

## **Oerlikon discloses further details on financial restructuring proposal**

***Pfäffikon SZ, 29 March 2010*** – Oerlikon Group today discloses further details on the financial restructuring proposal which has been submitted to all lenders for approval, such approval of all lenders currently still being pending. The coordination committee of the lending banks, non-bank lenders and Renova Group already have indicated their support of the restructuring plan, which aims at ensuring a sustainable, long-term capital structure for the Company.

The financial restructuring proposal submitted to the lenders for approval contains the following main elements:

- Cornerstone of the proposal is an ordinary capital increase with expected proceeds of approximately CHF 1 000 million. The capital increase shall be effected through a rights offering with tradable purchase rights to existing shareholders of Oerlikon (whereby 19 rights, each entitling its holder to subscribe for one new share, are expected to be allotted per existing share), which would allow them to subscribe in proportion to their current shareholdings for new registered shares in Oerlikon. As a pre-condition for the issuance of new shares, the Company's share capital is planned to be decreased by way of a nominal value reduction from currently CHF 20 to CHF 1 per share. This intermediate step is required to allow a proposed issue price in the rights offering of CHF 3.72 per share, which would not be possible under Swiss law if the nominal value per share remained at CHF 20. Renova is expected to commit to participate in the rights offering in proportion to its current shareholding. Renova intends to subscribe for new shares in the amount of approximately CHF 447 million, of which CHF 400 million shall be paid in cash and the remainder against conversion of debt. The remaining new shares offered to existing shareholders in the rights offering, representing approximately CHF 553 million at the proposed issue price, would be fully subscribed, to the extent not subscribed by the current shareholders other than Renova in the rights offering, by the lenders against conversion of debt.

OC Oerlikon Management AG, Pfäffikon  
Churerstrasse 120  
P.O. Box  
CH-8808 Pfäffikon SZ

Telephone +41 58 360 96 96  
Fax +41 58 360 91 96  
[www.oerlikon.com](http://www.oerlikon.com)

**The information contained in this media release is not for publication or distribution in the United States of America.**

- Depending on the take-up of the rights offering, Oerlikon would grant the lenders the exclusive right to purchase additional new shares at the issue price against conversion of debt, such additional new shares representing up to 12.5 percent of Oerlikon's share capital as enlarged by the rights offering and the additional new shares.
- Depending on the take-up of the rights offering, Oerlikon intends to grant certain lenders warrants to purchase new shares representing up to 5 percent of Oerlikon's share capital as enlarged by the rights offering and the additional new shares at an exercise price of CHF 6 per share.
- Furthermore, Oerlikon intends to grant to certain lenders an option to purchase all of the 1.3 million treasury shares it currently holds (amounting to 9.3 percent of the current share capital) at market value, such option expected to be exercised within 7 trading days after the announcement of the agreed restructuring plan.
- In addition, the lenders intend to waive between CHF 25 million and CHF 125 million of debt under the existing debt facilities. The waiver shall apply on a sliding linear scale depending on the portion of rights taken-up in the rights offering by shareholders other than Renova, ranging from CHF 25 million (if none of the rights are exercised by existing shareholders other than Renova) to CHF 125 million (if all rights of existing shareholders are exercised).
- The lenders are expected to agree to replace the remaining portion of the existing debt facilities through three new debt facilities.

Through the financial restructuring as described above, the Company's total debt is expected to be reduced by between approximately CHF 750 million (if none of the rights are exercised by existing shareholders other than Renova in the rights offering) and approximately CHF 1,000 million (if all rights of existing shareholders are exercised in

Page 3 the rights offering). Part of the restructuring proposal are changes to Oerlikon's board of directors, a majority of which shall be independent from Renova going forward. The board of directors is currently evaluating suitable candidates to be presented to the Annual General Meeting in May 2010.

The financial restructuring proposal is subject to approval of all lenders and Renova, and the capital measures described above will be subject to approval of the shareholders at the Annual General Meeting in May 2010.

More details are expected to be released in conjunction with the disclosure of the annual results 2009 on 1 April 2010.

For further information please contact:

Burkhard Böndel  
Corporate Communications  
Phone +41 58 360 96 02  
Fax +41 58 360 91 93  
pr@oerlikon.com  
www.oerlikon.com

Frank Heffter  
Corporate Investor Relations  
Phone +41 58 360 96 22  
Fax +41 58 360 91 93  
ir@oerlikon.com  
www.oerlikon.com/ir

## **About Oerlikon**

*Oerlikon (SIX: OERL) is specializing in machine and plant engineering. The company is a leader in the field of industrial solutions and innovative technologies for textile manufacture, thin-film solar and thin-film coating, drive, precision and vacuum systems. With roots in Switzerland and a long tradition stretching back 100 years, Oerlikon is a global player with a workforce of more than 16,000 at 157 locations in 37 countries. The company's sales amounted to CHF 4.8 billion in 2008 and it ranks either first or second in the respective markets.*

**This media release is not an issue prospectus pursuant to art. 652a and/or 1156 of the Swiss Code of Obligations or a listing prospectus pursuant to art. 27 et. seq. of the SIX Swiss Exchange Listing Rules and, does not constitute an offer to sell or the solicitation of an offer to purchase the shares or other securities of OC Oerlikon Corporation AG, Pfäffikon. A decision to invest in shares of OC Oerlikon Corporation AG, Pfäffikon should be based exclusively on the issue and listing prospectus published by the company for such purpose.**

**This media release is not an offer of securities for sale in the United States of America. Securities may not be offered or sold in the United States of America**

OC Oerlikon Management AG, Pfäffikon  
Churerstrasse 120  
P.O. Box  
CH-8808 Pfäffikon SZ

Telephone +41 58 360 96 96  
Fax +41 58 360 91 96  
www.oerlikon.com

**The information contained in this media release is not for publication or distribution in the United States of America.**

Page 4 **absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. OC Oerlikon Corporation AG, Pfäffikon does not intend to register any part of the present or proposed offering in the United States of America.**

**In any EEA Member State that has implemented Directive 2003/71/EC (together with any applicable implementing measures in any EEA Member State, the "Prospectus Directive") this communication is only addressed to and is only directed at qualified investors in that EEA Member State within the meaning of the Prospectus Directive.**

**This media release is directed at and/or for distribution in the United Kingdom only to (i) persons who have professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) high net worth entities falling within article 49(2)(a) to (d) of the Order (all such persons are referred to herein as "relevant persons"). This media release is directed only at relevant persons. Any person who is not a relevant person should not act or rely on this media release or any of its contents. Any investment or investment activity to which this media release relates is available only to relevant persons and will be engaged in only with relevant persons.**

**The information contained in this media release is not for publication or distribution in the United States of America, Canada, Australia or Japan and does not constitute an offer of securities for sale in such countries.**

OC Oerlikon Management AG, Pfäffikon  
Churerstrasse 120  
P.O. Box  
CH-8808 Pfäffikon SZ

Telephone +41 58 360 96 96  
Fax +41 58 360 91 96  
[www.oerlikon.com](http://www.oerlikon.com)

**The information contained in this media release is not for publication or distribution in the United States of America.**