

Key figures Oerlikon Group

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in CHF million	January 1 to December 31 2010	January 1 to December 31 2009
Order intake ¹	4 520	2 996
Orders on hand ¹	1 702	997
Sales ¹	3 601	2 877
EBITDA ¹	278	-165
– as % of sales	8%	-6%
EBIT ^{1,2}	51	-589
– as % of sales	1%	-20%
Net profit / loss	5	-592
– as % of sales	0%	-21%
– as % of equity attributable to shareholders of the parent	0%	-120%
Cash flow from operating activities before changes in net current assets ³	354	-92
Capital expenditure for fixed and intangible assets ¹	150	130
Total assets	4 475	4 342
Equity attributable to shareholders of the parent	1 430	493
– as % of total assets	32%	11%
Net debt ⁴	274	1 646
Net Operating Assets ⁵	2 196	2 821
EBIT as % of Net Operating Assets (RONOA)	2%	-21%
Number of employees ¹	16 657	16 369
Personnel expense ¹	1 015	1 001
Research and development expense ^{1,6}	239	210

¹ 2009 continuing operations.

² For 2010, continuing operations of Oerlikon Group report an EBIT before restructuring costs and impairment of goodwill of CHF 103 million (previous year: CHF -280 million). The Group EBIT before restructuring costs and impairment of goodwill including EBIT from discontinued operations amounted to CHF -287 million in the previous year.

³ Cash flow from operating activities (after changes in net current assets) amounts to CHF 511 million (previous year: CHF 90 million).

⁴ Net debt is current and non-current debt less cash and cash equivalents, marketable securities and treasury shares at market value as of December 31.

⁵ Net operating assets include current and non-current operating assets (excluding cash and cash equivalents, financial assets, current tax receivables and assets classified as held for sale) less operating liabilities (excluding financial liabilities, tax provisions and liabilities classified as held for sale).

⁶ Research and development expenses include expenses recognized as intangible assets in the amount of CHF 32 million (previous year: CHF 26 million).

Key share-related figures ⁷

in CHF	January 1 to December 31 2010	January 1 to December 31 2009
Share price		
High	12.30	86.20
Low	3.69	20.82
Year-end	4.90	31.68
Total shares outstanding	323 085 471	14 142 437
Market capitalization in million	1 583	448
EBIT	0.25	-45.93
Earnings per registered share	0.01	-46.16
Cash flow from operating activities before changes in net current assets	1.71	-7.17
Shareholders' equity	6.92	38.44
Dividend	-	-

⁷ Average number of shares with voting and dividend rights.

Consolidated income statement/Consolidated statement of comprehensive income

Consolidated income statement

in CHF million	Notes	January 1 to December 31 2010	January 1 to December 31 2009
Sales of goods		2 815	2 246
Services rendered		786	631
Total sales		3 601	2 877
Cost of sales		-2 788	-2 444
Gross profit		813	433
Marketing and selling		-245	-253
Research and development		-229	-202
Administration		-240	-253
Impairment of goodwill	13	-3	-202
Restructuring costs	4	-49	-107
Other income	3	45	43
Other expenses	3	-41	-48
Result before interests and taxes (EBIT)		51	-589
Financial income	5	130	8
Financial expenses	5	-188	-165
Result before taxes (EBT)		-7	-746
Income taxes	6	12	50
Result from continuing operations		5	-696
Result from discontinued operations	23	-	104
Net profit / loss		5	-592
Attributable to:			
Shareholders of the parent		3	-592
Non-controlling interest		2	-
Earnings per registered share in CHF	7	0.01	-46.16
Fully diluted earnings per registered share in CHF	7	0.01	-46.16
Earnings per registered share continuing operations in CHF	7	0.01	-54.27
Fully diluted earnings per registered share continuing operations in CHF	7	0.01	-54.27
Earnings per registered share discontinued operations in CHF		-	8.11
Fully diluted earnings per registered share discontinued operations in CHF		-	8.11

Consolidated statement of comprehensive income

in CHF million		January 1 to December 31 2010	January 1 to December 31 2009
Net profit / loss		5	-592
Other comprehensive income			
Fair value adjustments on hedged items		-1	3
Realization of hedged items transferred to the income statement		-2	-13
Defined benefit plan actuarial losses	14	-62	-25
Income taxes on other comprehensive income		21	10
Conversion differences		-208	17
Other comprehensive income for the period, net of taxes		-252	-8
Total comprehensive income for the period		-247	-600
Attributable to:			
Shareholders of the parent		-248	-602
Non-controlling interest		1	2

