

# INTEVAC INC

## **FORM 8-K** (Current report filing)

Filed 08/15/05 for the Period Ending 08/15/05

Address	3560 BASSETT STREET SANTA CLARA, CA, 95054
Telephone	4089869888
CIK	0001001902
Symbol	IVAC
SIC Code	3559 - Special Industry Machinery, Not Elsewhere Classified
Industry	Industrial Machinery & Equipment
Sector	Industrials
Fiscal Year	12/31

# INTEVAC INC

## FORM 8-K (Unscheduled Material Events)

Filed 8/15/2005 For Period Ending 8/15/2005

Address	356O BASSETT ST SANTA CLARA, California 95054
Telephone	408-986-9888
CIK	0001001902
Industry	Computer Storage Devices
Sector	Technology
Fiscal Year	12/31

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EXHIBIT 99.1

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## **Table of Contents**

### **Item 7.01 Regulation FD Disclosure**

Please find the August 2005 Investor Presentation attached as Exhibit 99.1. This Current Report on Form 8-K and the attached exhibit are furnished to, but not filed with, the Securities Exchange Commission (“SEC”) and shall not be deemed to be incorporated by reference into any of the Company’s filings with the SEC under the Securities Act of 1933, as amended, or the Exchange Act of 1934, as amended.

### **Item 9.01. Financial Statements and Exhibits**

(c) Exhibits

99.1 Investor Presentation.

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTEVAC, INC.

Date: August 15, 2005

By: /s/ CHARLES B. EDDY III  
Charles B. Eddy III  
Vice President, Finance and Administration,  
Chief Financial Officer, Treasurer and Secretary

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Exhibit Index

<u>Exhibit Number</u>	<u>Description</u>
99.1	Investor Presentation.

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**Investor Tour**  
*August 15, 2005*



**I N T E V A C**

**Charles Eddy**  
*Chief Financial Officer*

**Luke Marusiak**  
*Chief Operations Officer*



## Cautionary Disclaimer

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During the course of this presentation, we will comment upon future events and may make projections about our future financial performance, including statements related to our expected sales, product shipments and acceptance, gross margin, operating expense, profit, cash flow and income tax expense. We will discuss our business strategy, our products, the markets our products address, our position in those markets, expected market acceptance of those products and production capacity. We wish to caution you that these are forward looking statements that are based upon our current expectations, and that actual results could differ materially as a result of various risks and uncertainties, including, without limitation, the following: inability to develop and deliver new products as planned; inability to accurately forecast the demand for our products and services; the possibility that orders in backlog may be cancelled, delayed or rescheduled; inability to achieve gross margin and expense goals and other risk factors discussed in documents filed by us with the Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. We undertake no obligation to update the forward-looking statements made during this presentation.

## Equipment Products

**Leader in Media Manufacturing Systems for Hard Disk Drive Industry**

**2004: 126% Growth YTY**  
**2005: 85-100% Growth YTY**

- Hard Disk Drive Market Growing
- New Media Technology Requires Re-Tooling of Installed Base
- Technology and Expertise Applicable to New Growing Markets

