

## What we do

Oerlikon (SIX: OERL) is a leading global technology Group, with a clear strategy of becoming a global powerhouse in surface solutions, advanced materials and materials processing. The Group is committed to investing in value-bringing technologies that provide customers with lighter, more durable materials that are able to increase performance, improve efficiency and reduce the use of scarce resources. A Swiss company with over 100 years of tradition, Oerlikon has a global footprint of over 13 500 employees at more than 180 locations in 37 countries and sales of CHF 2.3 billion in 2016. The company invested CHF 94 million in R&D in 2016 developing innovative and customer-oriented products and services.

## Global brands and well-known customers

### Surface Solutions Segment

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

#### Key customers:

- Bosch
- Eaton
- GE
- Rolls-Royce
- Sandvik
- Volkswagen

### Manmade Fibers Segment

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

#### Key customers:

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

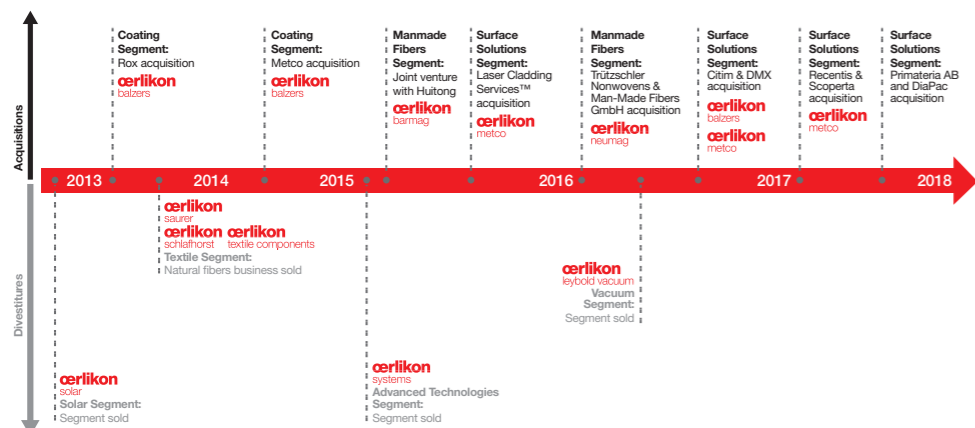
### Drive Systems Segment

**oerlikon**  
graziano  
**oerlikon**  
fairfield

#### Key customers:

- Caterpillar
- CNH
- John Deere
- McLaren
- Oshkosh
- Volkswagen

## Oerlikon's transformation



## Five-year summary of key figures

in CHF million	2016	2015	2014	2013	2012
Order intake <sup>1</sup>	2 413	2 537	2 647	2 779	2 802
Sales <sup>1</sup>	2 331	2 671	2 825	2 770	2 906
EBITDA <sup>1</sup>	334	338 <sup>2</sup>	475	483	547
EBITDA margin <sup>1</sup> in % of sales	14%	13% <sup>2</sup>	17%	17%	19%
Net result	388	-418 <sup>3</sup>	202	201	380
Cash flow from operating activities <sup>4</sup>	269	393	427	435	414
Capital expenditure	144	150	151	177	181
Net cash <sup>5</sup>	401	79	114	981	339
Number of employees <sup>1</sup>	13 840	13 723	14 039	12 660	12 708
R&D expenditure <sup>1</sup>	94	103	96	101	106

<sup>1</sup> 2016, 2015 continuing operations, 2014 restated, 2013, 2012 as reported.

