

Focus on key markets further increased

## **Oerlikon Textile simplifies Organization and moves Management to Shanghai**

**Pfäffikon SZ, Switzerland, 22 November 2011 – The Oerlikon Group will simplify its Textile Segment to further increase competitiveness and profitability. The three key elements of this change are**

- **the consolidation of the five Textile machinery and components businesses into three Business Units (BUs),**
- **the relocation of Textile’s headquarters to Shanghai, and**
- **increased R&D investment in both Germany and Asia to around CHF 80 million.**

**In line with the new organizational structure, Clement Woon, an internationally experienced executive will succeed Thomas Babacan as Segment CEO on 1 January 2012. Oerlikon’s CEO, Dr. Michael Buscher, said: “We have seen strong improvement in our Textile business, resulting in record margins. With the announcement today we are positioning the Segment even closer to our largest customers, consistent with our strategy to further increase efficiency and profitability. I would like to thank Thomas Babacan for his dedication to Oerlikon and welcome Clement Woon to the company.”**

Today’s announcement supports the continuation of the focus on operational discipline, lifting the underlying performance of Oerlikon Textile to a new level, building on an already strong market position in Asia.

The refocusing of Oerlikon Textile comprises three key elements:

- **Simplified organization with consolidation from five BUs to three**

A new Manmade Fibers BU will comprise Oerlikon Barmag and Oerlikon Neumag. The new Natural Fibers BU will consist of Oerlikon Schlafhorst and Oerlikon Saurer. The structure of the Textile Components BU remains unaffected by the realignment. Branding will not change.

- **Shift of key Oerlikon Textile management to Shanghai**

Oerlikon Textile Executives, including the CEO and CFO, will relocate to Shanghai in the first quarter of 2012. By end of 2012 more than 40 % of all Textile senior management positions will be based at Oerlikon’s new office in Shanghai.

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▪ **R&D investments in Germany and China**

Oerlikon Textile will increase its 2012 R&D investment in Germany to around CHF 60 million (worldwide to around CHF 80 million) and start ramping up R&D capacity in China. The German R&D organization will focus on the continued development of ground breaking innovations such as the recently launched Autocoro 8 from Oerlikon Schlafhorst. The Asian R&D capability will specialize in regional adaptation.

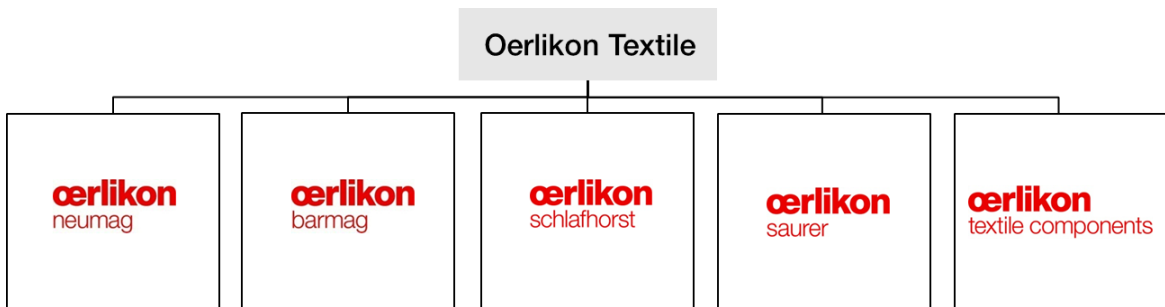
After successful contribution over many years, Thomas Babacan will hand over his management responsibilities as Segment CEO to Clement Woon (52, a citizen of Singapore) on 1 January 2012 and leave the company. Clement Woon, an executive with extensive international experience, particularly in Asia, has a strong background in both the technology and service industries. He will be Oerlikon's first Segment CEO based in Asia. The position of Oerlikon Group COO will be eliminated.

With a presence in this region for almost 50 years, Oerlikon Textile's sales in Asia will reach around 70 % of total sales in 2011. "To ensure the continuation of this success, we will manage the textile business directly out of its most important market and at the same time strengthen R&D capabilities, especially in Germany", said Group CEO Buscher. Nearly 45 % of Oerlikon Textile employees are based in Asia today, with that share rising to 50 % by the end of 2014. By the end of 2012 more than 40 % of Oerlikon Textile senior management positions will be based in Shanghai (up from 10 % at present). With this simplification of the organization, and a strong order book reaching into 2014, Oerlikon Textile is positioned to benefit from long-term trends in the textile industry.

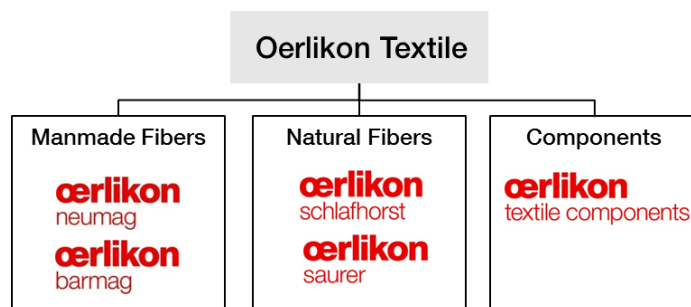
## Profile of Clement Woon

Clement Woon (52, Singaporean) is an internationally experienced Executive. He has held leadership positions at, inter alia, Thomson Consumer Electronics and the Leica Group. In his previous position, Clement Woon served from 2008 to 2011 as President and CEO of SATS Ltd., Singapore, an airline catering and ground handling service provider with sales of CHF 1.2 billion, listed on the Singapore Stock Exchange. In this function he led the expansion of the company into the non-aviation sector, diversifying the portfolio and paving the way for sustainable development. As the President of Geosystems Division of Leica Geosystems AG, a multinational corporation based in Switzerland, Clement Woon led the transformation of the company's value chain to deliver cost effective high technology solutions for the Surveying industry. He was instrumental in growing Leica Geosystems' business and presence in the Asia-Pacific, Europe, Americas and Middle East regions. Clement Woon holds a Bachelor of Electrical & Electronics Engineering degree and a Masters of Science degree in Industrial Engineering from the National University of Singapore. He also holds a Masters of Business Administration degree from the Nanyang Technological University (Singapore).

## Segment structure today



## Segment structure from 1 January 2012



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## **About Oerlikon**

*Oerlikon (SIX: OERL) is a leading high-tech industrial group specializing in machine and plant engineering. The Company is a provider of innovative industrial solutions and cutting-edge technologies for textile manufacturing, drive, vacuum, thin film, coating, and advanced nanotechnology. A Swiss company with a tradition going back over 100 years, Oerlikon is a global player with more than 17 000 employees at over 150 locations in 38 countries and sales of CHF 3.6 billion in 2010. The Company invested in 2010 CHF 239 million in R&D, with over 1 200 specialists working on future products and services. In most areas, the operative businesses rank either first or second in their respective global markets.*

## **About Oerlikon Textile**

*Oerlikon Textile is the world's biggest textile machine manufacturer and stands for highest technological standards in the efficient production and processing of man-made and natural fibers. As per 1 January 2012 the Segment occurs in three Business Units with five strong brands on the market: Manmade Fibers (Oerlikon Barmag and Oerlikon Neumag), Natural Fibers (Oerlikon Schlafhorst and Oerlikon Saurer) and Oerlikon Textile Components. They are market leaders in virtually every technology area. Their range of products and services includes comprehensive overall solutions in the sector of textile machinery and plant manufacture and covers the entire textile value added chain – from the plant design for the production of man-made and nonwoven fibers up to facilities for ring spinning, rotor spinning, winding, twisting and embroidery. The focus of all activities is always the striving for innovation.*

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