

## What we do

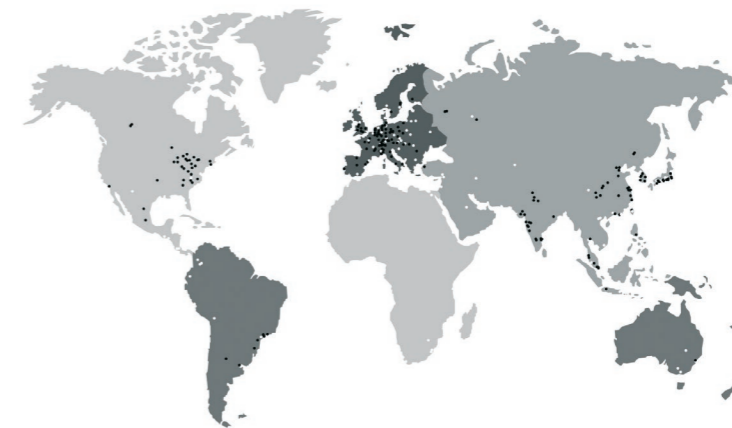
Oerlikon (SIX: OERL) creates innovative surface solutions, advanced materials and polymer processing, addressing customers' challenges and helping them succeed in their industries. Over 1000 engineers are dedicated to continuously develop new solutions, materials and technologies with and for our customers. Oerlikon is a leading global technology and engineering group serving its customers in 37 countries, generating CHF 2.85 billion sales (FY 2017) and distributing a sustainable dividend to its shareholders. Oerlikon has a net cash position and an unleveraged balance sheet allowing for organic and inorganic investments.

## Five-year summary of key figures<sup>1</sup>

in CHF million	2017	2016	2015	2014	2013
Order intake	3 005	2 413	2 537	2 647	2 779
Sales	2 847	2 331	2 671	2 825	2 770
EBITDA	415	334	338 <sup>2</sup>	475	483
EBITDA margin in % of sales	15%	14%	13% <sup>2</sup>	17%	17%
Net result	152	388	-418 <sup>3</sup>	202	201
Cash flow from operating activities <sup>4</sup>	405	269	393	427	435
Capital expenditure	237	144	150	151	177
Net cash <sup>5</sup>	499	401	79	114	981
Number of employees	14 962	13 840	13 723	14 039	12 660
R&D expenditure	107	94	103	96	101

<sup>1</sup> 2017 as reported, 2016 continuing operations, 2015, 2014, 2013 as reported.  
<sup>2</sup> Including restructuring costs of CHF 112 million.  
<sup>3</sup> Including restructuring costs of CHF 112 million and impairment charges of CHF 476 million.  
<sup>4</sup> Before changes in net current assets.

## Some 10 000 employees, operating in 37 countries



**52 sites in Asia / Pacific**  
 44 Surface Solutions Segment  
 8 Manmade Fibers Segment

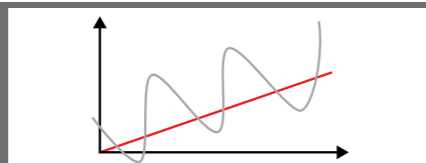
**77 sites in EMEA**  
 72 Surface Solutions Segment  
 3 Manmade Fibers Segment  
 2 Corporate

