

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.

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- 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.

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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.

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