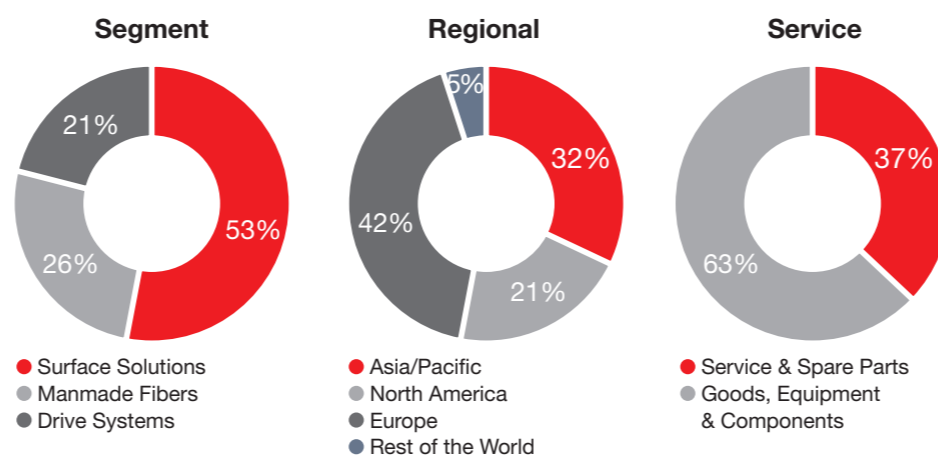
<sup>2</sup> Including restructuring costs of CHF 112 million.

<sup>3</sup> Including restructuring costs of CHF 112 million and impairment charges of CHF 476 million.

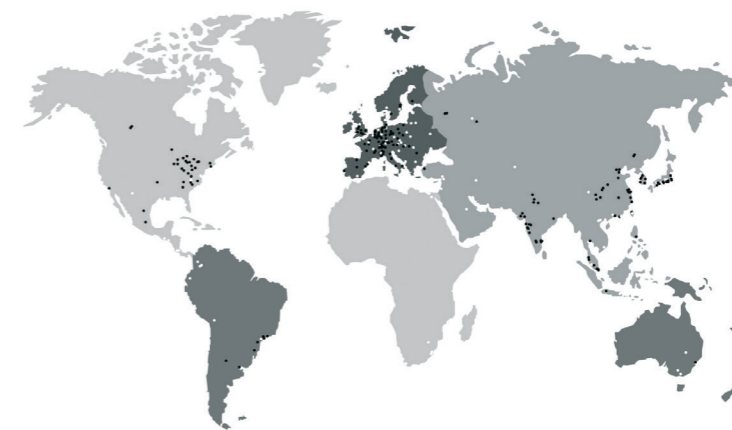
<sup>4</sup> Before changes in net current assets.

<sup>5</sup> 2016, 2015 continuing operations, 2014, 2013, 2012 as reported.

## Sales split FY 2016



## Over 13 500 employees, operating in 37 countries



### 60 sites in Asia / Pacific

- 46 Surface Solutions Segment
- 8 Manmade Fibers Segment
- 6 Drive Systems Segment

### 82 sites in EMEA

- 69 Surface Solutions Segment
- 3 Manmade Fibers Segment
- 8 Drive Systems Segment
- 2 Corporate

### 37 sites in the Americas

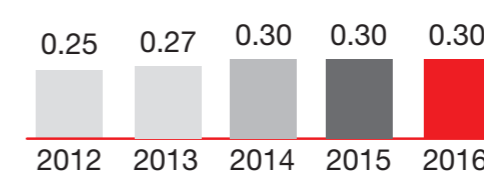
- 34 Surface Solutions Segment
- 2 Manmade Fibers Segment
- 1 Drive Systems Segment

## Shareholder return

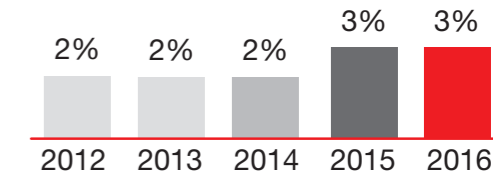
### Dividend policy:

Oerlikon announced a new dividend policy in 2015 that allows for annual distribution to shareholders of up to 50% of underlying net income, subject to the level of funds available.