**40 sites in the Americas**  
 38 Surface Solutions Segment  
 2 Manmade Fibers Segment

## Three drivers of profitable growth

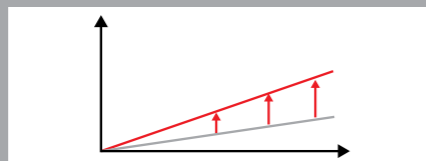
### 1. Mid-term market growth

End market exposure to cyclical but growing markets



### 2. Oerlikon structural growth

Oerlikon has the ability to outgrow end market trends

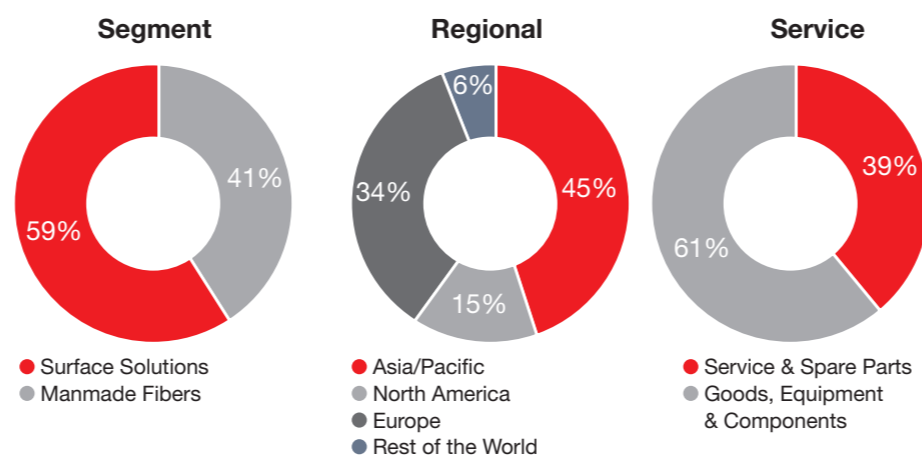


### 3. M&A opportunities

Supporting structural growth with acquisitions

- Unlevered balance sheet
- Net cash position of ~CHF 400m
- Cotinued FCF generation

## Sales split HY 2018 \*

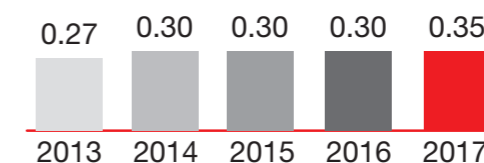


## Shareholder return

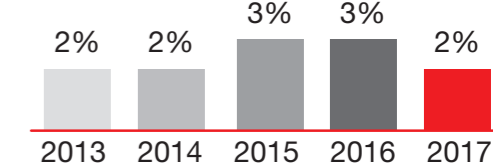
### Dividend policy:

In December 2017, Oerlikon's Board of Directors reviewed and amended the company's dividend policy. The proposed dividend payout can be based on up to 50% of the Group's underlying net result, as well as the Group's financial position and affordability from the balance sheet.

### Dividend in CHF per share:



### Dividend yield:



## Global brands and well-known customers

### Surface Solutions Segment

**oerlikon** **oerlikon** **oerlikon**  
 balzers metco am

#### Key customers:

- Bosch
- GE
- Pratt & Whitney
- Rolls-Royce
- Sandvik
- Volkswagen

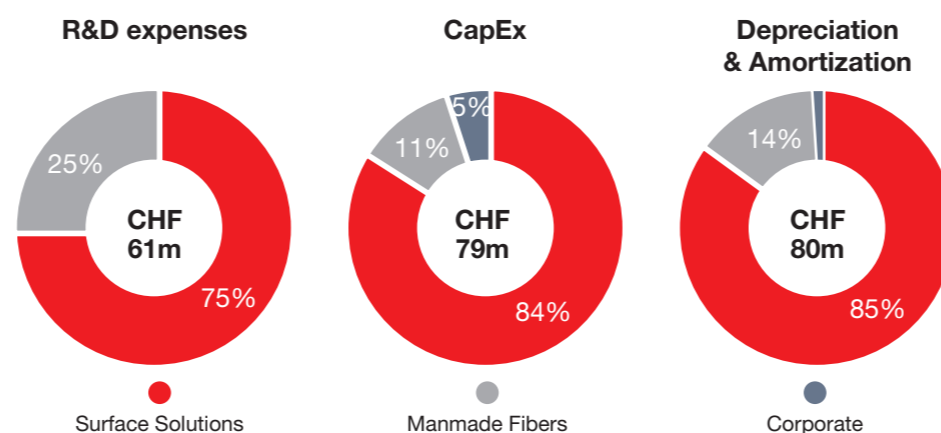
### Manmade Fibers Segment

**oerlikon** **oerlikon**  
 barmag neumag

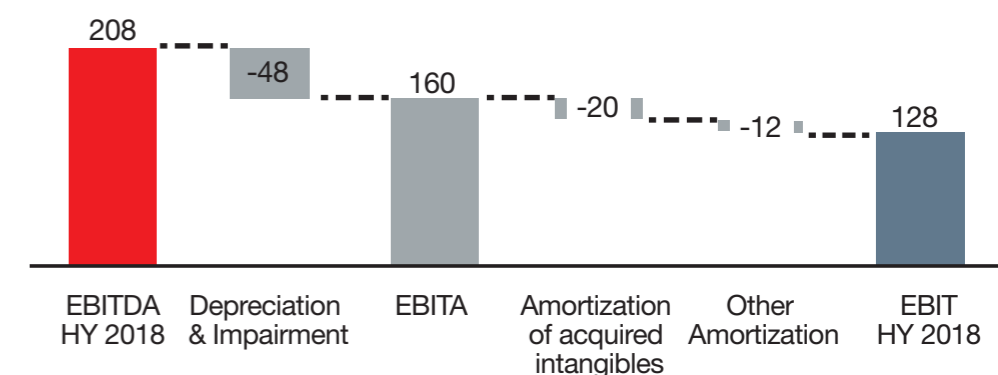
#### Key customers:

