Press release

Federal Councillor Doris Leuthard opens Oerlikon Solar pilot line in Trübbach

Oerlikon Solar to create 1000 high-tech jobs by 2009

- Fully automated end-to-end pilot production facility opened at Trübbach in Switzerland
- Major expansion of R&D activities in Trübbach
- Oerlikon customers in mass production, more than 400,000 solar modules manufactured industrially
- Solar power is becoming an economically viable alternative and will soon achieve grid parity
- Close cooperation between politics, science and industry as a model for success

Trübbach, August 25, 2008 – The ceremonial opening by Doris Leuthard of the new pilot line, which will be used for production of and research into the latest thin-film solar modules, signifies Oerlikon's commitment to the Swiss location and consolidates its global technology and market leadership.

Federal Councillor Doris Leuthard says: „For me, Oerlikon Solar is a good example of a global leader in the solar sector, serving the world's markets from Switzerland." As Federal Councillor Leuthard emphasised during the opening, the pilot line is not only making its mark in satisfying the increasing global demand for solar energy. Projects such as these also support the efforts of the political and economic sectors in making Switzerland one of the most innovative countries in the world. Switzerland should continue to be a key player in the field of innovations and in the field of solar technology. "We possess the core competence for both of these: the know-how and research plus the politico-economic framework on the one hand, and companies with the necessary technological skills on the other."

"The new pilot line will further strengthen the Trübbach site. It is the hub of our worldwide research and development operations", explains Dr. Uwe Krüger, CEO of Oerlikon. By the end of 2009, Oerlikon Solar will have created more than 1000 new high-tech jobs in Switzerland. The Swiss high-tech group has contributed significantly to the fact that solar power will soon be a real economical alternative to conventional energy generation. "Our facilities will achieve grid parity by 2010", says Oerlikon Solar CEO Jeannine Sargent.

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The opening of the solar factory for pilot production in the Swiss town of Trübbach is a milestone in the success story of Oerlikon Solar. This step, which reflects a double digit million Swiss francs investment, is so significant because this solar laboratory will enable Oerlikon to simulate all stages of the manufacturing process on site for the first time. “This is the dawn of a new era for the development of our solar technology”, adds Jeannine Sargent.

The Swiss scientific community and the federal government’s promotion of innovation are also part of this success story. More than 20 years ago, a research group led by Dr. Johannes Meier at the Institute for Microtechnology at the University of Neuchâtel began groundbreaking work on new solar modules made from thin-film silicon, and Swiss solar research is still world renowned today. The Swiss Federal Office of Energy and the Innovation Promotion Agency (KTI) have supported initial research through numerous projects. Switzerland now has a highly productive solar industry – and one of the leading companies in the field: Oerlikon Solar.

Oerlikon Solar plans CHF 1 billion revenue in 2009

When Dr. Meier, the inventor of this technology, moved to Oerlikon in 2002, the company began to commercialise on this technology. Things then started to move at a rapid pace: the business unit was created in 2006, customers such as ersol Thin Film and Schott Solar placed orders for the first systems, and sales reached eight figures in the first year. In just two years, this fledgling unit has become a major business with enormous potential for future growth: This year Oerlikon Solar anticipates sales of more than CHF 700 million, and 2009 is expected to break the billion mark. Customers in Asia, such as CMC Magnetics in Taiwan and Chint Solar in China, as well as Gadir Solar in Spain, have taken the business global. A new site is currently being built for the Asian market in Singapore, which will begin operating in 2009. Experts valued the thin-film solar market at more than 17 billion US dollars in 2007 – Oerlikon is the leading supplier in terms of installed production capacity.

And while there were only 28 employees involved in the pioneering work at the Swiss site in Trübbach in early 2006, there are now 650. “It is our aim to have around 1000 employees at Trübbach by the end of 2009”, says Oerlikon Solar CEO Jeannine

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Sargent, who moved from Silicon Valley in California to the “solar valley” of the Rhine in Trübbach about a year ago. They will be highly qualified high-tech jobs: engineers, software specialists, process developers, automation experts. “The relationship between innovation and investment incentives will be particularly apparent here", adds Oerlikon CEO Krüger.

