IPG Photonics Obtains New $20 Million Credit Facility

IPG Photonics Obtains New $20 Million Credit Facility

OXFORD, Mass., Jul 26, 2007 (BUSINESS WIRE) --

IPG Photonics Corporation (Nasdaq: IPGP), the global leader in high-performance fiber lasers and amplifiers for diverse applications in numerous markets, today announced that it has entered into a new $20 million unsecured revolving credit facility with Bank of America, N.A. The credit facility bears interest at LIBOR plus 0.8% to 1.2% and matures on July 25, 2010. The new credit line replaces a $7.0 million receivables-based secured line of credit, which bore interest at LIBOR plus 3.0% and would have expired in June 2008.

Funds from this new line of credit will be used to support IPG Photonics' global operations, to pay down existing bank debt and for general corporate purposes. The Company has the ability to access an additional $5 million under the new credit line.

"This new line of credit provides IPG Photonics with additional financial flexibility and increased capital to finance our international operations," said IPG Photonics Chief Financial Officer Tim Mammen. "Across the world, customers are realizing the benefits of our superior fiber lasers in a variety of industries. We look forward to continuing to grow the business as we capitalize on increased global demand for our products."

About IPG Photonics Corporation

IPG Photonics is a leading global manufacturer of high-performance fiber lasers and amplifiers for diverse applications in numerous markets, such as materials processing, communications, medical, and scientific and research. Founded in 1990, IPG Photonics pioneered the development and commercialization of optical fiber-based lasers, a new generation of lasers that combine the advantages of semiconductor diodes with the high amplification and precise beam qualities of specialty optical fibers. Fiber lasers deliver superior performance, reliability and usability at a lower total cost of ownership compared with conventional lasers, allowing end-users to increase productivity and lower operating costs. Headquartered in Oxford, Massachusetts, IPG has additional plants in Germany, Russia and Italy, and regional sales offices in Michigan, Japan, China, South Korea, India and the United Kingdom. For more information on IPG Photonics, please visit www.ipgphotonics.com.

Safe Harbor Statement

Information and statements provided by the Company and its employees, including statements in this press release, that relate to future plans, events or performance are forward-looking statements. These statements involve risks and uncertainties. Any statements in this press release that are not statements of historical fact are forward-looking statements, including, but not limited to, the Company's new unsecured line of credit and its ability to growth the business as it capitalizes on increased global demand. Factors that could cause actual results to differ materially include risks and uncertainties, including risks associated with the Company's ability to penetrate new applications for fiber lasers and increase market share, the rate of acceptance and penetration of IPG's products, effective management of growth, level of fixed costs from its vertical integration, intellectual property infringement claims and litigation, interruption in supply of key components, contract cancellations, manufacturing risks, competitive factors including declining average selling prices, building and expanding field service and support operations, uncertainties pertaining to customer orders, demand for products and services, development of markets for the Company's products and services and other risks identified in the Company's SEC filings. Readers are encouraged to refer to the risk factors described in the Company's Annual Report on Form 10-K (filed with the SEC on March 27, 2007) and its periodic 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.

The Company 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.

IPGP-G

2007-15

SOURCE: IPG Photonics Corporation

IPG Photonics Corporation
Tim Mammen, 508-373-1100
Chief Financial Officer
or
Sharon Merrill Associates, Inc.

David Calusdian, 617-542-5300
Executive Vice President

Copyright Business Wire 2007

News Provided by COMTEX