- Hengyi Group
- New Feng Ming Group
- Reliance Industries
- Tongkun Group
- Wellknown Polyesters

## Capital allocation HY 2018 \*



## Profitability Bridge HY 2018 \*



\* as reported, continuing operations



**Chairman – Prof. Dr. Michael Süß**

- 1963, German citizen
- Chairman of the Board of Directors since 2015



**CEO – Dr. Roland Fischer**

- 1962, German citizen
- CEO since 2016



**CFO – Jürg Fedier**

- 1955, Swiss citizen
- CFO since 2009



**CTO – Dr. Helmut Rudigier**

- 1955, Austrian citizen
- Group CTO since 2017

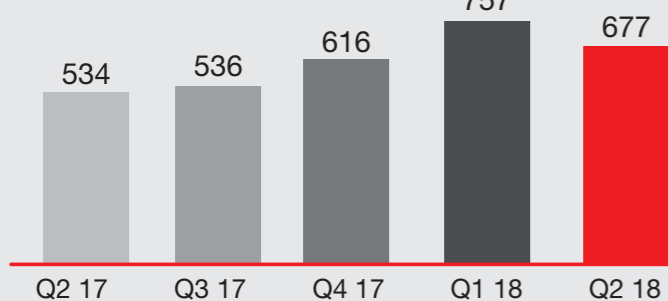


**CHRO – Anna Ryzhova**

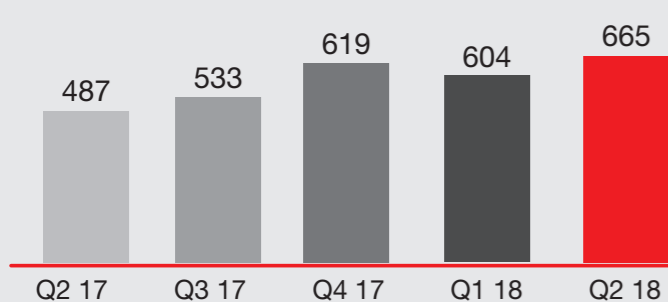
- 1979, Russian citizen
- CHRO since 2016

## Oerlikon Group – Quarterly figures<sup>1</sup>

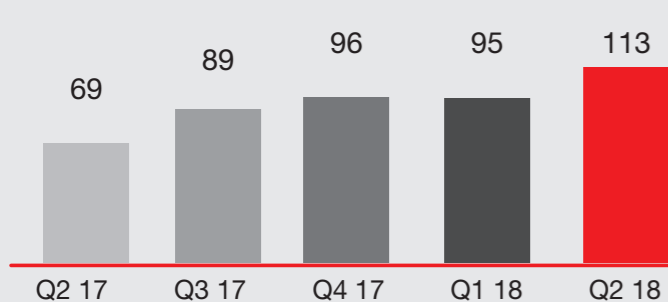
Order intake in CHF million



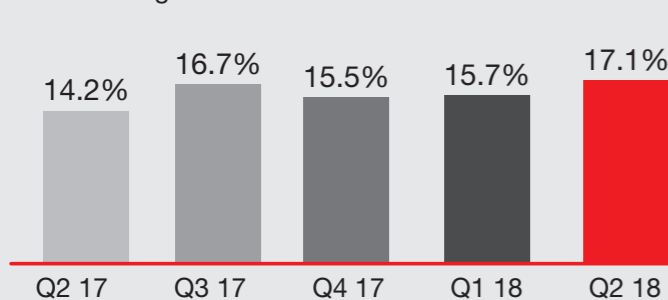
Sales in CHF million



EBITDA in CHF million



EBITDA margin

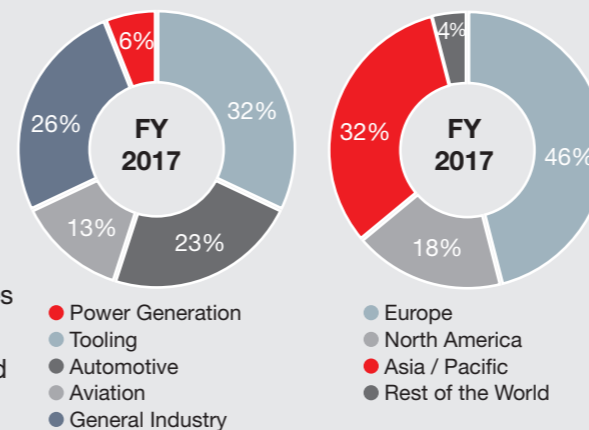


<sup>1</sup> 2018 continuing operations, 2017 restated for divestment of Drive Systems and IFRS 15

