

Nine-month Results 2011

Oerlikon continues strong profitable sales growth

- Oerlikon's efficient sales conversion, new products and disciplined implementation of operational excellence initiatives deliver strong profitable sales growth and increased backlog
 - Sales rose by 24 % to CHF 3 078 million (9M 2010: CHF 2 476 million)
 - Order backlog grew by 7% to CHF 1 694 million (9M 2010: CHF 1 583 million)
 - Order intake was stable at CHF 3 189 million (9M 2010: CHF 3 195 million)
 - Emerging markets fuelled top-line growth
 - Broad-based sales growth across portfolio and regions

Normalized for currency impact: sales up 42 %

- Outlook 2011: Oerlikon confirms previous sales and order intake guidance and increases profitability guidance, with EBIT margin expected to exceed 9 %

Key figures of Oerlikon Group as per September 30, 2011

in CHF million	9M 2011	9M 2010	Change	Change (%)
Order intake	3 189	3 195	-6	0
Order backlog	1 694	1 583	111	7
Sales	3 078	2 476	602	24

Pfäffikon SZ, 20 October, 2011 – Oerlikon Group posted a strong increase in sales in the first nine months of 2011 on double-digit sales growth across four Segments. All regions delivered sales growth, primarily driven by significant increases in Asia. Although order intake was stable year-on-year, certain Segments showed robust order growth. Streamlining of the Group's portfolio continued in the third quarter with the closing of the Carding divestment.

Dr. Michael Buscher, CEO of Oerlikon Group, said: "Oerlikon's nine-month performance reflects disciplined execution of our strategy. We are benefiting from the systematic implementation of our operational excellence initiatives, with an increasingly efficient conversion from orders to sales. The growth in sales is also based on our high emerging market penetration and our strong innovation pipeline." Oerlikon Group CFO Jürg Fedier said: "We continue to see improvements in our underlying performance and profitability. As a result, we are raising our profitability guidance."

The global economic environment remains uncertain but with Oerlikon's broad portfolio mix and operational discipline, the Group is now better positioned to tackle challenges and to achieve its financial targets. Oerlikon is confirming its previous sales and order intake guidance and increasing its profitability guidance for the full year. EBIT margin is now expected to exceed 9 percent for 2011.

Group Overview

Segments maintain high order intake level

Oerlikon launched more than ten new product platforms in the first nine months of 2011. Although order intake was stable year-on-year, certain Segments demonstrated strength, particularly Coating, which saw a significant 19 percent increase in orders, and Drive Systems with a 12 percent increase. Group order backlog grew 7 percent year-on-year, underpinned by Textile's solid backlog and a particularly strong 45 percent increase at Drive Systems. Oerlikon's broad portfolio mix, new products, as well as the Group's increased presence in high growth regions - with more than 150 sites around the globe - are contributing to this order intake following the high demand in 2010. The Group continued to invest consistently in R&D in the first nine months, with R&D spend reaching CHF 159 million, representing 5 percent of sales, compared to CHF 174 million reached in the previous-year.

Broad-based sales growth across Segments and regions

Sales rose by a healthy 24 percent year-on-year based on strong and increasingly efficient sales conversion within the Group. Four Segments delivered double-digit sales growth, led by Textile which saw the strongest sales growth at 34 percent, followed by Coating, up 19 percent, while Drive Systems improved by 12 percent. Sales grew in all regions, led by Asia, up 41 percent, Europe, up 14 percent, North America, up 7 percent, with "other regions" rising 16 percent. Normalized for currency impact, the increase in nine-month sales would have been 42 percent, reaching CHF 3 508 million. Overall, sales in Asia accounted for the largest share of Group sales, rising to 48 percent of total sales in the first nine months (2010: 43 percent), with Europe accounting for 29 percent (2010: 32 percent), and North America 14 percent (2010: 17 percent).

Focusing the portfolio continues

Adjustments to focus the Group's portfolio continued in the third quarter as Oerlikon closed the divestments of the Carding unit and Coating's heat treatment division in France in order to focus on businesses which are able to fulfill Oerlikon's expectations on long-term growth and profitability.

Outlook 2011

The global economic environment remains uncertain but with Oerlikon's broad portfolio mix, high emerging market penetration, strong innovation pipeline and operational discipline, the Group is now better positioned to tackle challenges and to achieve its financial targets. Oerlikon is confirming its previous sales and order intake guidance (based on current foreign exchange rates) and increasing its profitability guidance for the full year 2011. The EBIT margin is now expected to exceed 9 percent, compared to a previous EBIT margin estimate of between 8 and 9 percent. Therefore, for full year 2011, compared to 2010, the Oerlikon Group expects:

- Sales to grow by up to 10 %
- Order intake to decline by around 10 %
- EBIT margin to exceed 9 %

Segment Overview

Key figures of Oerlikon Textile as per September 30, 2011

in CHF million	9M 2011	9M 2010	Change	Change (%)
Order intake	1 610	1 787	-177	-10
Order backlog	1 212	1 088	124	11
Sales (to third parties)	1 484	1 111	373	34

Oerlikon Textile: Sales at the world's leading manufacturer of textile machines and components were excellent, growing 34 percent on the back of business at Oerlikon Barmag and Oerlikon Schlafhorst, market demand for man-made fibers and numerous new product launches. The Segment's backlog remained solid as a robust order backlog in the man-made fiber business (Barmag), fueled an 11 percent increase. Order intake was down 10 percent as expected, as demand in the natural fiber business shows the first signs of stabilizing at a normalized level. In the third quarter, Textile launched seven new textile machines at the 2011 ITMA trade fair that help customers improve efficiency, flexibility and quality, while reducing energy consumption, through energy savings of up to 50 percent and productivity gains of up to 25 percent. The Segment won a contract to deliver 18 of its new Autocoro 8 machines to India's Noman Textile Group. A pioneering invention in rotor spinning in the last 30 years, the Autocoro 8 provides total integrated automation that helps customers increase productivity. Textile was awarded Vendor of the Year 2011 by its long-standing customer Parkdale.

