAQ

Electrical Components / Equipment

Market Capitalization USD: **\$2,062.27 mm**

Performance Comparison

■ S&P500 ■ Industry ■ IPGP



Peer Comparisons (TRBC) =Electrical Components / Equipment

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
IPGP	IPG Photonics Corporation	\$451,604	\$922,296	\$1,242,734	\$2,062,269,126
ENR	Energizer Holdings, Inc.	\$8,526,945	\$6,916,433	\$6,513,176	\$4,568,700,291
ARW	Arrow Electronics, Inc.	\$5,063,453	\$6,354,647	\$7,396,353	\$3,192,432,651
HUBB	Hubbell Incorporated	\$7,461,689	\$5,722,486	\$8,784,837	\$2,614,480,633
TNB	Thomas & Betts Corporation	\$9,106,706	\$5,508,214		\$2,096,817,002
AVX	AVX Corporation	\$1,374,658	\$1,097,570		\$2,018,807,900
GTI	GrafTech International Ltd.	\$3,446,396	\$3,333,873	\$3,820,307	\$1,845,018,750

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps.

Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

II-VI Incorporated, Brooks Automation, Inc., Cognex Corporation, Coherent, Inc., Cymer Inc., Electro Scientific Industries, Inc., Evergreen Solar Inc., EXFO Electro-Optical Engineering Inc., FEI Company, FormFactor, Inc., Hittite Microwave Corporation, Measurement Specialties, Inc., Newport Corporation, Opnext, Inc., Rofin-Sinar Technologies Inc., Varian Semiconductor Equipment Associates Inc., Veeco Instruments Inc.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Robert A. Blair	Chairman	65	Male	12	Outside Related
Michael R. Kampe	Member	62	Male	1	Outside
William F. Krupke	Member	75	Male	11	Outside Related
William S. Hurlev	Member	67	Male	6	Outside

This report is for informational purposes only, and should not be considered a solicitation to buy or sell any security. Thomson Reuters Business Classification (TRBC) is a global industry classification system that is owned and operated by Thomson Reuters and has been licensed for use by GMI Ratings.

COPYRIGHT 2012 | GMI Ratings | ALL RIGHTS RESERVED