## Surface Solutions Segment<sup>2</sup>



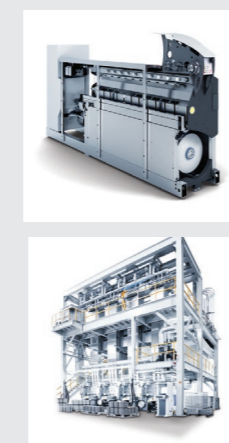
The Segment includes the three brands Oerlikon Balzers, Oerlikon Metco and Oerlikon AM. Oerlikon Balzers is a leading global supplier of PVD coatings and other surface technologies for precision components as well as metalworking and plastics processing tools. Oerlikon Metco enhances surfaces with coating solutions, materials and equipment. Oerlikon AM is an integrated service provider of industrial Additive Manufacturing (AM) solutions.



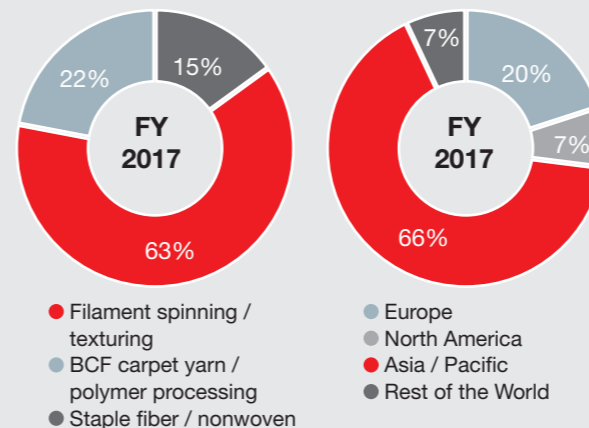
in CHF million	FY 2017 <sup>2</sup>	FY 2016	△
Order intake	1 417	1 236	+14.6%
Sales (to 3 <sup>rd</sup> parties)	1 377	1 238	+11.2%
EBITDA	276	277	-0.4%
EBITDA margin	20.0%	22.2%	-2.2pp

<sup>2</sup> as reported

## Manmade Fibers Segment<sup>2</sup>



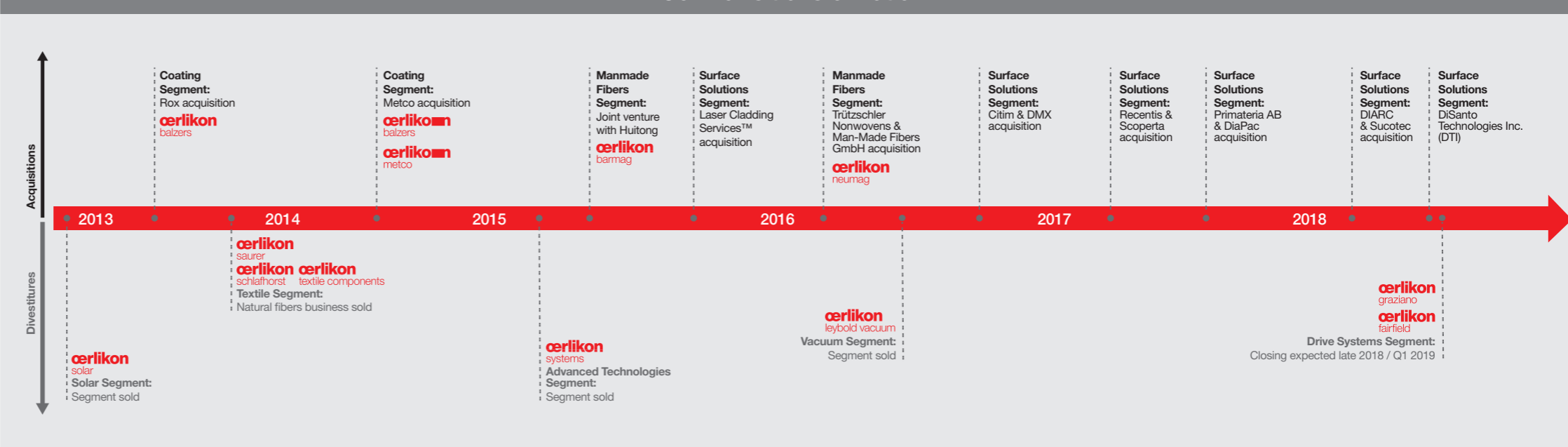
The Segment with the product brands Oerlikon Barmag and Oerlikon Neumag is the world market leader for filament spinning systems, texturing machines and BCF carpet yarn, staple fiber spinning as well as nonwovens solutions.



