

oerlikon

What we do

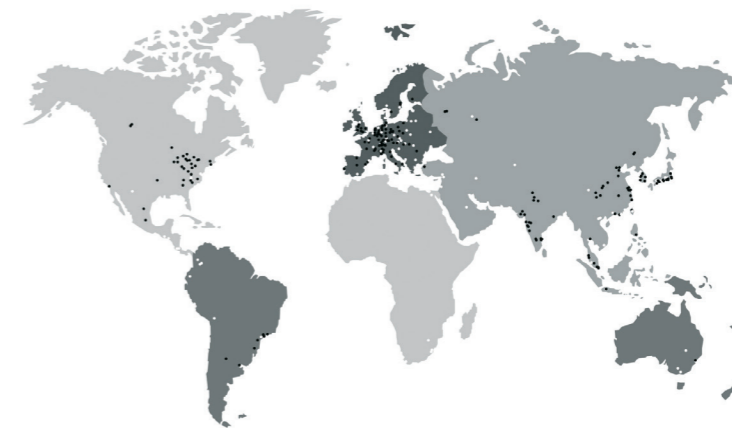
Oerlikon (SIX: OERL) creates innovative surface solutions, advanced materials and polymer processing, addressing customers' challenges and helping them succeed in their industries. Over 1000 engineers are dedicated to continuously develop new solutions, materials and technologies with and for our customers. Oerlikon is a leading global technology and engineering group serving its customers in 37 countries, generating CHF 2.85 billion sales (FY 2017) and distributing a sustainable dividend to its shareholders. Oerlikon has a net cash position and an unleveraged balance sheet allowing for organic and inorganic investments.

Five-year summary of key figures¹

in CHF million	2017	2016	2015	2014	2013
Order intake	3 005	2 413	2 537	2 647	2 779
Sales	2 847	2 331	2 671	2 825	2 770
EBITDA	415	334	338 ²	475	483
EBITDA margin in % of sales	15%	14%	13% ²	17%	17%
Net result	152	388	-418 ³	202	201
Cash flow from operating activities ⁴	405	269	393	427	435
Capital expenditure	237	144	150	151	177
Net cash ⁵	499	401	79	114	981
Number of employees	14 962	13 840	13 723	14 039	12 660
R&D expenditure	107	94	103	96	101

¹ 2017 as reported, 2016 continuing operations, 2015, 2014, 2013 as reported.
² Including restructuring costs of CHF 112 million.
³ Including restructuring costs of CHF 112 million and impairment charges of CHF 476 million.
⁴ Before changes in net current assets.

Some 15 000 employees, operating in 37 countries



58 sites in Asia / Pacific

- 44 Surface Solutions Segment
- 8 Manmade Fibers Segment
- 6 Drive Systems Segment

85 sites in EMEA

- 72 Surface Solutions Segment
- 3 Manmade Fibers Segment
- 8 Drive Systems Segment
- 2 Corporate

41 sites in the Americas

- 38 Surface Solutions Segment
- 2 Manmade Fibers Segment
- 1 Drive Systems Segment

Global brands and well-known customers

Surface Solutions Segment

oerlikon
balzers

oerlikon
metco

oerlikon
am

- Key customers:**
- Bosch
 - GE
 - Pratt & Whitney
 - Rolls-Royce
 - Sandvik
 - Volkswagen

Manmade Fibers Segment

oerlikon
barmag

oerlikon
neumag

Key customers:

- Hengyi Group
- New Feng Ming Group
- Reliance Industries
- Tongkun Group
- Wellknown Polyesters

Drive Systems Segment

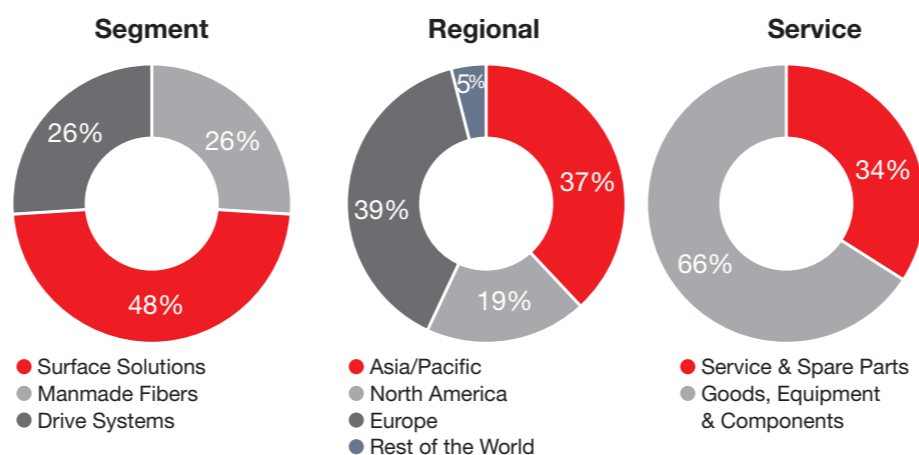
oerlikon
graziano

oerlikon
fairfield

Key customers:

- Caterpillar
- CNH
- John Deere
- McLaren
- Oshkosh
- Volkswagen

Sales split FY 2017 *

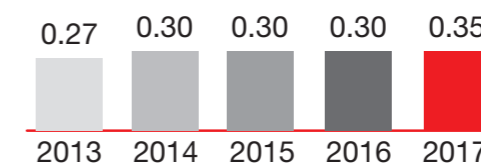


Shareholder return

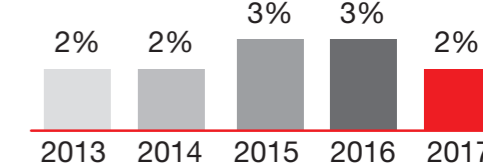
Dividend policy:

In December 2017, Oerlikon's Board of Directors reviewed and amended the company's dividend policy. The proposed dividend payout can be based on up to 50% of the Group's underlying net result, as well as the Group's financial position and affordability from the balance sheet.

