

# GMI EXECUTIVE PAY SCORECARD<sup>SM</sup>

Data & analysis provided by GMI-The Independent Leader in Corporate Governance and ESG&A

13 Feb 2012

**Coherent, Inc.**



**COHR NASDAQ**

**Semiconductors**

Market Capitalization USD:

**\$1,075.96 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: John R. Ambroseo**

**Age: 50**

**CEO Since: 2002**

	2009	2010	2011
<b>Base Salary</b>	\$602,316	\$580,008	\$612,901
<b>Discretionary Bonus</b>	\$0	\$0	\$0
<b>Annual Cash Incentive</b>	\$2,262	\$870,012	\$1,628,675
<b>Benefits and Perquisites</b>	\$76,016	\$277,527	\$46,841
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$680,594</b>	<b>\$1,727,547</b>	<b>\$2,288,417</b>
<b>Increase in Post-Retirement Benefits</b>	\$0	\$0	\$0
<b>Stock Option Awards</b>	\$688,194	\$600,390	\$0
<b>Stock Awards</b>	\$661,218	\$981,000	\$2,452,700
<b>TOTAL COMPENSATION</b>	<b>\$2,039,003</b>	<b>\$3,308,937</b>	<b>\$4,741,117</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$672,658	\$1,090,353	\$1,484,797
<b>Value Realized on Exercise of Stock Option</b>	\$0	\$1,586,977	\$4,375,858
<b>Value Realized on Vesting of Stock</b>	\$119,700	\$499,454	\$1,380,235
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$119,700</b>	<b>\$2,086,431</b>	<b>\$5,756,093</b>

**Proxy Date:** 20 Jan 2012

**Annual Meeting Date:** 28 Feb 2012

**Equity Reserves:** 39.45%

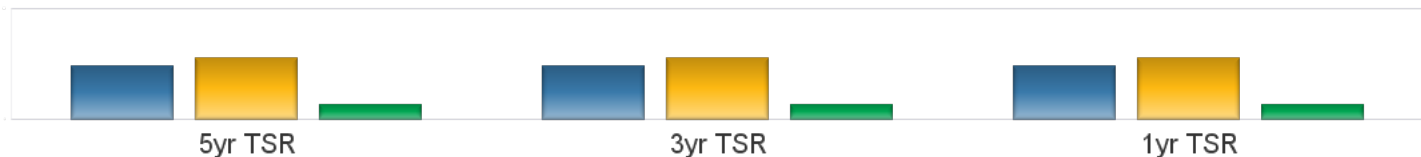
**Stock Option Run Rate:** 1.42%

This report is for informational purposes only, and should not be considered a solicitation to buy or sell any security.

COPYRIGHT 2012| GMI | ALL RIGHTS RESERVED

## Performance Comparison

■ vs S&P500    ■ vs Industry    ■ COHR



## Peer Comparisons (TRBC) =Semiconductors

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
COHR	Coherent, Inc.	\$2,039,003	\$3,308,937	\$4,741,117	\$1,075,962,026
ONNN	ON Semiconductor Corporation	\$6,270,820	\$1,824,693		\$3,218,929,795
CREE	Cree, Inc.	\$2,301,703	\$4,266,764		\$3,006,865,134
LSI	LSI Corporation	\$3,483,779	\$3,736,275		\$2,967,504,222
CY	Cypress Semiconductor Corporation	\$7,235,509	\$9,193,084		\$2,573,868,297
RFMD	RF Micro Devices, Inc.	\$3,192,490	\$4,628,935		\$1,752,138,528
HITT	Hittite Microwave Corporation	\$325,164	\$2,105,519		\$1,526,958,354

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

Altera Corp., Infinera Corp., Opnext, Inc., Cymer Inc., Integrated Device Tech., Plantronics Inc., FEI Company, JDS Uniphase, PMC-Sierra, Inc., Finisar Corp, Linear Technology, Trimble Navigation Limited, FLIR Systems, Inc., Newport Corporation, Varian Semiconductor, , Veeco Instruments.

### Performance Peer Group

Russell 2000 Index.

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Sandeep Vii	Chairman	46	Male	8	Outside
Jav T. Flatlev	Member	59	Male	1	Outside
L. William Krause	Member	69	Male	3	Outside
Lawrence Tomlinson	Member	71	Male	9	Outside