in CHF million	FY 2017 <sup>2</sup>	FY 2016	△
Order intake	810	577	+40.4%
Sales (to 3 <sup>rd</sup> parties)	740	481	+53.8%
EBITDA	57	16	>100%
EBITDA margin	7.7%	3.3%	+4.4pp

<sup>2</sup> as reported

## Oerlikon's transformation



## What we do

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 2017, the Segment generated sales of CHF 1.4 billion and has over 7 000 employees in a dynamic global network of over 150 sites, of which over 140 are service and production centers in 37 countries. [www.oerlikon.com/surface-solutions/](http://www.oerlikon.com/surface-solutions/)

## Five-year summary of key figures

in CHF million	2017 <sup>1</sup>	2016	2015	2014 <sup>2</sup>	2013
Order intake	1 417	1 236	1 233	965	510
Sales	1 377	1 238	1 229	973	510
EBITDA	276	277	264	183	149
EBITDA margin in % of sales	20.0%	22.2%	21.4%	18.8%	29.2%
Capital expenditure	148	96	91	79	74
R&D expenses	80	69	70	56	34
Net operating assets	1 519	1 372	1 325	1 421	350
Number of employees	7 079	6 528	6 140	6 063	3 278

<sup>1</sup> as reported; <sup>2</sup> Metco consolidated for 7 months

## Over 7 000 employees, operating in 37 countries



## Two strong brands under one roof

### 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.

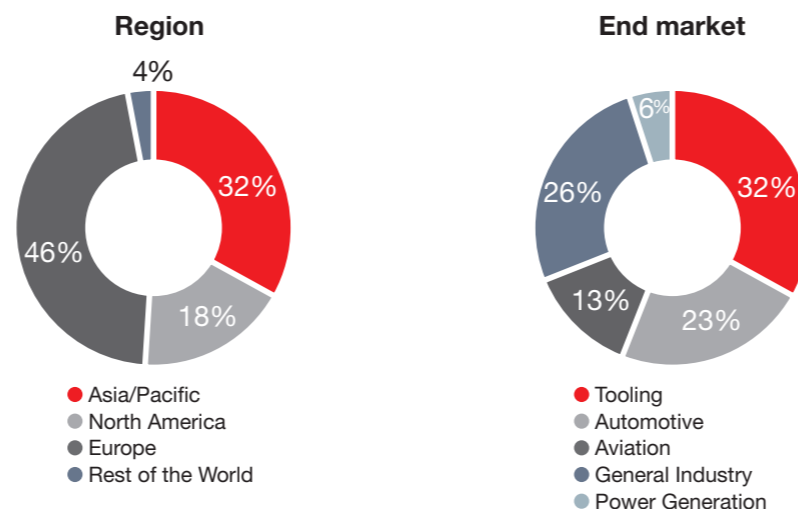
### oerlikon metco

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 integrated services for industrial Additive Manufacturing (AM) solutions are provided. This includes advanced metal powders for AM processes, application engineering expertise as well as one of the largest AM production and post-processing capacity.

## Sales split FY 2017<sup>1</sup>



## Well-known customer base

### Automotive:

- BMW
- Bosch
- Getrag
- Toyota
- Volkswagen
- ZF

### Oil & Gas:

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

### Power Generation:

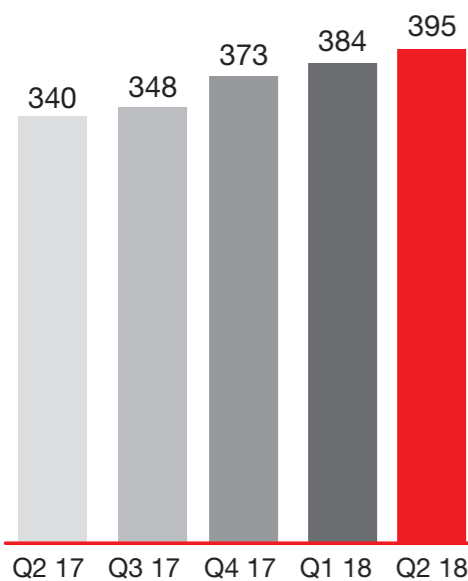
- Alstom
- Andritz
- GE Power & Water
- Mitsubishi/Hitachi
- Siemens
- Solar Turbines

