

Business units and headquarters embark on leaner leadership structure

Oerlikon consequently implements measures to further enhance efficiency

Pfäffikon SZ, January 14, 2008 – With a planned reduction of headquarters costs and partial shifting of operative functions from headquarters to the business units, the Oerlikon Corporation intends to complete the organizational reorientation that began in mid-2007. The intent of this undertaking is to raise the efficiency, customer proximity and profitability of the company by emphasizing the full business responsibility of the operative units and to optimize the interplay between headquarters and the business units. "With this approach the operative units are empowered to focus 100 per cent on their business, whereas the headquarters concentrates on strategic direction and alignment, efficient controlling and leveraging the company's improvement by identifying synergies and best practices", says Oerlikon CEO, Dr. Uwe Krüger.

The Oerlikon Corporation has undergone a readjustment in recent months by means of numerous actions, all aimed at making the company continuously leaner, stronger growing and more profitable. Therefore, the organization has already been considerably simplified – such as through the elimination of the matrix structure with regional responsibilities – and has transferred full operative responsibility to the individual business units. As a further measure Oerlikon will now allocate a portion of the functions, which were previously performed centrally, to the respective segments and business units, e.g. IT, business application design, trade control or quality management. Other headquarter functions will be further streamlined. The planned action will affect around 40 people in the headquarters' location in Pfäffikon with the effect of significantly raising the performance of these tasks. Oerlikon employs nearly 20,000 people worldwide.

The organizational reorientation will be completed with this step. "We absolutely stick to the one-company approach and clear leadership by central orientation and steering," states CEO Krüger. "But instead of further inflating headquarters, we now implement a highly productive and efficient relationship between the operative units

Page 2 and the headquarters. In doing so, we assure that every entity can deliver their highest added value to unleash additional synergy potential for the benefit of the whole company", says Krüger.

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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 technologies in textile production, thin film coating, propulsion, precision and vacuum technology. As a company with Swiss roots and a 100-year tradition with at the End of 2006 CHF 4.8 billion in sales, nearly 20,000 employees at 170 locations in 35 countries, Oerlikon has evolved into a global player today. The company is ranked first or second in each of its respective markets.