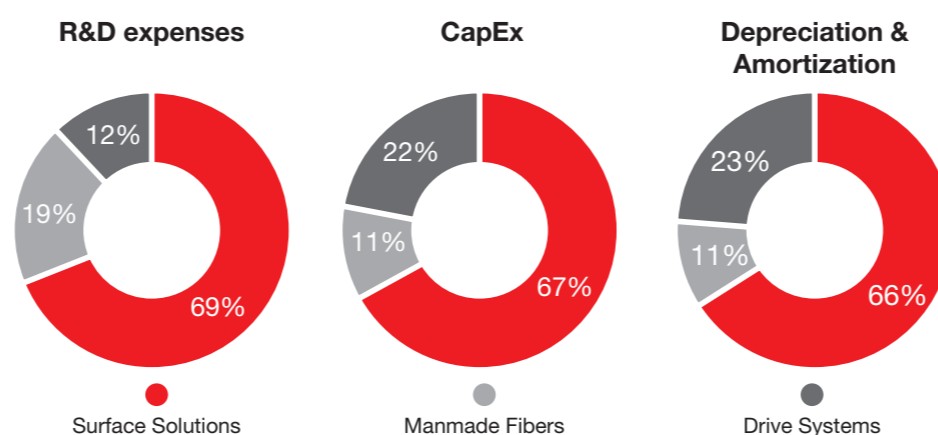
### Dividend in CHF per share:



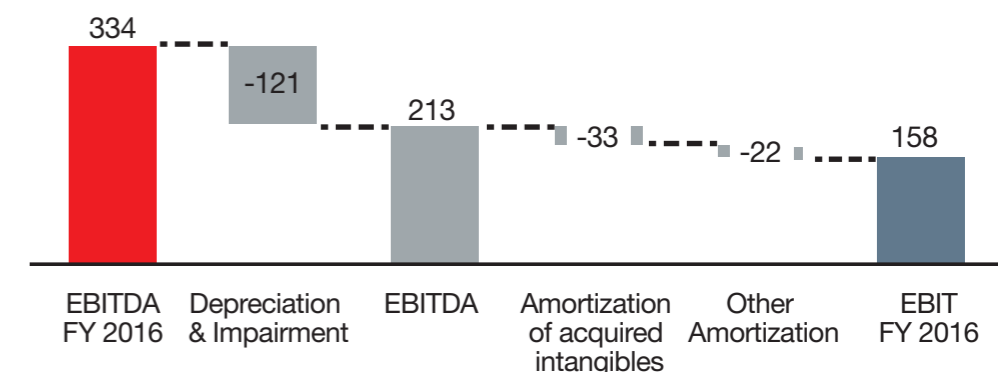
### Dividend yield:



## Capital allocation FY 2016



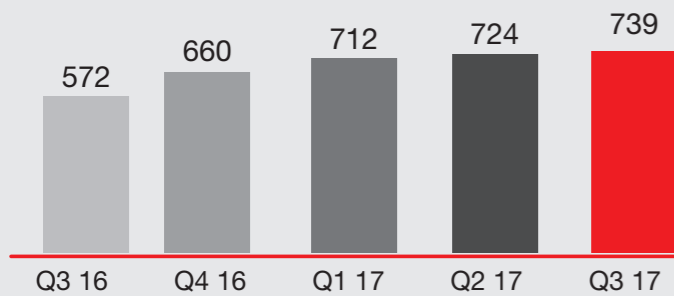
## Profitability Bridge FY 2016



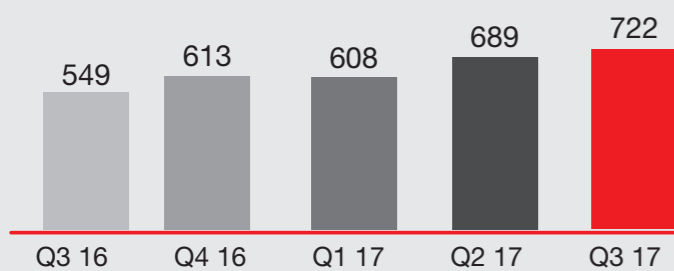
<p><b>Chairman – Prof. Dr. Michael Süß</b></p> <ul style="list-style-type: none"> <li>▪ 1963, German citizen</li> <li>▪ Chairman of the Board of Directors since 2015</li> </ul>	<p><b>CEO – Dr. Roland Fischer</b></p> <ul style="list-style-type: none"> <li>▪ 1962, German citizen</li> <li>▪ CEO since 2016</li> </ul>	<p><b>CFO – Jürg Fedier</b></p> <ul style="list-style-type: none"> <li>▪ 1955, Swiss citizen</li> <li>▪ CFO since 2009</li> </ul>	<p><b>CTO – Dr. Helmut Rudigier</b></p> <ul style="list-style-type: none"> <li>▪ 1955, Austrian citizen</li> <li>▪ CTO since 2017</li> </ul>	<p><b>CHRO – Anna Ryzhova</b></p> <ul style="list-style-type: none"> <li>▪ 1979, Russian citizen</li> <li>▪ CHRO since 2016</li> </ul>
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## Oerlikon Group – Quarterly figures

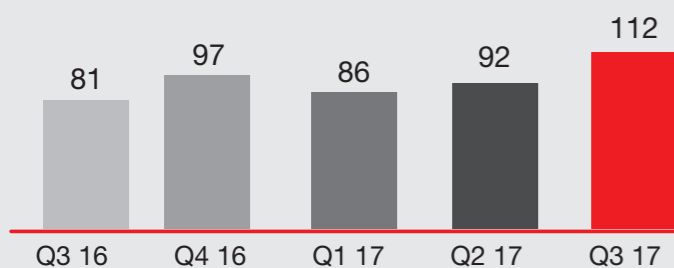
Order intake in CHF million



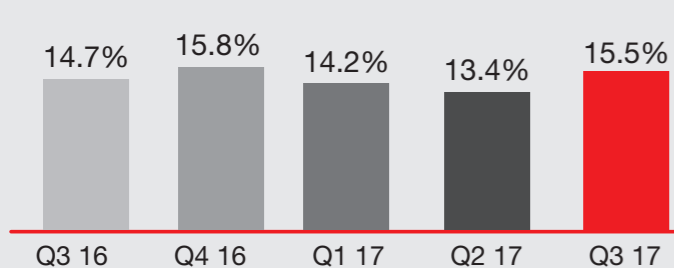
Sales in CHF million



EBITDA in CHF million



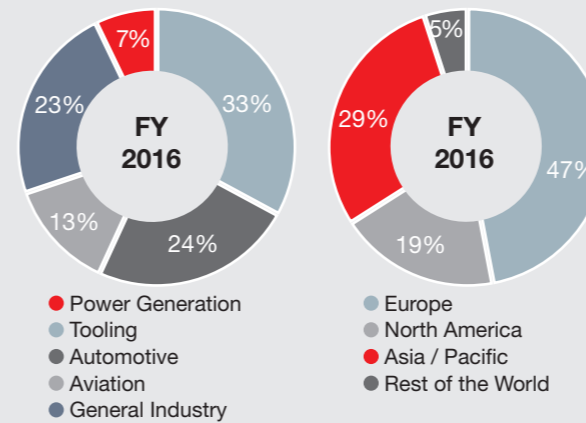
EBITDA margin



## Surface Solutions Segment

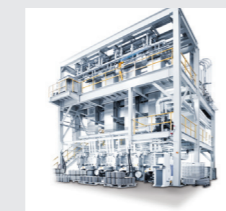
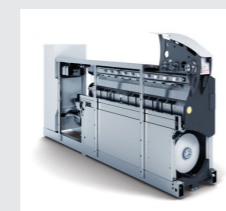


The Segment includes the two brands Oerlikon Balzers and Oerlikon Metco. Oerlikon Balzers is a leading global supplier of PVD coatings and other surface technologies for precision components as well as metalworking and plastics processing tools. Oerlikon Metco enhances surfaces with coating solutions, materials and equipment.

