

Media Release

Value proposition strengthened through improved production capacity and reliability

Oerlikon Metco Well Positioned to Meet Global Market Demand for Advanced Ceramics

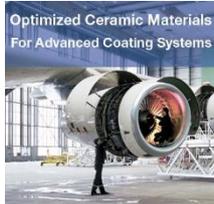
Wohlen, Switzerland - July 15, 2014 – Oerlikon Metco announced increased manufacturing capacity for its advanced ceramics products to meet growing demand from the aerospace, power generation and other pertinent industries. The company of the newly formed Oerlikon Surface Solutions Segment as announced on June 3 now provides more flexible and shorter delivery times, design and production of novel customer-specific products, as well as new product innovations.

Key advanced ceramic materials produced by Oerlikon Metco are more readily available as a result of the implementation of excellence initiatives and new developments in manufacturing techniques, such as lean manufacturing and advanced automation of production lines. These improvements generated tighter production controls and a capacity boost of about one hundred tons per year that can be viably delivered to the market.

The improved capacity enables a broader product mix to more customers. Products positively affected include Oerlikon Metco's yttria-stabilized zirconia (YSZ) powders produced by the HOSP™ (agglomerated, plasma-densified) manufacturing process, and agglomerated and sintered YSZ materials. These advanced ceramics produce high-performance thermal barrier coatings required for power generation and aero turbine engine components. It's a complete portfolio of standard chemistries, as well as high purity YSZs for higher temperature conditions, all desired for extended coating life.

The HOSP YSZ portfolio is the largest segment of TBC materials available from Oerlikon Metco, which also includes agglomerated and sintered YSZ ceramics. In addition, the company offers a growing number of advanced thermally-protective ceramic compositions for specialized applications; including compositions for Low-K, higher strain tolerance and environmental barrier coatings (EBCs) used to protect ceramic matrix composites (CMCs).

The modernization of manufacturing processes reveals Oerlikon Metco's vision for business growth. The company optimized their operations in different areas across the business, such as in R&D, production, portfolio strategy and value recovery. "The upgrade investments in multiple production sites and in various business areas facilitate a great deal of flexibility enabling us to meet market demands for the growing product mix," states the Vice President and Head of Global Marketing, Dr. Hans Keller. "The improvements also generate a major opportunity for us to develop and produce more advanced TBC ceramics for new engines in addition to the EBC materials that are in high demand," he concludes.



Oerlikon Metco produces advanced ceramic materials strategically designed to enhanced surface properties, e.g. thermal spray abrasion resistant materials used for clearance control coatings in jet engines.

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About the Surface Solutions Segment

The Oerlikon Surface Solutions Segment includes the two brands Oerlikon Balzers and Oerlikon Metco. Oerlikon Balzers is one of the world's leading suppliers of surface technologies that significantly improve the performance and durability of precision components as well as tools for the metal and plastics processing industries. Extremely thin and exceptionally hard coatings reduce friction and wear. Under the technology brand ePD, the company develops integrated services and solutions for the metallization of plastic parts with chrome effects. Oerlikon Metco enhances surfaces with coating solutions and equipment. Customers benefit from a uniquely broad range of surface technologies, coating solutions, equipment, materials, services, and specialized machining services and components. The innovative solutions improve performance and increase efficiency and reliability. Oerlikon Metco serves industries such as power generation, aviation, automotive, and other specialized markets. The Surface Solutions Segment operates a dynamically growing network of currently more than 130 facilities with over 110 coating centers in 35 countries in Europe, the Americas and Asia, employing around 6 000 people. The Surface Solutions Segment is part of the Switzerland-based Oerlikon Group (SIX: OERL).

About Oerlikon Metco

Oerlikon Metco enhances surfaces that bring benefits to customers through a uniquely broad range of surface technologies, equipment, materials, services, specialized machining services and components. The surface technologies such as Thermal Spray, Thin Film, Plasma Heat Treatment and Laser Cladding improve the performance and increase efficiency and reliability. Oerlikon Metco serves industries such as aviation, power generation, automotive, oil & gas, industrial and other specialized markets and operates a dynamically growing network of more than 50 sites in EMEA, Americas and Asia Pacific. Oerlikon Metco, together with Oerlikon Balzers, belongs to the Surface Solutions Segment of the Switzerland-based Oerlikon Group (SIX: OERL).

For further information, please see: www.oerlikon.com/metco