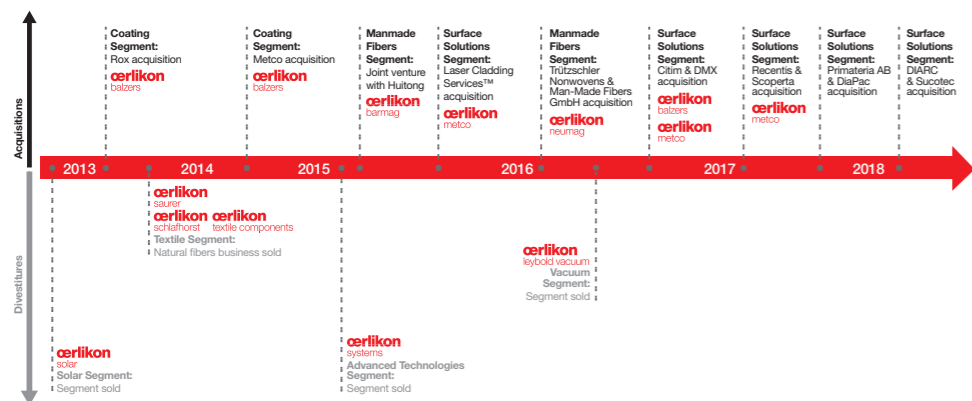
Dividend in CHF per share:



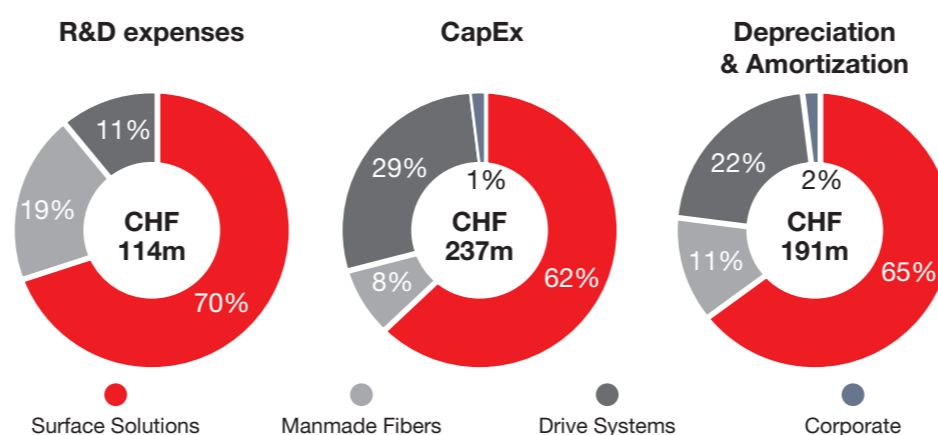
Dividend yield:



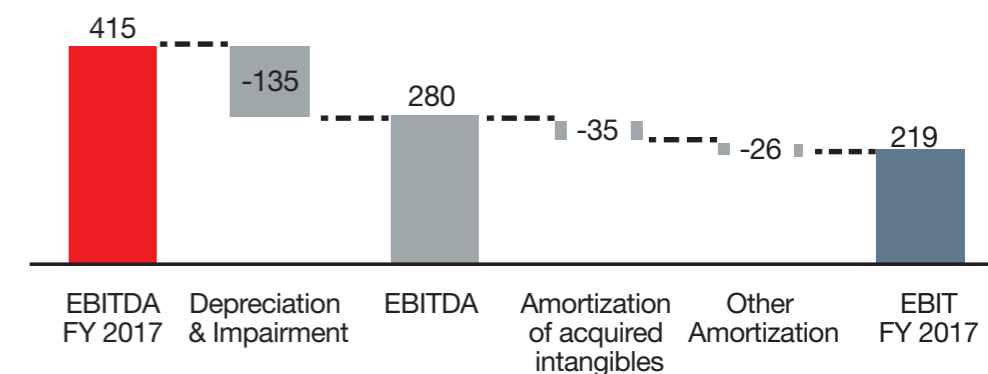
Oerlikon's transformation



Capital allocation FY 2017 *



Profitability Bridge FY 2017 *



* as reported

Chairman – Prof. Dr. Michael Süß

- 1963, German citizen
- Chairman of the Board of Directors since 2015

CEO – Dr. Roland Fischer

- 1962, German citizen
- CEO since 2016

CFO – Jürg Fedier

- 1955, Swiss citizen
- CFO since 2009

CTO – Dr. Helmut Rudigier

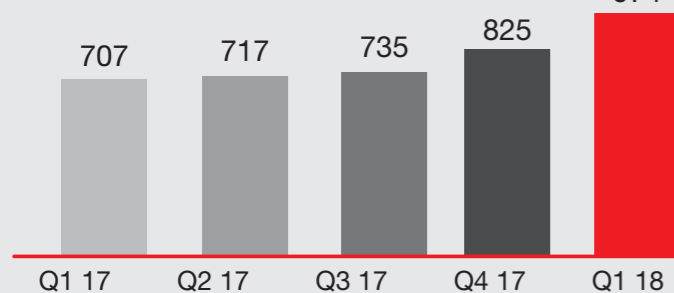
- 1955, Austrian citizen
- Group CTO since 2017