Consolidated balance sheet at December 31

Assets			
in CHF million	Notes	2010	2009
Cash and cash equivalents	8	751	357
Current financial investments and derivatives	9	38	20
Trade receivables	10	588	433
Other receivables	10	164	221
Current tax receivables		19	17
Inventories	11	468	534
Prepaid expenses and accrued income		21	25
Assets classified as held for sale	23	37	10
Current assets		2 086	1 617
Loans and other non-current financial receivables	10	8	11
Non-current financial investments	9	33	33
Property, plant and equipment	12	942	1 137
Intangible assets	13	1 293	1 471
Post-employment benefit assets	14	-	1
Deferred tax assets	6	113	72
Non-current assets		2 389	2 725
Total assets		4 475	4 342
Liabilities and equity			
in CHF million		2010	2009
Trade payables	15	419	332
Current loans and borrowings	15	53	2 043
Other current liabilities	15	76	74
Accrued liabilities	16	245	232
Current customer advances		335	136
Current income taxes payable		48	38
Current post-employment benefit provisions	14	28	18
Other current provisions	17	125	207
Liabilities classified as held for sale	23	31	11
Current liabilities		1 360	3 091
Non-current loans and borrowings	15	1 025	11
Non-current post-employment benefit provisions	14	499	562
Deferred tax liabilities	6	77	125
Other non-current provisions	17	60	33
Non-current liabilities		1 661	731
Total liabilities		3 021	3 822
Share capital		323	283
Treasury shares		-2	-292
Reserves and retained earnings		1 109	502
Equity attributable to shareholders of the parent		1 430	493
Non-controlling interest		24	27
Total equity		1 454	520
Total liabilities and equity		4 475	4 342

Consolidated cash flow statement

in CHF million	Notes	January 1 to December 31 2010	January 1 to December 31 2009
Net profit / loss		5	-592
Tax income		-12	-48
Interest expense (net)		178	102
Depreciation of property, plant and equipment	12	156	173
Amortization of intangible assets	13	39	36
Impairment losses on property, plant and equipment	12	22	11
Impairment losses on intangible assets	13	10	206
Addition to other provisions	17	85	146
Decrease (-) / increase (+) in post-employment benefit provisions		-16	20
Gains from sale of non-current assets		-	-9
Gain on sale of discontinued operations, net of income tax		-	-97
Income taxes paid		-28	-51
Other non-cash income (-) / expenses (+) ¹		-85	11
Cash flow from operating activities before changes in net current assets		354	-92
Increase (-) / decrease (+) in receivables / prepaid expenses and accrued income		-175	196
Increase (-) / decrease (+) in inventories		-9	349
Increase (+) / decrease (-) in payables / accrued liabilities and use of other provisions		83	-368
Increase in customer advances		241	17
Non-cash impact on net current assets due to hedge accounting		17	-12
Cash flow from changes in net current assets		157	182
Cash flow from operating activities		511	90
Capital expenditure for property, plant and equipment	12	-115	-97
Capital expenditure for intangible assets	13	-35	-33
Disposal of discontinued operations, net of cash disposed of		-	78
Purchase of financial investments		-1	-
Proceeds from sale of intangible assets		-	3
Decrease in loans receivable		1	4
Increase in marketable securities		-	-2
Acquisition of Group companies		-22	-
Proceeds from sale of property, plant and equipment		6	26
Interest received		8	3
Cash flow from investing activities		-158	-18
Dividends paid		-2	-
Purchase of treasury shares		-3	-
Sale of treasury shares		-	-
Proceeds from capital increase (net of transaction costs) ²		835	-
Increase of financial debt		55	2
Repayment of financial debt ^{2,3}		-675	-20
Acquisition of non-controlling interest		-10	-
Interest paid		-127	-88
Cash flow from financing activities		73	-106
Conversion adjustments to cash and cash equivalents		-27	-2
Increase (+) / decrease (-) in cash and cash equivalents		399	-36
Cash and cash equivalents at the beginning of the year	8	357	393
Cash and cash equivalents at the end of the year ⁴	8	756	357
Increase (+) / decrease (-) in cash and cash equivalents		399	-36

¹ Other non-cash income includes a debt waiver by the lenders of CHF 125 million.² Refer to note 1 for details concerning the capital and debt restructuring.³ Repayment of financial debt includes transaction costs paid for the new facility.⁴ Includes CHF 5 million which are included in "Assets classified as held for sale" in the balance sheet.