### Aerospace:

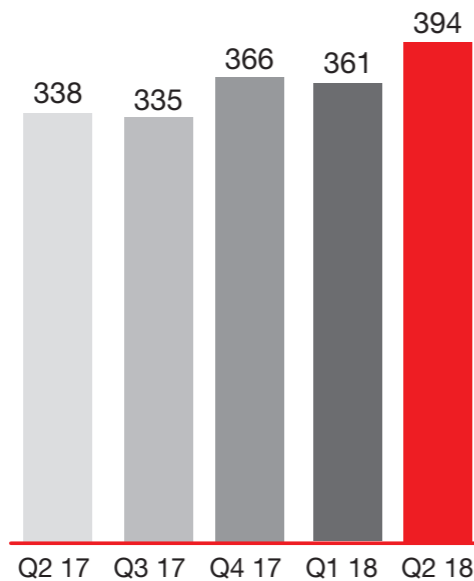
- GE Aviation
- IHI
- MTU
- Pratt & Whitney
- Rolls-Royce
- Snecma

## Quarterly figures \*

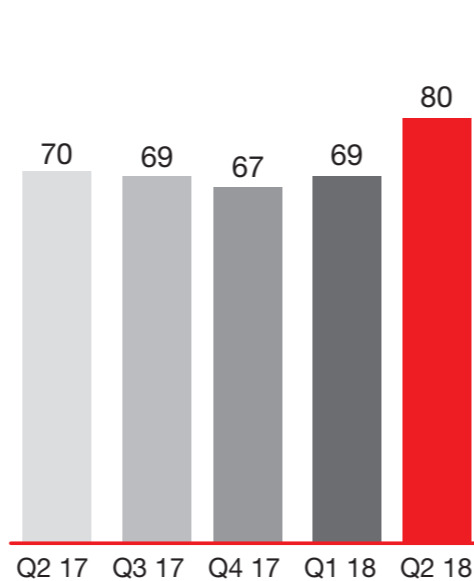
### Order intake (in CHF million)



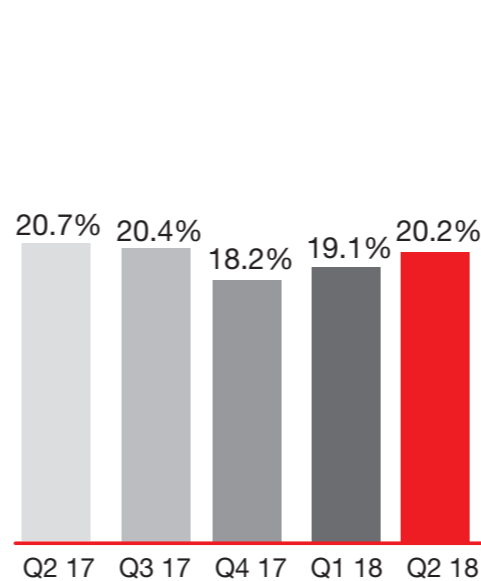
### Sales (in CHF million)



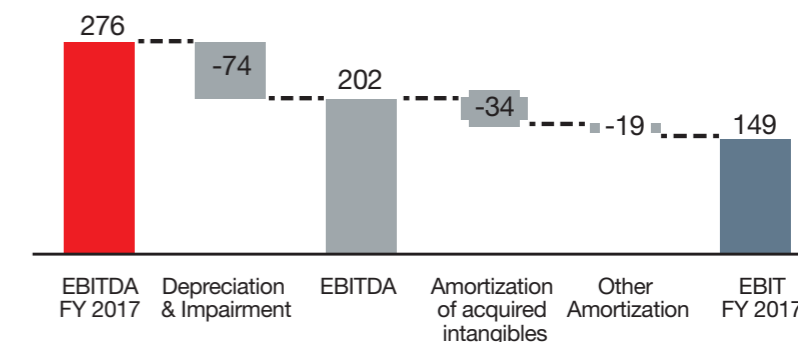
### EBITDA (in CHF million)



### EBITDA margin (in % of sales)



## Profitability Bridge FY 2017<sup>1</sup>



### Group and Segment CEO – Dr. Roland Fischer

- 1962, German citizen
- CEO since 2016
- Previous position: CEO of Power and Gas Division of Siemens AG, Germany

<sup>1</sup> as reported

\* restated for IFRS15

## What we do

Oerlikon Manmade Fibers Segment, a part of the Swiss-based Oerlikon Group (SIX: OERL), is a global technology leader of complete plant solutions and systems for the production of chemical fibers, such as polyester, nylon and polypropylene, used mainly in fabrics and functional clothing as well as for technical textiles. Under the market-leading brands of Oerlikon Barmag and Oerlikon Neumag, the Segments' solutions and systems for filament spinning, texturing, bulked continuous filament, synthetic staple fiber spinning and nonwovens are highly precise and energy efficient. The Segment is also a pioneer in offering groundbreaking sustainable technologies under its e-save program, which can help customers achieve up to 50% of energy savings in production processes. The Segment offers engineering, machine and component solutions from a single source: from melt to yarn, from polycondensation to high-precision winders. In 2017, the Segment generated sales of CHF 740 million and has a team of some 2 500 employees serving customers worldwide, with a strong focus on its main markets of China, India, Turkey and the USA.