**Equipment Expertise**

**Synergy**

## Low Light Imaging

**Leader in Advanced Low Light Video Imaging Technology**

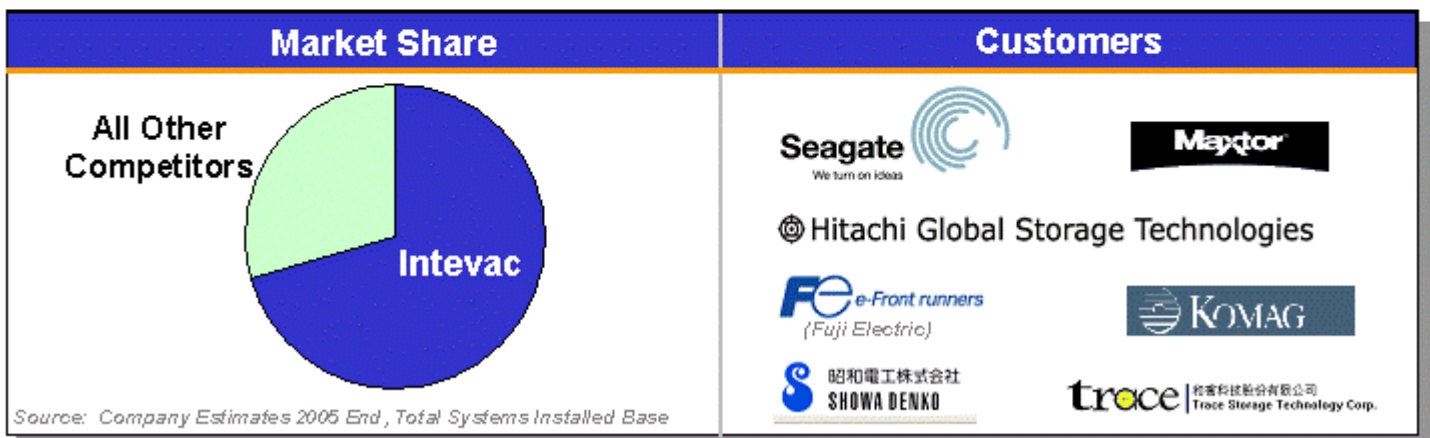
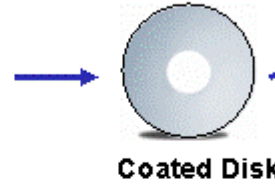
**Major Growth Opportunity**

- Video Based Military Night Vision
- Cost Effective Long Distance Target Identification Systems
- Medical, Scientific and Industrial Applications

**Low Cost Sensors**

# Equipment Products Business: Today

## Leading Provider of Media Manufacturing Systems



**Innovation At the Speed of Light®**

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# Equipment Products Business Division

## Growing End Market + Media Technology Change

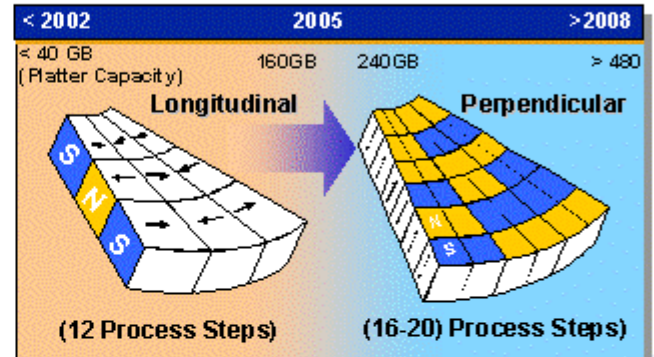


Proliferation in Consumer Products

Media Technology is Changing



Growing Hard Drive Market

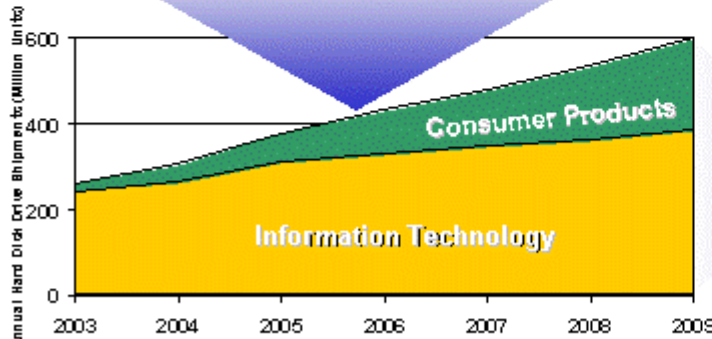


New System Required

New Capacity

Retooling of Installed Base

> \$1 Billion  
Total Equipment Opportunity



Source: TrendFocus

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# Equipment Products Business: 200 Lean Media Manufacturing System