CHRO – Anna Ryzhova

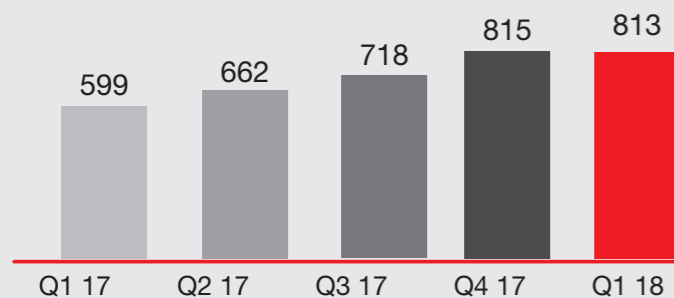
- 1979, Russian citizen
- CHRO since 2016

Oerlikon Group – Quarterly figures¹

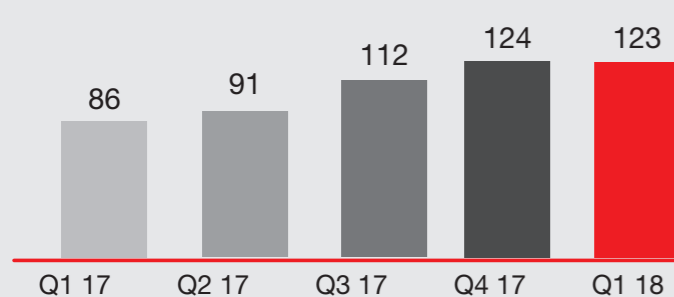
Order intake in CHF million



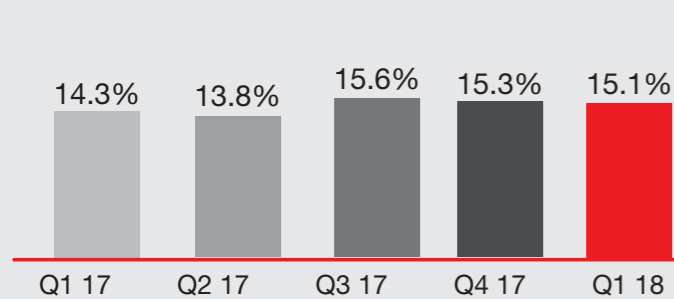
Sales in CHF million



EBITDA in CHF million



EBITDA margin

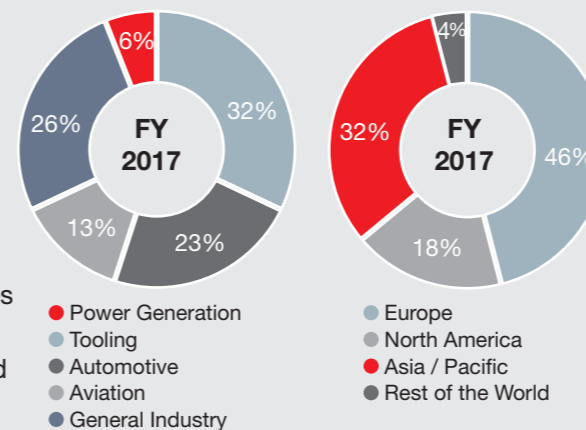


¹ 2017 restated for IFRS15

Surface Solutions Segment²



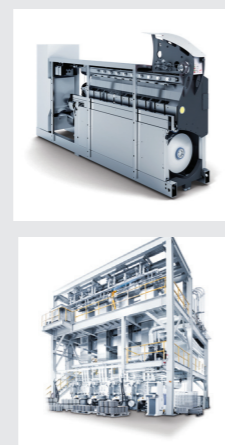
The Segment includes the three brands Oerlikon Balzers, Oerlikon Metco and Oerlikon AM. Oerlikon Balzers is a leading global supplier of PVD coatings and other surface technologies for precision components as well as metalworking and plastics processing tools. Oerlikon Metco enhances surfaces with coating solutions, materials and equipment. Oerlikon AM is an integrated service provider of industrial Additive Manufacturing (AM) solutions.



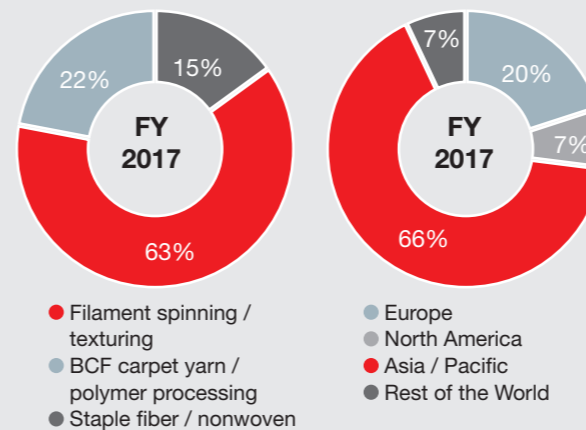
in CHF million	FY 2017 ²	FY 2016	△
Order intake	1 417	1 236	+14.6%
Sales (to 3 rd parties)	1 377	1 238	+11.2%
EBITDA	276	277	-0.4%
EBITDA margin	20.0%	22.2%	-2.2pp

² as reported

Manmade Fibers Segment²



The Segment with the product brands Oerlikon Barmag and Oerlikon Neumag is the world market leader for filament spinning systems, texturing machines and BCF carpet yarn, staple fiber spinning as well as nonwovens solutions.



