

Effect of adjustments

Income statement

in CHF million	2005 Annual report	IAS 19 Employee benefits	Adjustment of EBIT definition	2005 restated
Sale of goods	1 137			1 137
Sale of services	469			469
Sales	1 605			1 605
Cost of sales	-1 105	1		-1 104
Gross profit	500	1		501
Marketing and sales	-215			-215
Research and development	-148			-148
Administration	-192	3		-189
Other income and expences	21	2	62	85
EBIT	-34	5	62	34
Net financial expense	11		1	12
Gain on sale of investments	62		-62	0
Earnings before tax (EBT)	40	6	0	46
Taxes on income	-21	-3		-25
Net profit	18	3		21
Earnings per share in CHF	1.21	0.22		1.43
Diluted earnings per share in CHF	1.21	0.22		1.43

Balance sheet

in CHF million	2005 Annual report	IAS 19 Employee benefits	2005 restated
Current assets	1 076		1 076
Non-current assets	907	-4	903
Total assets	1 983	-4	1 979
Short-term liabilities	544	1	545
Long-term liabilities	393	33	426
Total liabilities	937	34	971
Equity	1 046	-38	1 008
Total equity and liabilities	1 983	-4	1 979

Accounting standards issued but not yet implemented

- IFRS 8 Operating segments (effective date January 1, 2007)
- IFRIC 9 Reassessment of embedded derivatives (effective date June 2006)
- IFRIC 10 Interim reporting and impairment (effective date November 2006)

No effects for Oerlikon Group accounts are expected.

Future developments in IFRS accounting principles

The International Accounting Standards Board (IASB) has published a number of new and revised standards and interpretations which come into force from January 1, 2007 and have not been implemented in the attached accounts:

- IFRS 7 Financial Instruments: Disclosures (effective date January 1, 2007)¹
- IAS 1 Presentation of Financial Statements: Capital disclosures (effective date January 1, 2007)¹
- IFRIC 11 IFRS2 – Group and treasury share transactions (effective date March 1, 2007)²
- IFRIC 12 Service Concession Arrangements (effective date January 1, 2008)²

It is planned to implement these new standards in the years in which they come into force.

¹ Additional disclosure requirements expected in consolidated financial statements.

² No significant effects for Oerlikon Group accounts are expected.