IPG Awarded Contract to Supply Fiber Lasers to German Luxury Automaker

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IPG's YLR-Series of High Power Lasers to be Used in Door Welding Applications

OXFORD, Mass., Jul 15, 2008 (BUSINESS WIRE) -- IPG Photonics Corporation (Nasdaq: IPGP), the world leader in high-power fiber lasers and amplifiers, today announced that its German subsidiary, IPG Laser GmbH, has received a major order for multi-kilowatt, continuous wave Ytterbium fiber laser systems totaling 63kW in power from the BMW Group in Munich, Germany. These high power fiber lasers will be used in the new production line at BMW Group for the welding of automotive doors. The contract represents the first large-scale production use of fiber laser systems for the German automobile manufacturer.

IPG was selected after extensive research and testing by BMW Group. BMW Group has used IPG's high power fiber lasers in production for several years. The lasers, which would be manufactured at IPG's facility in Burbach, Germany, are scheduled to be delivered in Q4 2008.

BMW Group purchased IPG's fiber lasers with the Company's newly released integrated cooling system. The systems are also equipped with an integrated beam switch and flexible processing fibers.

"We are pleased that the BMW Group has selected our efficient and compact high power fiber laser technology that is recognized in the industry for its proven reliability and overall performance," said Dr. Valentin Gapontsev, CEO of IPG Photonics Corporation. "We are seeing particular interest in our high power fiber lasers in automotive applications because of their proven low maintenance and smaller footprint on the factory floor."

IPG sells cost-effective Ytterbium fiber laser systems for a variety of materials processing applications in a number of different industries. These kilowatt-class fiber lasers range in power from 1kW to 50 kW, operating in continuous or modulated modes up to 20 kHz with wall-plug efficiencies of greater than 25 percent. All of IPG's robust fiber lasers share the common attributes of extremely compact size, long diode life, no or low maintenance operation and the highest wall plug efficiency of any industrial laser.

About IPG Photonics Corporation

IPG Photonics is the world leader in high-power fiber lasers and amplifiers. Founded in 1990, IPG pioneered the development and commercialization of optical fiber-based lasers for use in a wide range of applications such as materials processing, advanced applications, telecommunications and medical applications. Fiber lasers have revolutionized the industry by delivering superior performance, reliability and usability at a lower total cost of ownership compared with conventional lasers, allowing end users to increase productivity and decrease operating costs. IPG has its headquarters in Oxford, Massachusetts, and has additional plants and offices throughout the world. For more information, 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, those relating to the expected shipment dates and applications in which the fiber lasers are to be used. Factors that could cause actual results to differ materially include risks and uncertainties, including risks associated with delayed shipment and/or cancelation of orders by BMW Group, 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 13, 2008) 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.

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SOURCE: IPG Photonics Corporation

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