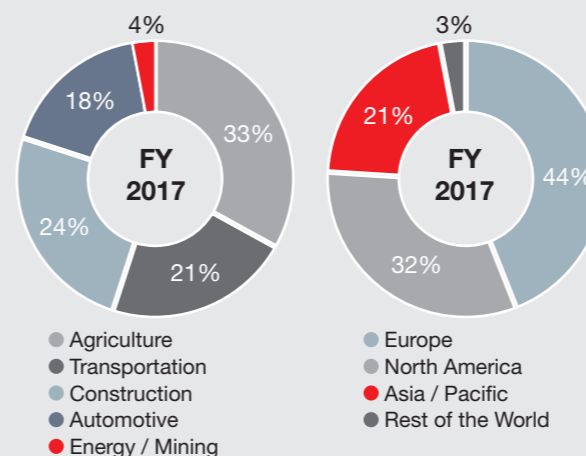
in CHF million	FY 2017 ²	FY 2016	△
Order intake	810	577	+40.4%
Sales (to 3 rd parties)	740	481	+53.8%
EBITDA	57	16	>100%
EBITDA margin	7.7%	3.3%	+4.4pp

² as reported

Drive Systems Segment²



The Segment includes the two brands Oerlikon Graziano and Oerlikon Fairfield. Oerlikon Graziano is a worldwide leader in the field of components for power transmissions. Oerlikon Fairfield is a manufacturer of engineered gear and drive solutions. Its products are sold worldwide to leading off-highway vehicle and industrial equipment manufacturers.



in CHF million	FY 2017 ²	FY 2016	△
Order intake	778	600	+29.7%
Sales (to 3 rd parties)	730	612	+19.3%
EBITDA	78	51	+52.9%
EBITDA margin	10.6%	8.4%	+2.2pp

² as reported

What we do

Oerlikon Surface Solutions Segment, a part of the Swiss-based Oerlikon Group (SIX: OERL), is a world-leading supplier of a unique and broad range of surface technologies, products and services. Under the technology-leading brands of Oerlikon Balzers and Oerlikon Metco, the Segments' surface solutions are proven to significantly improve the performance, reliability and durability of precision components and cutting and forming tools. Oerlikon Balzers' technologies can realize extremely thin and exceptionally hard coatings, while Oerlikon Metco offers equipment, materials and specialized machining services and components that complement its thermal spray, plasma heat treatment and laser cladding solutions. The Additive Manufacturing market is served under the new brand Oerlikon AM. Oerlikon is an integrated service provider of industrial Additive Manufacturing (AM) solutions. The Segment focuses on the aviation, power generation, oil and gas, automotive, metal and plastic processing, as well as in other specialized industries. In 2017, the Segment generated sales of CHF 1.4 billion and has over 7 000 employees in a dynamic global network of over 150 sites, of which over 140 are service and production centers in 37 countries. www.oerlikon.com/surface-solutions/

Five-year summary of key figures

in CHF million	2017 ¹	2016	2015	2014 ²	2013
Order intake	1 417	1 236	1 233	965	510
Sales	1 377	1 238	1 229	973	510
EBITDA	276	277	264	183	149
EBITDA margin in % of sales	20.0%	22.2%	21.4%	18.8%	29.2%
Capital expenditure	148	96	91	79	74
R&D expenses	80	69	70	56	34
Net operating assets	1 519	1 372	1 325	1 421	350
Number of employees	7 079	6 528	6 140	6 063	3 278

¹ as reported; ² Metco consolidated for 7 months

Over 7 000 employees, operating in 37 countries



Two strong brands under one roof

oerlikon balzers

Under the brand Oerlikon Balzers, surface technologies can realize extremely thin and exceptionally hard coatings, thus significantly improving the performance and durability of precision components as well as cutting and forming tools.

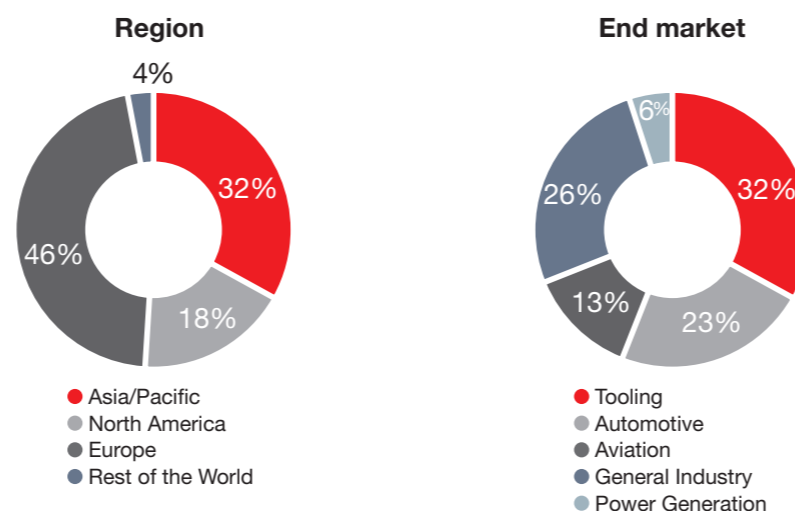
oerlikon metco

Under the brand Oerlikon Metco, innovative coating solutions, equipment, materials, specialized machining services and components serve to improve the performance, efficiency and reliability of customers' products.

oerlikon am

Under the brand Oerlikon AM integrated services for industrial Additive Manufacturing (AM) solutions are provided. This includes advanced metal powders for AM processes, application engineering expertise as well as one of the largest AM production and post-processing capacity.