[www.oerlikon.com/manmade-fibers/](http://www.oerlikon.com/manmade-fibers/)

## Five-year summary of key figures

in CHF million	2017 <sup>1</sup>	2016	2015	2014	2013
Order intake	810	577	733	901	1 073
Sales	740	481	794	1 073	1 130
EBITDA	57	16	85	217	207
EBITDA margin in % of sales	7.7%	3.3%	10.6%	20.3%	18.4%
Capital expenditure	18	16	22	22	23
R&D expenses	22	19	24	33	31
Net operating assets	69	163	225	128	14
Number of employees	2 496	2 278	2 528	2 552	2 480

<sup>1</sup> as reported

## Over 2 500 employees serving customers worldwide



## Leading position in growing end market

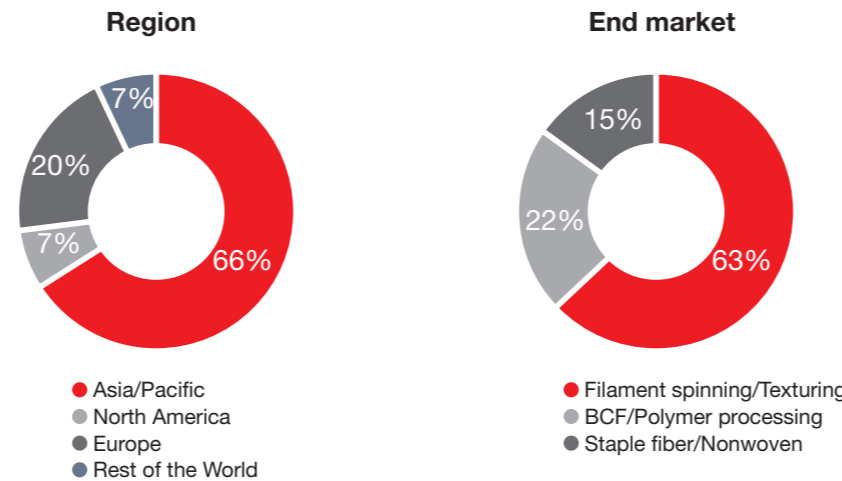
### oerlikon barmag

Oerlikon Barmag is a global market leader in spinning and texturing systems for the production of manmade fibers such as polyester, nylon and polypropylene. Oerlikon Barmag is also well positioned in special markets for winders of specialty yarns and applications.

### oerlikon neumag

Oerlikon Neumag is a global market leader for complete production systems for bulked continuous filament (BCF carpet yarns) as well as solutions for synthetic staple fibers. Furthermore, Oerlikon Neumag is a leading provider of a broad range of nonwoven technologies with a focus on technical applications.

## Sales split FY 2017<sup>1</sup>



## Well-known customer base

### Filament spinning/Texturing:

- Alok
- Hengli Fiber
- Hengyi Group
- Jinjiang Group
- Nan Ya
- New Feng Ming Group
- Reliance
- Shenghong
- Tongkun Group
- Wellknown Polyester
- Xinfengming Group

### BCF/ Polymer processing:

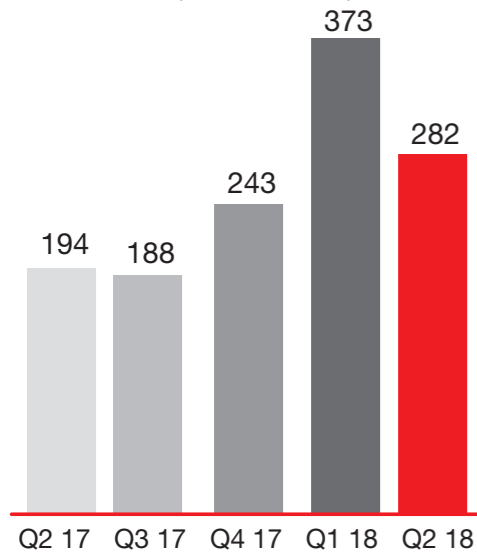
- Engineered Floors
- Gülsan
- Merinos
- Mohawk
- PNP Polymers
- Shaw