Key figures of Oerlikon Drive Systems as per September 30, 2011

in CHF million	9M 2011	9M 2010	Change	Change (%)
Order intake	649	578	71	12
Order backlog	176	121	55	45
Sales (to third parties)	605	541	64	12

Oerlikon Drive Systems: Order backlog at Drive Systems rose 45 percent, primarily driven by business in off-road and construction sectors. Sales rose 12 percent and orders increased 12 percent based on demand in the agriculture, energy and construction markets as well as for the Segment's solutions. On a geographic basis, growth was strongest in North America, up 20 percent, resulting from growing demand in the heavy agriculture equipment and energy sectors, followed by Asia, up 18 percent. In the third quarter, Drive Systems was selected to perform engineering design and product development by a leading Chinese mining machinery OEM for a new range of gearboxes and gear components to be used on a family of underground mining machines. The Segment was awarded a USD 9.2 million contract to supply leg jacking gear drives to a major global off-shore vessel developer. In the third quarter, Drive Systems' entered the production phase of the electric transmission for Audi's new fully electric car, Audi RSe. The expansion of Drive Systems' production sites in Asia – previously announced last year – continues to progress on track.

Key figures of Oerlikon Vacuum as per September 30, 2011

in CHF million	9M 2011	9M 2010	Change	Change (%)
Order intake	304	332	-28	-8
Order backlog	75	94	-19	-20
Sales (to third parties)	310	298	12	4

Oerlikon Vacuum: Sales rose 4 percent as China's solar and lighting markets softened. Orders declined and backlog came in lower as demand in Vacuum's end markets stabilized at a lower level as expected. In the third quarter, Vacuum won a large contract valued at CHF 1.5 million to deliver systems to a customer in Taiwan, including MAGiNTEGRA units, an innovative pump series launched in the first half of 2011. The new series, which uses less space, helps customers to increase production reliability and savings, while reducing the cost of ownership. The

Segment was ranked one of the Top 100 innovative companies in Germany for 2011 in the small and medium-sized businesses category.

Key figures of Oerlikon Solar as per September 30, 2011

in CHF million	9M 2011	9M 2010	Change	Change (%)
Order intake	193	92	101	>100
Order backlog	209	232	-23	-10
Sales (to third parties)	239	139	100	72

Oerlikon Solar: Sales at Solar rose by 72 percent on the back of higher orders. Backlog at Solar came in 10 percent lower as long lead times and high investment levels for the industry's technology weighed on the order backlog. In the third quarter, Solar progressed with its innovations as it launched a new record module with a 154 (peak) watts (W) of stabilized module output and 10.8 % efficiency. The module – ready for use on current ThinFab™ lines by early 2013 – will help customers reduce production costs. Solar's commitment to innovation was also recognized by industry experts in the third quarter. For the third time in a row, Solar won the international Solar Industry Award for the "Thin Film Innovations" category, awarded by UK trade magazine Solar PV Management.

Key figures of Oerlikon Coating as per September 30, 2011

in CHF million	9M 2011	9M 2010	Change	Change (%)
Order intake	363	304	59	19
Order backlog	n/a	n/a	n/a	n/a
Sales (to third parties)	363	304	59	19

Oerlikon Coating: Nine-month sales at Coating rose 19 percent as demand in the automotive industry continued, with orders growing 19 percent on higher demand for the Segment's products. Normalized for currency impact, the increase in nine-month sales would have been 35 percent, to reach CHF 409 million. In the third quarter, the Segment launched three innovations in advanced surface technology at the 2011 EMO metalworking trade show in Hannover. The new INGENIA coating system with the breakthrough S3p™ technology and the new, universal BALINIT® PERTURA coating for drills provides customers with extremely smooth coatings and

a diverse selection of materials. Developed in response to customer needs, the S3p™ breakthrough unites two coating processes in one technology, resulting in more competitive services to customers.

Key figures of Oerlikon Advanced Technologies as per September 30, 2011

in CHF million	9M 2011	9M 2010	Change	Change (%)
Order intake	70	102	-32	-31
Order backlog	22	48	-26	-54
Sales (to third parties)	77	83	-6	-7

Oerlikon Advanced Technologies: Sales at Advanced Technologies were 7 percent lower, with orders down 31 percent, resulting from continued weakness in markets for optical discs and a cooling down in the semiconductors market. In the third quarter, the Segment launched its new HEXAGON packaging system at 2011 Semicon in Taiwan. The new system enables customers to reduce the cost of ownership by helping to increase throughput and reduce maintenance. Advanced Technologies was awarded “2011 Best of Class Equipment” supplier in Korea by US-based Amkor Technology, the world’s leading semiconductor packaging foundry.

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.

Additional information

Oerlikon will discuss its results in German during its media conference call today starting at 10:00 am CET. To participate, please dial the following numbers a few minutes before the start:

Switzerland +41 (0) 43 547 8001
Germany +49 (0) 69 2999 3285
USA +1 646 254 3370
UK +44 (0) 20 7660 0009
Pincode: 4432863

During its analysts' conference call beginning at 2:00 pm CET Oerlikon will discuss its results in English. To participate, please dial the following numbers a few minutes before the start:

Switzerland +41 (0) 43 547 8001
Germany +49 (0) 69 2222 34066
USA +1 646 254 3373
UK +44 (0) 20 3450 9571
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