## Flexibility For Future Media

- Modular design – simple to add additional process stations
- Easy to reconfigure
- Perpendicular capable

## Economic Solution

- 800 disks per hour
- Small footprint
- Simple to replace legacy systems
- Minimal reconfiguration of media plant

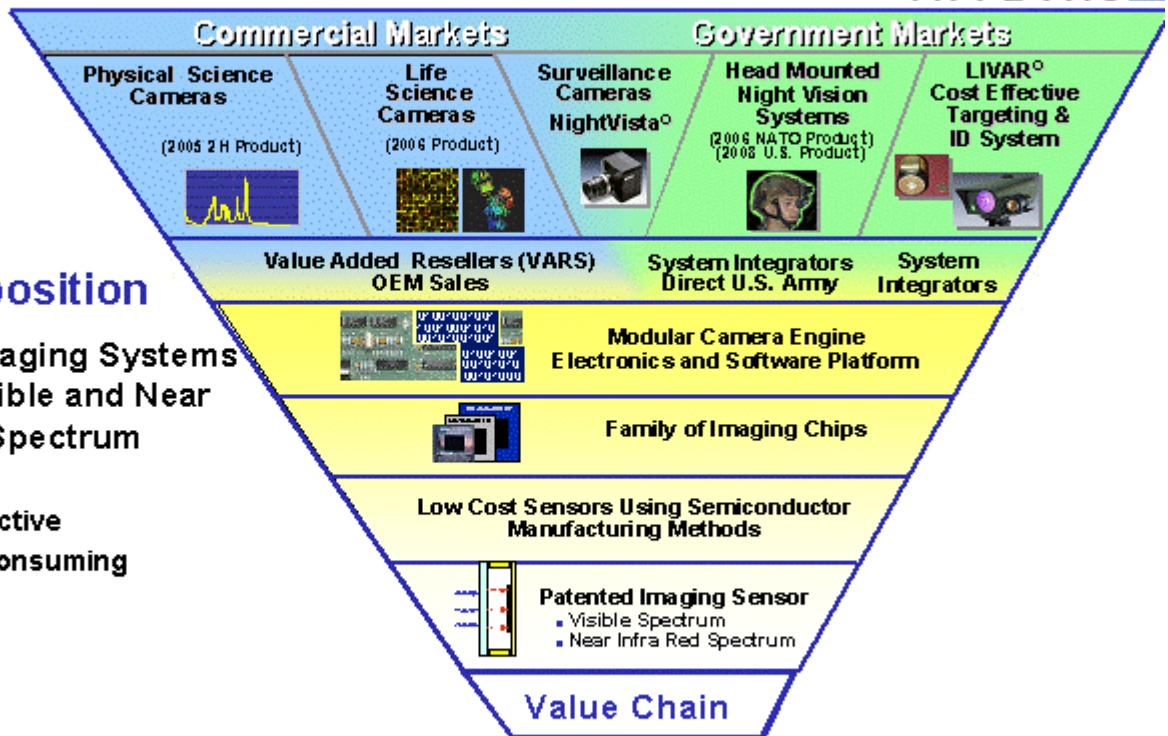
## Patented System Design

## *Selected By Multiple Customers*

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# Low Light Imaging Business Overview



## Value Proposition

Cameras and Imaging Systems Operating in Visible and Near Infra Red Light Spectrum

- Most Sensitive
- Most Cost Effective
- Least Power Consuming
- Mega Pixels

**Goal: Multi-Hundred Million Dollar Global Business Split Between Government and Commercial Markets by 2010**

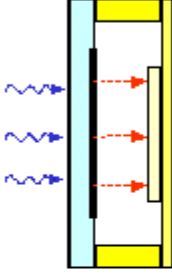


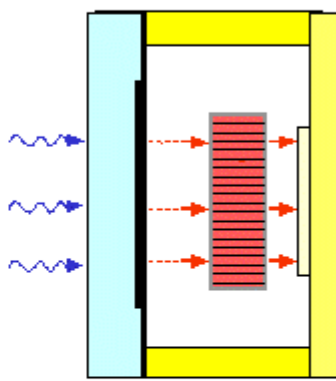
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# Low Light Imaging Business