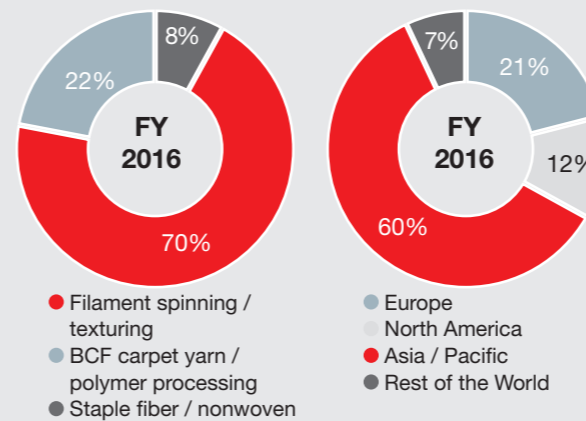


in CHF million	FY 2016	FY 2015	△
Order intake	1 236	1 233	+0.2%
Sales (to 3 <sup>rd</sup> parties)	1 238	1 229	+0.7%
EBITDA	277	264	+4.9%
EBITDA margin	22.2%	21.4%	+0.8pp

## Manmade Fibers Segment



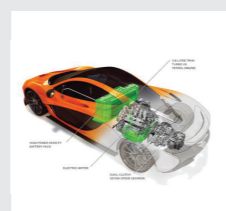
The Segment with the product brands Oerlikon Barmag and Oerlikon Neumag is the world market leader for filament spinning systems, texturing machines and BCF carpet yarn, staple fiber spinning as well as nonwovens solutions.



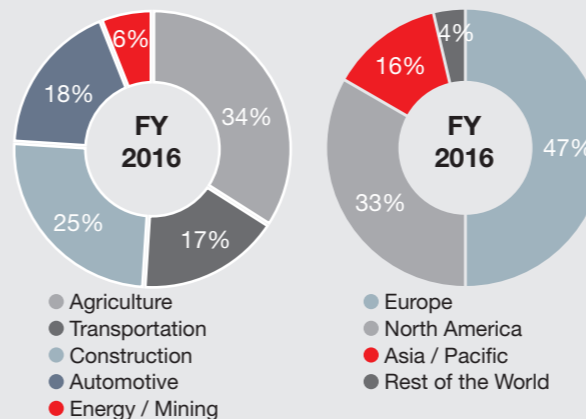
in CHF million	FY 2016	FY 2015	△
Order intake	577	733	-21.3%
Sales (to 3 <sup>rd</sup> parties)	481	794	-39.4%
EBITDA	16	85 <sup>1</sup>	-81.2%
EBITDA margin	3.3%	10.6% <sup>1</sup>	-7.3pp

<sup>1</sup> Including one-time restructuring costs of CHF 43 million

## Drive Systems Segment



The Segment includes the two brands Oerlikon Graziano and Oerlikon Fairfield. Oerlikon Graziano is a worldwide leader in the field of components for power transmissions. Oerlikon Fairfield is a manufacturer of engineered gear and drive solutions. Its products are sold worldwide to leading off-highway vehicle and industrial equipment manufacturers.



in CHF million	FY 2016	FY 2015	△
Order intake	600	571	+5.1%
Sales (to 3 <sup>rd</sup> parties)	612	648	-5.6%
EBITDA	51	-19 <sup>2</sup>	>100%
EBITDA margin	8.4%	-3.0% <sup>2</sup>	+11.4pp

<sup>2</sup> Including one-time restructuring costs of CHF 68 million