

2014-OCT-06
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Conflict Minerals Statement as required by Section 1502 of the Dodd Frank Act of 2010

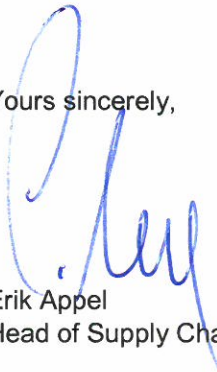
On August 22, 2012 the US Securities and Exchange Commission ("SEC") adopted a new rule and form, as mandated by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), to require companies to publicly disclose their use of conflict minerals that originate from the Democratic Republic of Congo ("DRC") or an adjoining country (together with the DRC, "Covered Countries"). The concerned conflict minerals are tantalum, tin, gold, and tungsten.

Oerlikon Balzers Coating AG and all its international subsidiary companies ("Oerlikon Balzers") provide advanced tribological surface solutions including among other wear resistant coatings and surface preparation for a comprehensive range of industrial tooling and components.

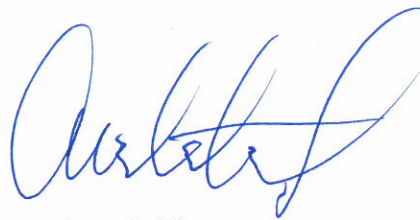
Oerlikon Balzers is highly aware of the potential for human rights abuses, particularly in areas of Africa such as the covered countries. Oerlikon Balzers supports and respects the protection of internationally proclaimed human rights.

Certain types of our coatings use conflict minerals, and they are necessary to the functionality. We have adopted policies and procedures to review our supply chain to determine the source of the conflict minerals used in our coatings. Based on responses to our inquiries, we have no reason to believe that the conflict minerals we are utilizing in our coatings originated in the covered countries.

Yours sincerely,



Erik Appel
Head of Supply Chain



Amer Latif
Head of Procurement