This rapid development is fuelled by the high worldwide demand for renewable energies and the technological leadership that Oerlikon Solar can claim in thin-film silicon technology.

Prof. Dr. Franz Baumgartner, ZHAW Zürcher Hochschule für Angewandte Wissenschaften: „Renewable energies and in particular photovoltaics are decisive job motors for the coming decades. In universities, we are noticing the enthusiasm and also the expectations of the younger generation who want to participate actively in this change and at the same time to ensure for themselves a lasting, meaningful position in the technical sector. Without investment, there is no change, and especially not in training, research and development. Oerlikon has demonstrated in the last few years how fruitful cooperation between universities and industry can function to the benefit of all those involved – a path worth pursuing resolutely.”

Solar power is becoming economically competitive

The most recent example of the technological leadership of Oerlikon Solar is the patent-protected micromorph® module technology, which was brought to market a few months ago and is now being supplied to customers for the first time. The process combines two different types of silicon, amorphous and microcrystalline, in a top and a bottom cell. The amorphous top cell converts the visible part of the sun's spectrum while the microcrystalline bottom cell absorbs the solar energy in the near infrared spectrum. In contrast to conventional amorphous single-cell technology, this new micromorphous tandem technology enables productivity to be increased by up to 50 percent and is quickly able to achieve efficiency levels of 10 percent and higher. Oerlikon Solar is also committed to using only materials that are non-toxic, cost-effective and immediately available.

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This technological leap is therefore an important step towards making solar power even more cost-effective – so cost-effective that is becomes an economically viable alternative to conventional electricity generation (grid parity). Grid parity is the point at which solar energy can be generated at the same price as conventional energy generated using fossil fuels. In order to be able to achieve this within the next few years, Oerlikon Solar have dedicated themselves to the consistent further development of PV-technology as well as to reducing the cost of solar PV-energy. Utilisation of the advantages through cost savings, produced thanks to highly efficient production plants for solar modules, is a significant step in this direction. “At lunchtime in Rome we already achieve grid parity today”, says Oerlikon Solar CEO Jeannine Sargent. The solar energy breakthrough is now complete – and yet this technology is still in its beginning. “It is comparable with the computer industry 30 years ago, when the first microprocessors came onto the market”, says Oerlikon Solar CEO Jeannine Sargent. This emerging technology has the same amount of development potential – “We are still just starting out”, says Sargent.

Close cooperation between politics, science and industry in the field of solar has already achieved significant results and will become more important in the future. “Switzerland has the ideal prerequisites to take on a leading role in the global solar market as a technology supplier”, says Oerlikon CEO Krüger. “We should definitely continue and intensify the successful model of close cooperation between politics, science and industry”, adds Krüger.

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About Oerlikon Solar

Oerlikon Solar offers cost-efficient, field-tested, turnkey solutions for the mass production of silicon thin-film solar modules. These fully automated modular end-to-end production solutions are aimed at reducing capital costs and maximising productivity. They are available as modular end-to-end solutions including measurement technology with an option to expand to include flow and process technology. On the basis of its leading position in the field of thin-film technology, Oerlikon Solar has developed a unique and innovative technology in close cooperation with its customers. An in-house pilot line enables production, testing and optimisation of the solar modules in full-scale production. Oerlikon solar is based in Trübbach, Switzerland and runs an R&D laboratory in Europe. The company also has Sales and Service Centres in the US, Europe and Asia providing customer support and training all over the world.

About Oerlikon

Oerlikon (SWX: OERL) is one of the world's most successful high-tech industrial groups specializing in machine and plant engineering. The company is a leader in industrial solutions and cutting-edge technology, and is active in the six sectors of textile machinery and plant engineering, thin-film solar, thin-film coating, drive, precision and vacuum technology. A Swiss company with a tradition going back 100 years, Oerlikon is a global player in today's market with more than 19,000 employees in 170 locations spanning 35 countries, and a turnover of CHF 5.6 billion in 2007. The company is ranked first or second in the respective markets and invested just under 5 percent of its revenue in research and development in 2007 (CHF 274 million).

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