Sales split FY 2017¹



Well-known customer base

Automotive:

- BMW
- Bosch
- Getrag
- Toyota
- Volkswagen
- ZF

Oil & Gas:

- Baker Hughes
- Cameron
- FMC
- GE Oil & Gas
- NOV
- Sulzer Pumps

Power Generation:

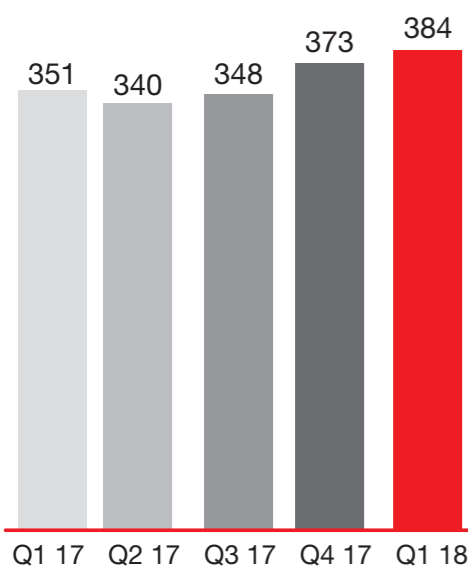
- Alstom
- Andritz
- GE Power & Water
- Mitsubishi/Hitachi
- Siemens
- Solar Turbines

Aerospace:

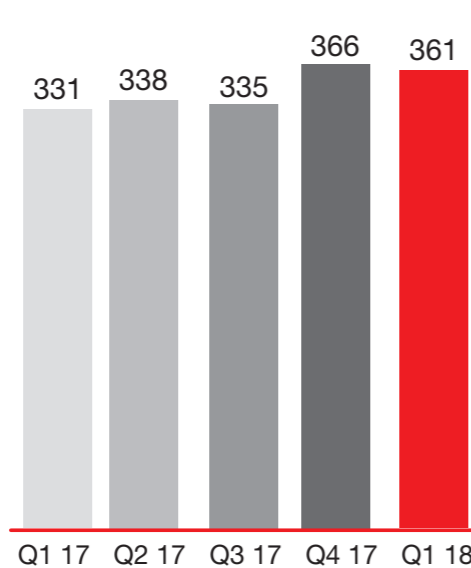
- GE Aviation
- IHI
- MTU
- Pratt & Whitney
- Rolls-Royce
- Snecma

Quarterly figures *

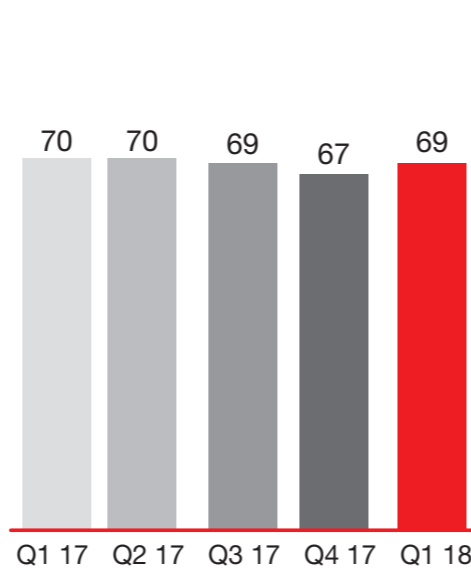
Order intake (in CHF million)



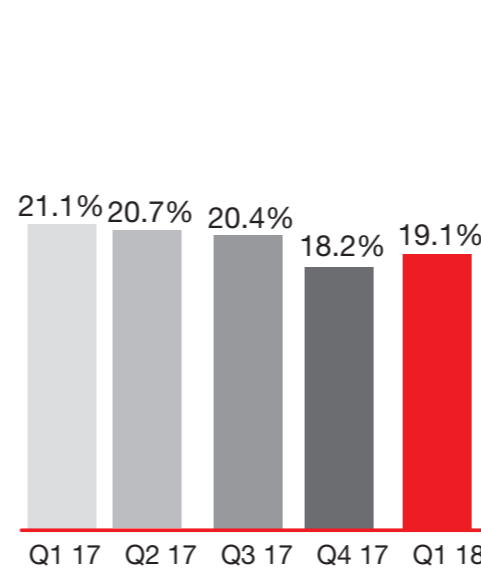
Sales (in CHF million)



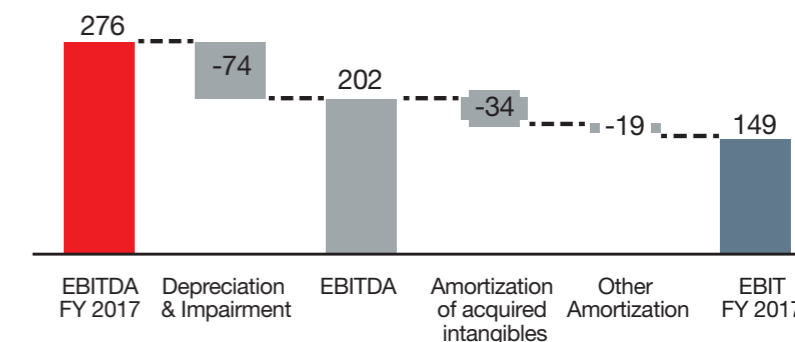
EBITDA (in CHF million)



EBITDA margin (in % of sales)



Profitability Bridge FY 2017¹



Group and Segment CEO – Dr. Roland Fischer

- 1962, German citizen
- CEO since 2016
- Previous position: CEO of Power and Gas Division of Siemens AG, Germany

¹ as reported

What we do

Oerlikon Manmade Fibers Segment, a part of the Swiss-based Oerlikon Group (SIX: OERL), is a global technology leader of complete plant solutions and systems for the production of chemical fibers, such as polyester, nylon and polypropylene, used mainly in fabrics and functional clothing as well as for technical textiles. Under the market-leading brands of Oerlikon Barmag and Oerlikon Neumag, the Segments' solutions and systems for filament spinning, texturing, bulked continuous filament, synthetic staple fiber spinning and nonwovens are highly precise and energy efficient. The Segment is also a pioneer in offering groundbreaking sustainable technologies under its e-save program, which can help customers achieve up to 50% of energy savings in production processes. The Segment offers engineering, machine and component solutions from a single source: from melt to yarn, from polycondensation to high-precision winders. In 2017, the Segment generated sales of CHF 740 million and has a team of some 2 500 employees serving customers worldwide, with a strong focus on its main markets of China, India, Turkey and the USA.

