

Oerlikon divests Drive Systems Segment

Oerlikon signed definite agreement with Dana Inc. for sale of Drive Systems Segment

- Divestiture is for an enterprise value of CHF 600 million, approximately equaling the cash proceeds expected for the sale at closing
- Transaction is expected to close in late 2018 or the first quarter of 2019
- Oerlikon delivers on strategy and strengthens investment capabilities
- Cash will be deployed for investments in surface solutions and advanced materials

Pfäffikon, Schwyz, Switzerland – July 30, 2018 – Oerlikon (SIX: OERL), a leading technology and engineering group, announced today that it has signed a definitive agreement to divest its Drive Systems Segment to Dana Incorporated (NYSE: DAN) for an enterprise value of CHF 600 million, which is approximately the same amount of cash proceeds expected from the sale. This transaction marks a strategic milestone for Oerlikon as the company can fully concentrate on growing its surface solutions and advanced materials businesses, while strengthening its Manmade Fibers Segment. The transaction is expected to close in late 2018 or the first quarter 2019, subject to customary approvals and closing conditions.

“We are convinced that the drive systems business will thrive under the new ownership of Dana as the business and market focus, as well as technologies of both companies are a good complementary fit. The transaction will create mutual benefit for both Dana and the Drive Systems Segment,” said Dr. Roland Fischer, CEO Oerlikon Group. “With this transaction, we delivered on our strategy and vision for the Drive Systems Segment and have strengthened Oerlikon’s investment capabilities to fund further growth of our surface solutions and advanced materials businesses.”

Dana is a world leader in highly engineered solutions for improving the efficiency, performance, and sustainability of powered vehicles and machinery. They support the passenger vehicle, commercial truck, and off-highway markets, as well as industrial and stationary equipment applications. A fortune 500 company, Dana employs more than 30 000 people in 33 countries on six continents and reported sales of USD 7.2 billion in 2017.

Process and guidance

The transaction is expected to close in late 2018 or the first quarter of 2019, subject to regulatory merger approvals in a number of countries and the standard closing conditions. As a result of today’s announcement, Oerlikon will report the Drive Systems Segment under “Discontinued Operations” as of the second quarter of 2018 and will restate the 2017 financial statements accordingly for comparison purposes. Oerlikon will provide preliminary restated 2017 Group figures and an updated guidance for the financial year 2018 (continuing operations) on August 7, 2018 with the publication of the Group’s results for the second quarter and half year 2018.



About Oerlikon Drive Systems Segment

Based on nearly 100 years of experience, Oerlikon Drive Systems is a global leader in providing high-performance gears, market-leading shifting solutions, power transfer units (PTUs), differentials and planetary drives, as well as innovative solutions for hybrids and e-drives. In 2017, The Drive Systems Segment generated CHF 730 million in revenues, CHF 78 million in EBITDA (EBITDA margin: 10.6 %), and employed over 5 100 employees worldwide. Leveraging the secular trends of increasing demand for smarter mobility, improved energy efficiency and higher product standards, the company has established a strong base of customers in the agriculture, automotive, transportation, construction and energy (oil & gas/mining) industries.

About Oerlikon

Oerlikon (SIX: OERL) engineers materials, equipment and surfaces and provides expert services to enable customers to have high-performance products and systems with extended lifespans. Drawing on its key technological competencies and strong financial foundation, the Group is sustaining mid-term growth by executing three strategic drivers: addressing attractive growth markets, securing structural growth, and expanding through targeted mergers and acquisitions. A leading global technology and engineering Group, Oerlikon operates its business in three Segments – Surface Solutions, Manmade Fibers and Drive Systems – and has a global footprint of around 15 000 employees at 186 locations in 37 countries. In 2017, Oerlikon generated CHF 2.8 billion in sales and invested CHF 107 million in R&D.

For further information, please contact:

Michael Praeger
Head of Group Communications
Tel +41 58 360 96 02
michael.praeger@oerlikon.com
www.oerlikon.com

Andreas Schwarzwälder
Head of Investor Relations
Tel +41 58 360 96 22
a.schwarzwaelder@oerlikon.com
www.oerlikon.com

Disclaimer

OC Oerlikon Corporation AG, Pfäffikon together with its affiliates, hereinafter referred to as “Oerlikon”, has made great efforts to include accurate and up-to-date information in this document. However, Oerlikon makes no representation or warranties, expressed or implied, as to the truth, accuracy or completeness of the information provided in this document. Neither Oerlikon nor any of its directors, officers, employees or advisors, nor any other person connected or otherwise associated with Oerlikon, shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this document.

The contents of this document, including all statements made therein, are based on estimates, assumptions and other information currently available to the management of Oerlikon. This document contains certain statements related to the future business and financial performance or future events involving Oerlikon that may constitute forward-looking statements. The forward-looking statements contained herein could be substantially impacted by risks, influences and other factors, many of which are not foreseeable at present and/or are beyond Oerlikon’s control, so that the actual results, including Oerlikon’s financial results and operational results, may vary materially from and differ from those, expressly or implicitly, provided in the forward-looking statements, be they anticipated, expected or projected. Oerlikon does not give any assurance, representation or warranty, expressed or implied, that such forward-looking statements will be realized. Oerlikon is under no obligation to, and explicitly disclaims any obligation to, update or otherwise review its forward-looking statements, whether as a result of new information, future events or otherwise.

This document, including any and all information contained therein, is not intended as, and may not be construed as, an offer or solicitation by Oerlikon for the purchase or disposal of, trading or any transaction in any Oerlikon securities. Investors must not rely on this information for investment decisions and are solely responsible for forming their own investment decisions.