## Head Mounted Night Vision



Intevac Solution	Competing Sensor
 <p><b>Advantages of Intevac Sensor</b></p> <ul style="list-style-type: none"><li>- Simpler</li><li>- Higher Sensitivity</li><li>- Lower Cost</li><li>- Smaller</li><li>- Night AND Day</li></ul>  <p><b>NightVista® Only Commercially Available Camera Using CMOS Low Light Sensor</b></p>  <p><b>Chosen for First Large Deployment of Head Mounted Night Vision</b></p> <ul style="list-style-type: none"><li>- Production Ramp 2006 Start</li></ul>	
<p><b><i>Large Opportunity; 2005 Legacy Market Size \$400M</i></b></p>	



# Low Light Imaging Business

LIVAR® Cost Effective Long Range Target Identification



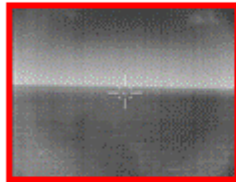
INTEVAC

LIVAR®



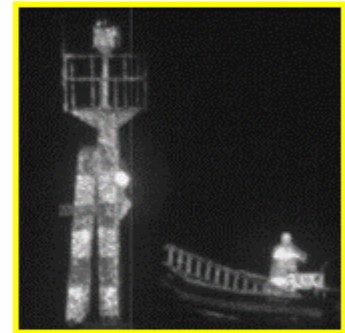
- Operates in Near Infra Red Eye Safe Regime
- Covert
- Long Range (Miles)
- Applications: Manportable, Airborne, Marine and Ground Vehicle

How It Works



**Detect**  
(Forward Looking Infra Red)

Laser Pulse  
Illuminate



Identify with LIVAR

Opportunity

- Today Mainly Contract R&D Revenue
- Potential 15,000 Platforms

Status

- In Pre-Production Qualification Phase on Four Major Programs
- Production Deployment 2006 and Beyond