www.oerlikon.com/manmade-fibers/

Five-year summary of key figures

in CHF million	2017 ¹	2016	2015	2014	2013
Order intake	810	577	733	901	1 073
Sales	740	481	794	1 073	1 130
EBITDA	57	16	85	217	207
EBITDA margin in % of sales	7.7%	3.3%	10.6%	20.3%	18.4%
Capital expenditure	18	16	22	22	23
R&D expenses	22	19	24	33	31
Net operating assets	69	163	225	128	14
Number of employees	2 496	2 278	2 528	2 552	2 480

¹ as reported

Over 2 500 employees serving customers worldwide



Leading position in growing end market

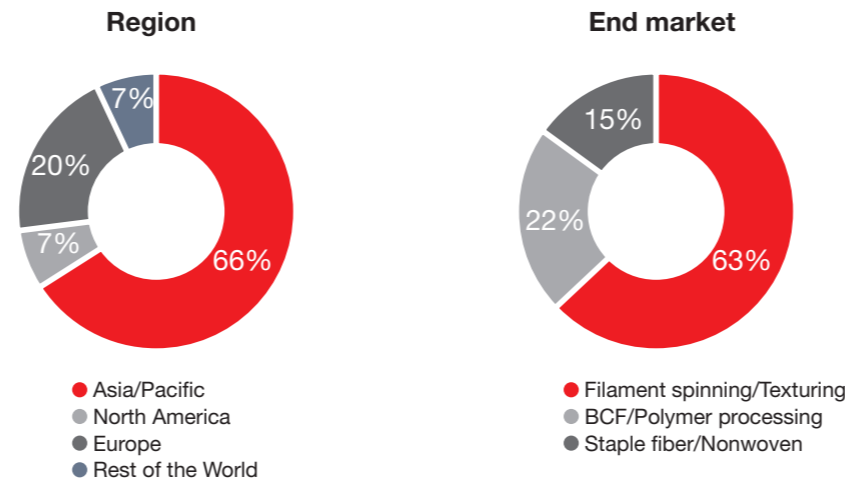
oerlikon barmag

Oerlikon Barmag is a global market leader in spinning and texturing systems for the production of manmade fibers such as polyester, nylon and polypropylene. Oerlikon Barmag is also well positioned in special markets for winders of specialty yarns and applications.

oerlikon neumag

Oerlikon Neumag is a global market leader for complete production systems for bulked continuous filament (BCF carpet yarns) as well as solutions for synthetic staple fibers. Furthermore, Oerlikon Neumag is a leading provider of a broad range of nonwoven technologies with a focus on technical applications.

Sales split FY 2017¹



Well-known customer base

Filament spinning/ Texturing:

- Alok
- Hengli Fiber
- Hengyi Group
- Jinjiang Group
- Nan Ya
- New Feng Ming Group
- Reliance
- Shenghong
- Tongkun Group
- Wellknown Polyester
- Xinfengming Group

BCF/ Polymer processing:

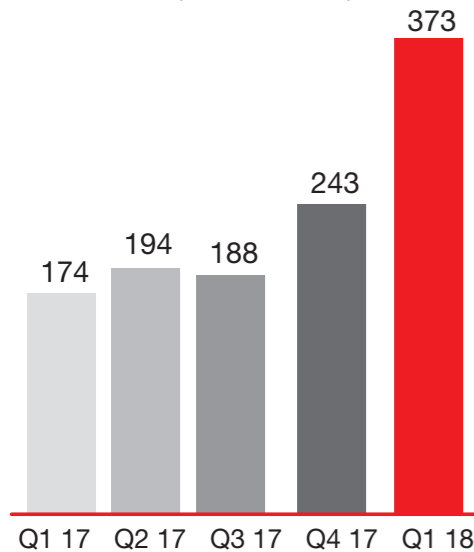
- Engineered Floors
- Gülsan
- Merinos
- Mohawk
- PNP Polymers
- Shaw

Staple fiber/ Nonwoven:

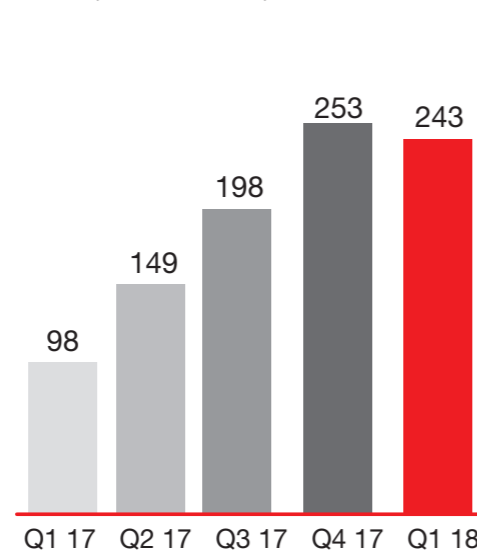
- Albis
- Far Easter
- New Century
- Glatfelter
- Hollingsworth & Vose
- Kolon Glotech
- Reliance
- Sanfangxiang