### Staple fiber/ Nonwoven:

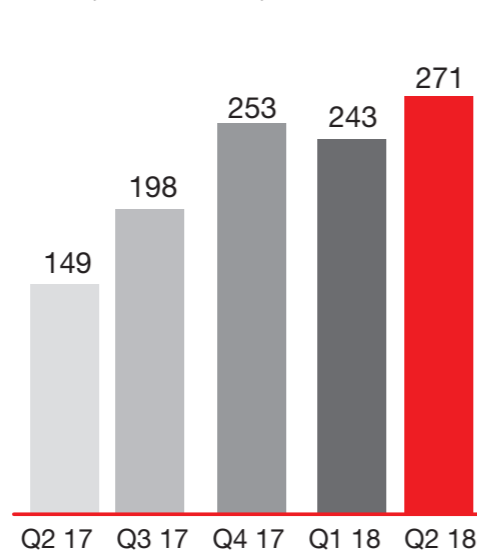
- Albis
- Far Easter
- New Century
- Glatfelter
- Hollingsworth & Vose
- Kolon Glotech
- Reliance
- Sanfangxiang

## Quarterly figures \*

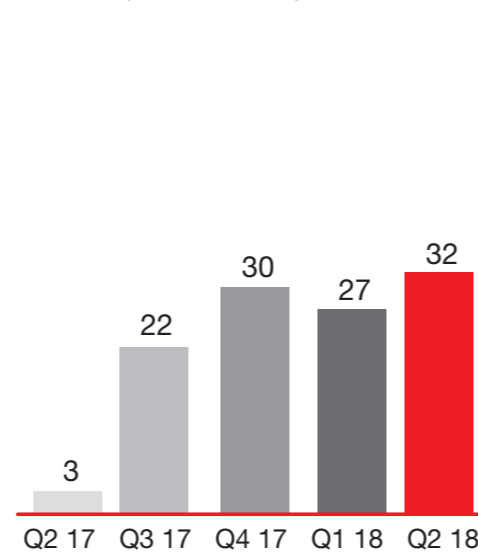
Order intake (in CHF million)



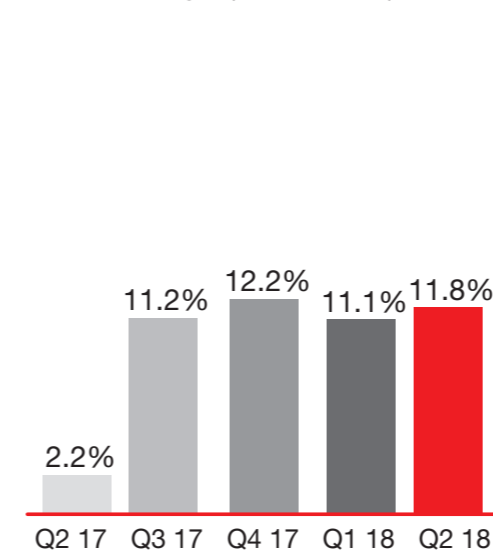
Sales (in CHF million)



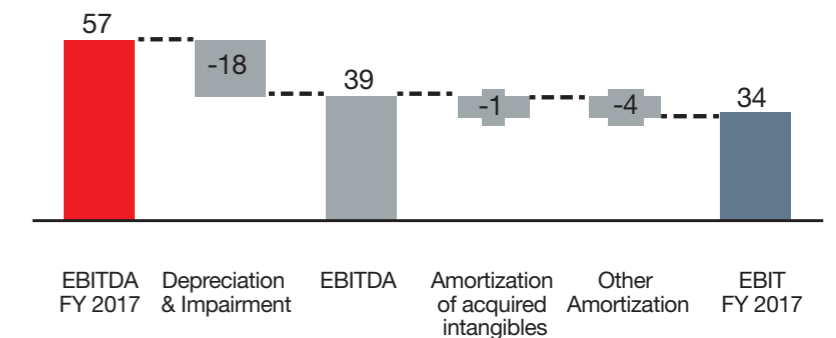
EBITDA (in CHF million)



EBITDA margin (in % of sales)



## Profitability Bridge FY 2017<sup>1</sup>



### Segment CEO – Georg Stausberg

- 1963, German citizen
- Segment CEO since 2015
- Previous position: CTO and COO of the Manmade Fibers Segment

<sup>1</sup> as reported

\* restated for IFRS15