

Singapore is becoming one of the leading regions in the world for the solar energy industry

Oerlikon Solar invests in Singapore to build up Asia business

Pfäffikon SZ, Singapore, January 11, 2008 – With its new location in Singapore, Oerlikon Solar is boosting its presence and proximity to customers in Asia, while continuing to expand production, development and support for their leading thin-film silicon solar energy solutions. The facility will initially employ approximately 100 people and is planned to be completed within a year. “Asia is emerging as an important market for solar energy applications,” says Dr. Uwe Krüger, CEO of the Oerlikon group. “The new location will allow Oerlikon Solar to build the necessary capacity to expand its market-leading position,” says Krüger.

The solar industry has developed into one of the fastest growing markets globally. As a provider of thin-film silicon solar solutions with ambitious plans, Oerlikon Solar plays a leading role and is a driving force within this market. Oerlikon Solar's sales have exceeded this years planning and are expected to rise to more than CHF 700 million in 2008, with growth rates exceeding 50 percent over the next several years.

Thin-film silicon belongs to the next generation of solar energy solutions and has significant cost benefits compared to conventional crystalline processes. “We are at the very beginning of a revolution in the energy market, similar to the dawn of the new age experienced about 30 years ago in the semiconductor industry with the adoption of the integrated circuit,” says Oerlikon Solar CEO Jeannine Sargent.

According to market forecasts, Asia will grow to become one of the leading areas in the world for solar panel production. Based on recent announcements, the Asian capacity for solar panels produced will grow to more than 4 GWp (gigawatt peak) by 2010, which is more than double that of the US and Europe. With the recent announcements by CMC Magnetics and Auria Solar, Oerlikon Solar already has two important customers in key Asian markets. “To meet end market solar demands in this growing region, it is essential that we are close to our customers with dedicated

Page 2 local resources, including development and production capabilities,” says Oerlikon Solar CEO Jeannine Sargent.

“After an in-depth analysis we have decided on Singapore as our second facility alongside our Solar headquarters in Truebbach, Switzerland,” says Sargent. The decision criteria included access to a skilled workforce and scientists, a business friendly infrastructure including intellectual property protection, and the government’s commitment to build a national solar energy industry.

“Oerlikon's decision in choosing Singapore to site its Asia manufacturing and R&D hub clearly demonstrates our rapid progress in developing the solar industry. This project is a significant boost to this growing sector, and shows how our existing strengths in manufacturing, particularly in precision engineering, have evolved to support exciting new areas”, says Ko Kheng Hwa, Managing Director of Singapore Economic Development Board.

“Our Singapore operation will leverage an Asian-based supply chain and strategic outsourcing partnerships to enable cost and delivery advantages for our customers,” says Sargent. Joint development programs will include process optimization and yield improvement for new solar solutions; and will be aligned with on-site customer training in realistic industrial conditions.

“The decision to set up in Singapore positions Oerlikon Solar to achieve its growth goals over the next few years and to offer our customers outstanding service and support,” says Sargent.

“Because of the enormous demand for our machines, it is of key importance to build up the necessary capacities to further strengthen our market-leading position. With this new location and the expansion of our production site in Truebbach, Switzerland we will be able to quadruple our last year’s production capability by 2009”, says Dr. Uwe Krüger, CEO of the Oerlikon group.

Page 3 Since the beginning of this year, Oerlikon Solar operates as a separate segment of the Oerlikon Group. This enables Oerlikon Solar to fully focus on its activities and opens opportunities for a quick expansion of the solar business also in light of the favourable conditions on the capital markets for solar companies.

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About Oerlikon

Oerlikon (SWX: OERL) is among the world's most successful industrial high-tech companies focusing on machine and systems engineering. Oerlikon stands for leading industrial solutions and cutting-edge technology in textile production, thin film coating, propulsion, precision and vacuum technology. As a company with Swiss roots and a 100-year tradition, Oerlikon, with CHF 4.8 billion in sales in 2006, over 19,000 employees at 170 locations in 35 countries, has evolved into a global player today.

About Oerlikon Solar

Oerlikon Solar is the leading supplier of high performance solutions for cost-effective mass productions of solar modules. Product offerings include automated turnkey lines, laser systems and advanced machining. Headquartered in Truebbach, Switzerland, Oerlikon Solar has R&D, Sales and Customer Support locations throughout Asia, Europe and North America.