Quarterly figures *

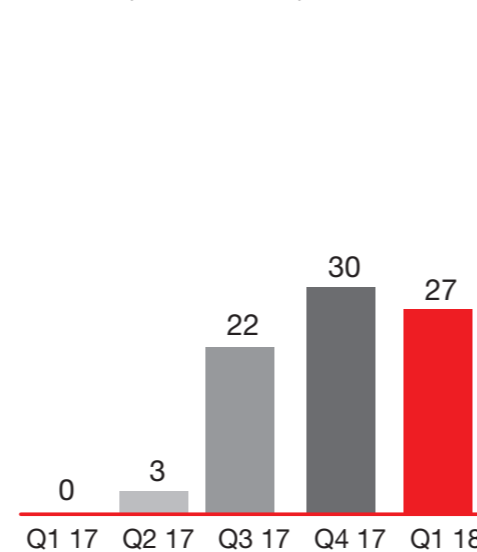
Order intake (in CHF million)



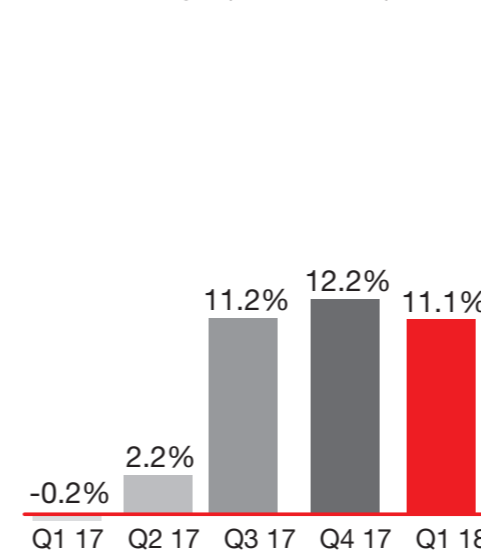
Sales (in CHF million)



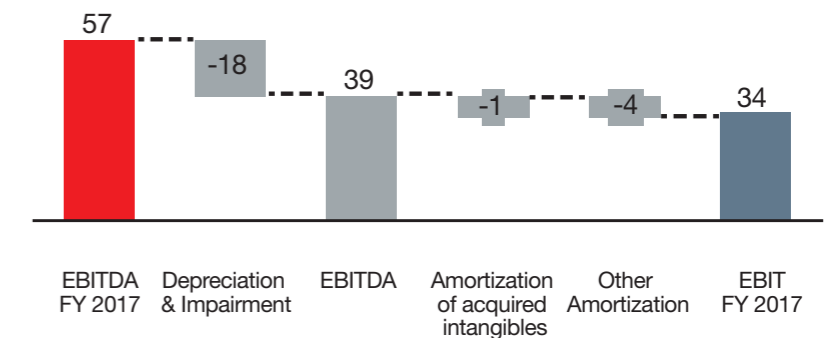
EBITDA (in CHF million)



EBITDA margin (in % of sales)



Profitability Bridge FY 2017¹



Segment CEO – Georg Stausberg

- 1963, German citizen
- Segment CEO since 2015
- Previous position: CTO and COO of the Manmade Fibers Segment

¹ as reported

What we do

Oerlikon Drive Systems Segment, a part of the Swiss-based Oerlikon Group (SIX: OERL), is a leading supplier of high-precision gear, drive and shifting solutions. Under the market-leading brands of Oerlikon Graziano and Oerlikon Fairfield, the Segment provides high-tech drive products and systems for a wide range of applications, from sports cars, hybrid and electric vehicles to machinery and equipment for the agriculture, construction, mobility (on-/off-highway, city buses), energy and mining sectors. Known for its excellent manufacturing, engineering and innovative expertise, the Segment has the expertise and capabilities to lead the full deployment of a development program from conceptual and simulation phases to mass production of complete mechatronic driveline systems as well as single gearing components. In 2017, the Segment generated sales of CHF 730 million and has a team of over 5 100 employees, operating its own production facilities in China, India, EMEAR and the Americas and serving customers worldwide.

<http://www.oerlikon.com/en/segments-drivesystems/>

Five-year summary of key figures

in CHF million	2017 ¹	2016	2015	2014	2013
Order intake	778	600	571	781	792
Sales	730	612	648	779	734
EBITDA	78	51	-19	82	67
EBITDA margin in % of sales	10.6%	8.4%	n/a	10.5%	9.1%
Capital expenditure	68	31	34	48	55
R&D expenses	12	12	-10	-14	-13
Net operating assets	383	360	349	945	925
Number of employees	5 164	4 819	4 832	5 194	5 157

¹ as reported

Over 5 100 employees serving customers worldwide



A global driver in transmission systems

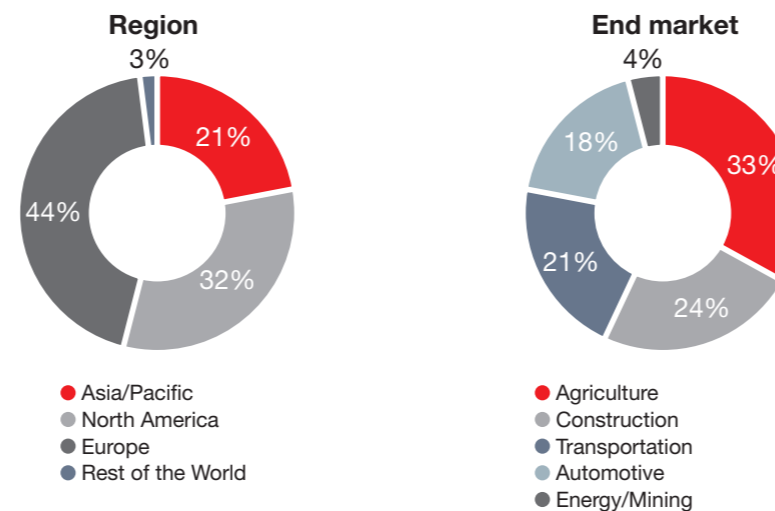
oerlikon graziano

The Oerlikon Graziano brand is a global player in power transmission and one of the largest manufacturers of gearing and drive solutions. In addition, Oerlikon Graziano is recognized as a technology innovator and is a world leader in the design, development and manufacture of Shifting Solutions™, drivelines and high-performing transmissions for a variety of special applications.

oerlikon fairfield

The Oerlikon Fairfield brand is one of the world's largest integrated manufacturers of engineered gear and drive solutions for a variety of applications for mobile off-highway equipment and stationary industrial machinery. In addition, Oerlikon Fairfield's competencies include the design, development and manufacturing of custom gears, custom drive assemblies and planetary drives.