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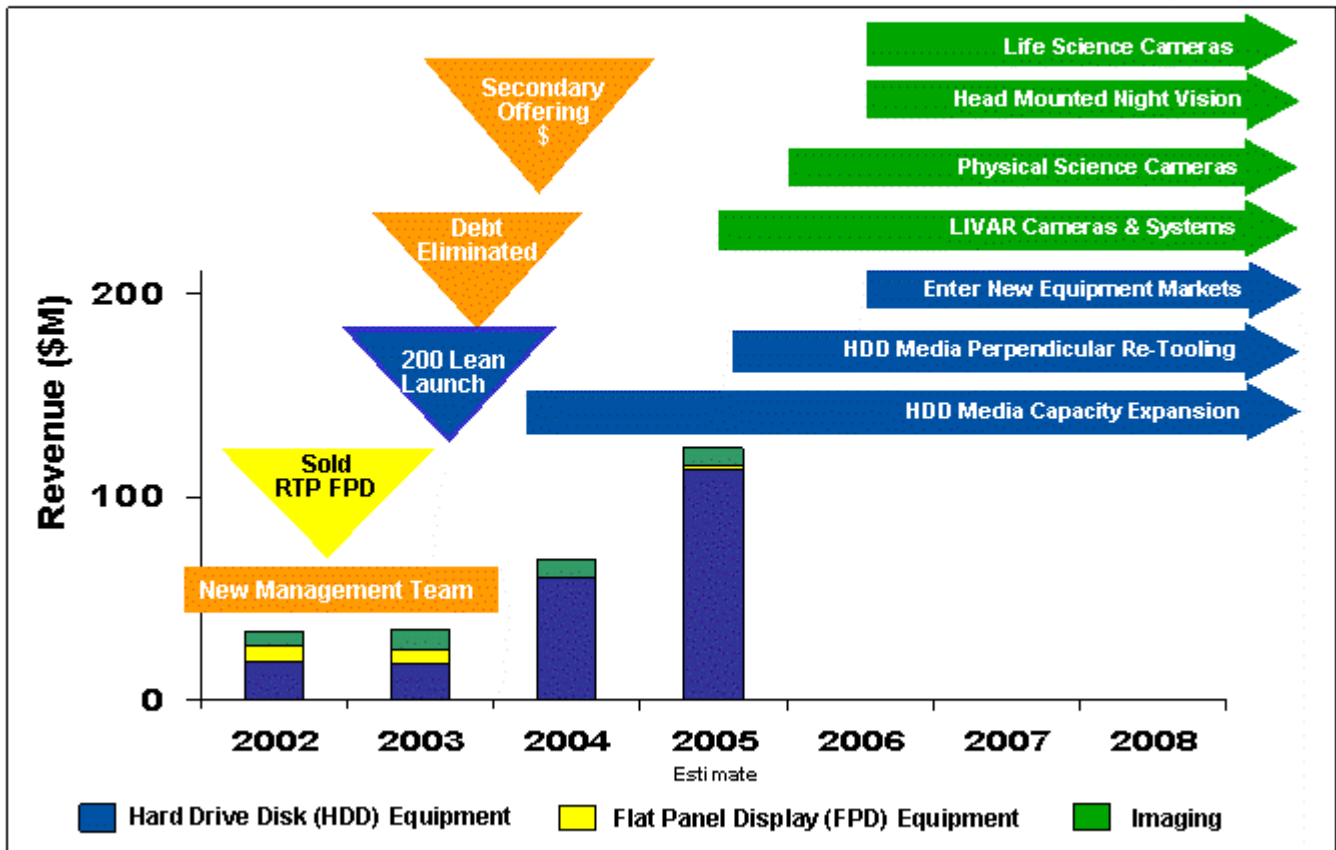
## Equipment

- **Our Product Designs Utilize Lean Principles; Hence “200 Lean”**
- **Intevac Operations Also Uses Lean Principles**
  - **Modular products**
  - **Short cycle times; Shortest lead time in the industry**
  - **Gross margin improvements through improved asset and overhead utilization**
  - **200% business volume increase in 2005 in existing facility with potential to double again**

## Imaging

- **Majority of Production Assets in Place to Support Revenue Levels Greater Than \$100M**
- **Volume Growth Will Lead to Yield Improvements**

# Intevac Growth Drivers



# Business Model Trends



	2004	2005		Long Term Goal	
		H1	H2 (Est.)	Equipment	Imaging
Gross Margin	23%	28%	33-35%	45%	50%
R&D	16	16	9-10	15	10
MG&A	<u>14</u>	<u>14</u>	<u>9-10</u>	<u>10</u>	<u>20</u>
Operating Expense	30	30	18-20	25	30
Operating Income	(7)	(2)	14-16	20	20
Other Income	1	2	1	0	0
Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>7</u>	<u>7</u>
Net Income	(6%)	0%	15-17%	13%	13%

# Investment Rationale

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## Two Businesses With Significant Growth Opportunities

- Proprietary Technology
- Market Leading Positions
- Rapidly Growing Market Opportunities

## Sound Balance Sheet and Leveraged Business Model

- Zero Debt and \$42M Cash and Equivalents
- 2005 Revenue Growth 85%-100% vs. 30-40% Growth in Operating Expenses

## Management and Technology Team With Proven Track Records

- Developing and Managing Billion Dollar Businesses
- Developing Advanced Equipment Solutions
- Creating Cutting Edge Imaging Technology

Investor Tour  
August 15, 2005



**I N T E V A C**

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*Chief Financial Officer*

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