## Surface Solutions Segment

Oerlikon Surface Solutions Segment, a part of the Swiss-based Oerlikon Group (SIX: OERL), is a world-leading supplier of a unique and broad range of surface technologies, products and services. Under the technology-leading brands of Oerlikon Balzers and Oerlikon Metco, the Segments' surface solutions are proven to significantly improve the performance, reliability and durability of precision components and cutting and forming tools. Oerlikon Balzers' technologies can realize extremely thin and exceptionally hard coatings, while Oerlikon Metco offers equipment, materials and specialized machining services and components that complement its thermal spray, plasma heat treatment and laser cladding solutions. The Additive Manufacturing market is served under the new brand Oerlikon AM. Oerlikon is an integrated service provider of industrial Additive Manufacturing (AM) solutions. The Segment focuses on the aviation, power generation, oil and gas, automotive, metal and plastic processing, as well as in other specialized industries. In 2019, the Segment generated sales of CHF 1.5 billion and has over 7,800 employees in a dynamic global network of over 165 sites in 37 countries. www.oerlikon.com/surface-solutions/

### What we do

**Oerlikon Balzers**
Under the brand Oerlikon Balzers, surface technologies can realize extremely thin and exceptionally hard coatings, thus significantly improving the performance and durability of precision components as well as cutting and forming tools.

**Oerlikon Metco**
Under the brand Oerlikon Metco, innovative coating solutions, equipment, materials, specialized machining services and components serve to improve the performance, efficiency and reliability of customers’ products.

**Oerlikon AM**
Under the brand Oerlikon AM, innovative coating solutions, equipment, materials, specialized machining services and components serve to improve the performance, efficiency and reliability of customers’ products.

### Sales split FY 2019

<table>
<thead>
<tr>
<th>Region</th>
<th>Asia/Pacific</th>
<th>Europe</th>
<th>North America</th>
<th>Rest of the World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (in CHF million)</td>
<td>379</td>
<td>369</td>
<td>369</td>
<td>325</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>End market</th>
<th>Tooling</th>
<th>Automotive</th>
<th>Aviation</th>
<th>General Industry</th>
<th>Power Generation</th>
</tr>
</thead>
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<td>379</td>
<td>369</td>
<td>369</td>
<td>325</td>
<td></td>
</tr>
</tbody>
</table>

### Quarterly figures

<table>
<thead>
<tr>
<th>Order intake (in CHF million)</th>
<th>374</th>
<th>350</th>
<th>359</th>
<th>333</th>
<th>324</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (in CHF million)</td>
<td>379</td>
<td>369</td>
<td>369</td>
<td>325</td>
<td>262</td>
</tr>
<tr>
<td>EBITDA (in CHF million)</td>
<td>64</td>
<td>55</td>
<td>54</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>EBITDA margin (in % of sales)</td>
<td>16.8%</td>
<td>15.0%</td>
<td>14.5%</td>
<td>12.0%</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

### Five-year summary of key figures

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>1,468</td>
<td>1,574</td>
<td>1,412</td>
<td>1,236</td>
<td>1,233</td>
</tr>
<tr>
<td>Sales (to 3rd parties)</td>
<td>1,488</td>
<td>1,511</td>
<td>1,370</td>
<td>1,238</td>
<td>1,229</td>
</tr>
<tr>
<td>EBITDA</td>
<td>234</td>
<td>283</td>
<td>276</td>
<td>277</td>
<td>264</td>
</tr>
<tr>
<td>EBITDA margin in % of sales</td>
<td>15.6%</td>
<td>16.6%</td>
<td>20.1%</td>
<td>22.2%</td>
<td>21.4%</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>136</td>
<td>169</td>
<td>148</td>
<td>96</td>
<td>91</td>
</tr>
<tr>
<td>Net operating assets</td>
<td>1,771</td>
<td>1,584</td>
<td>1,519</td>
<td>1,372</td>
<td>1,325</td>
</tr>
<tr>
<td>EBITDA margin in % of sales</td>
<td>15.0%</td>
<td>15.0%</td>
<td>14.5%</td>
<td>12.0%</td>
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</tr>
</tbody>
</table>

1 Including CHF 13 million restructuring costs, adjusted EBITDA margin 16.6%.

### Profitability Bridge FY 2019

- **EBITDA FY 2019**: 234 million CHF
- **Depreciation & Impairment**: -112 million CHF
- **Amortization of acquired intangibles**: 122 million CHF
- **Other Amortization**: 38 million CHF
- **EBIT FY 2019**: 65 million CHF

### Well-known customer base

**Automotive:**
- BMW
- Bosch
- Getrag
- Kennametal
- Toyota
- Volkswagen
- ZF

**Oil & Gas:**
- Baker Hughes
- Cameron
- FMC
- GE Oil & Gas
- NOV
- Sulzer Pumps

**Power Generation:**
- Alstom
- Andritz
- GE Power & Water
- Mitsubishi/Hitachi
- Siemens
- Solar Turbines

**Aerospace:**
- GE Aviation
- IHI
- MTU
- Pratt & Whitney
- Rolls-Royce
- Safran
- Eaton
- Snecma

### Five-year summary of key figures

- **Number of employees**: 7,840
- **Net operating assets**: 1,771 million CHF
- **EBITDA margin in % of sales**: 15.0%

### Region

- **Asia/Pacific**: 22%
- **Europe**: 45%
- **North America**: 29%
- **Rest of the World**: 4%