Sales split FY 2017¹



Well-known customer base

Agriculture:

- AGCO
- CNH Industrial
- John Deere
- Mahindra
- Tafe
- Turk Traktor

Construction:

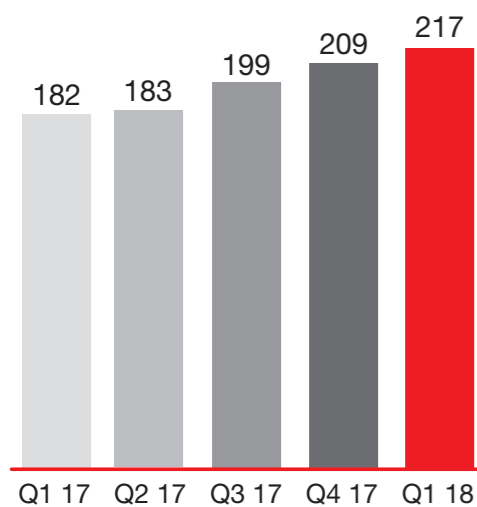
- Caterpillar
- CNH Industrial
- JCB
- Sany
- Tata Hitachi
- Terex Lift

Others:

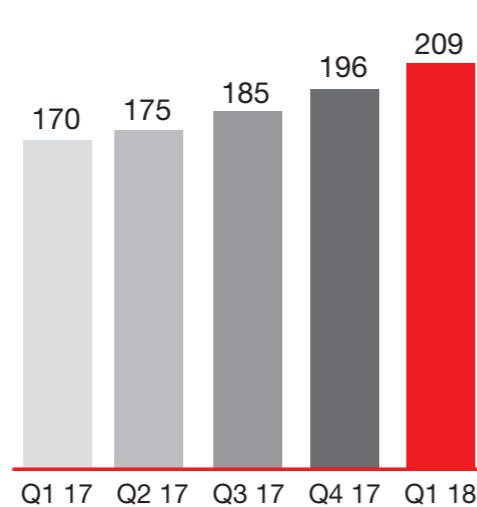
- Allison Transmission
- Aston Martin
- GE Transportation
- McLaren
- Oshkosh
- Volkswagen

Quarterly figures *

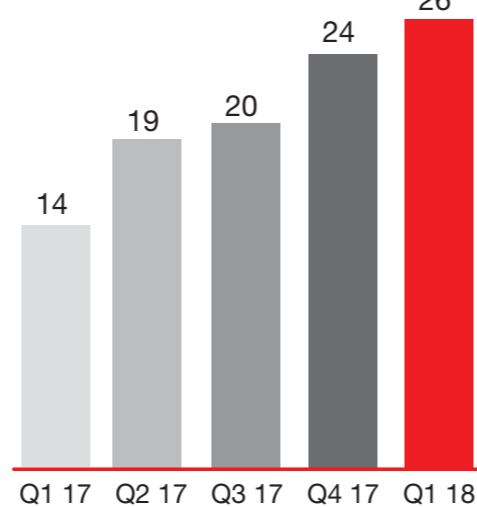
Order intake (in CHF million)



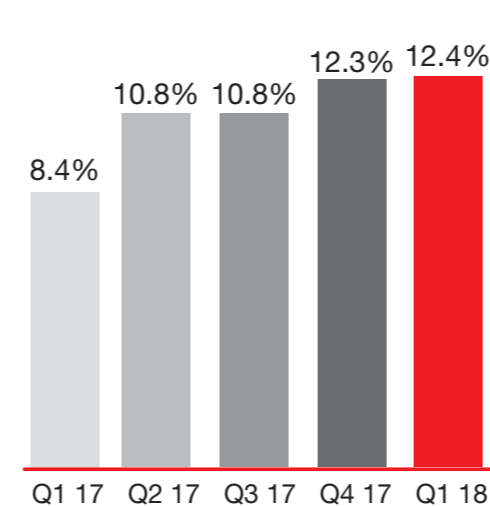
Sales (in CHF million)



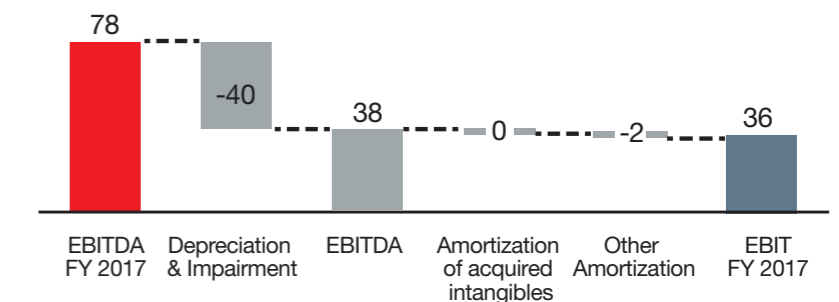
EBITDA (in CHF million)



EBITDA margin (in % of sales)



Profitability Bridge FY 2017¹



Segment CEO – Dr. Bernd Matthes

- 1960, German and US citizen
- Segment CEO since 2014
- Previous position: President (and founder) of Automotive Strategy Consultants LLC

¹ as reported

* restated for IFRS15