Operating Segments

Operating Segments

in million CHF	Oerlikon Textile		Oerlikon Drive Systems		Oerlikon Vacuum		Oerlikon Solar		Oerlikon Coating	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Order intake	2 509	1 170	792	569	438	325	230	511	422	326
Orders on hand	1 197	489	137	93	84	68	255	317	–	–
Sales										
Sales to third parties	1 653	1 046	733	660	410	324	254	442	422	326
Sales to other Segments	–	2	–	–	10	5	29	11	1	1
	1 653	1 048	733	660	420	329	283	453	423	327
Net sales by market region to third parties										
Japan and Asia / Pacific	1 052	619	85	48	160	97	117	81	119	79
Europe	253	169	360	335	178	158	54	185	217	184
North America	176	205	269	272	68	61	–	9	53	41
Other regions	172	53	19	5	4	8	83	167	33	22
	1 653	1 046	733	660	410	324	254	442	422	326
Net sales by location to third parties										
Japan and Asia / Pacific	356	208	80	50	127	87	3	3	115	80
Europe	1 169	730	447	420	215	180	251	430	222	183
North America	105	90	206	190	68	57	–	9	52	41
Other regions	23	18	–	–	–	–	–	–	33	22
	1 653	1 046	733	660	410	324	254	442	422	326
Capital expenditure for fixed and intangible assets										
Japan and Asia / Pacific	9	10	12	6	2	–	–	–	16	2
Europe	30	26	16	19	12	11	18	24	14	14
North America	–	–	9	8	–	–	–	–	3	2
Other regions	1	–	–	–	–	–	–	–	4	2
	40	36	37	33	14	11	18	24	37	20
EBITDA	96	-163	26	12	44	13	-33	-55	101	43
EBIT	21	-424	-27	-50	30	-3	-59	-78	52	-4
Other material items										
Research and development expenses	-75	-80	-14	-12	-20	-23	-73	-63	-27	-15
Depreciation and amortization	-54	-55	-51	-58	-13	-15	-22	-20	-44	-47
Impairment / Reversal of impairment on property, plant and equipment	-20	-4	-2	-4	–	-1	–	-3	-1	–
Impairment of goodwill	–	-202	–	–	–	–	–	–	-3	–
Restructuring costs	-5	-49	-34	-16	-8	-13	–	-9	-2	-16
Operating Assets										
Japan and Asia / Pacific	234	214	89	75	54	46	2	6	118	112
Europe	1 114	1 414	648	920	185	206	237	347	195	191
North America	22	24	390	244	15	21	–	1	33	40
Other regions	17	11	–	–	–	–	–	–	33	40
	1 387	1 663	1 127	1 239	254	273	239	354	379	383
Operating Liabilities	-646	-442	-232	-192	-103	-102	-198	-176	-72	-65
Net Operating Assets ¹	741	1 221	895	1 047	151	171	41	178	307	318
Number of employees										
Japan and Asia / Pacific	2 616	2 345	1 686	1 448	315	288	62	94	824	720
Europe	3 469	3 716	2 421	2 767	1 061	1 112	582	651	1 399	1 353
North America	153	170	1 034	798	77	77	4	6	262	206
Other regions	56	29	–	–	–	–	–	–	226	184
	6 294	6 260	5 141	5 013	1 453	1 477	648	751	2 711	2 463

¹ Net operating assets include all current and non-current operating assets (excluding cash and financial assets), less operating liabilities (excluding financial liabilities and tax provisions). Net operating assets do not include current and non-current non-operating assets and financial assets and liabilities including cash and cash equivalents (CHF 751 million), short- and long-term financial debt (CHF 1 078 million), current (CHF 19 million) and deferred (CHF 113 million) tax receivables, current (CHF 48 million) and deferred (CHF 77 million) tax payables.

² Discontinued operations include the divestments of Oerlikon Space, ESEC, Wafer Etch and Oerlikon Optics.

Operating Segments

Oerlikon Advanced Technologies		Total Segments		Corporate / Eliminations		Total from continued operations		Discontinued operations ²	
2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
129	95	4 520	2 996	-	-	4 520	2 996	-	188
29	30	1 702	997	-	-	1 702	997	-	-
129	79	3 601	2 877	-	-	3 601	2 877	-	88
1	2	41	21	-41	-21	-	-	-	-
130	81	3 642	2 898	-41	-21	3 601	2 877	-	88
60	42	1 593	966	-	-	1 593	966	-	-
31	23	1 093	1 054	-	-	1 093	1 054	-	88
36	13	602	601	-	-	602	601	-	-
2	1	313	256	-	-	313	256	-	-
129	79	3 601	2 877	-	-	3 601	2 877	-	88
-	14	681	442	-	-	681	442	-	-
92	38	2 396	1 981	-	-	2 396	1 981	-	88
37	27	468	414	-	-	468	414	-	-
-	-	56	40	-	-	56	40	-	-
129	79	3 601	2 877	-	-	3 601	2 877	-	88
-	-	39	18	-	-	39	18	-	-
4	4	94	98	-	2	94	100	-	2
-	-	12	10	-	-	12	10	-	-
-	-	5	2	-	-	5	2	-	-
4	4	150	128	-	2	150	130	-	2
13	-5	247	-155	31	-10	278	-165	-	-6
10	-7	27	-566	24	-23	51	-589	-	-9
-15	-9	-224	-202	-5	-	-229	-202	-	-8
-4	-2	-188	-197	-7	-9	-195	-206	-	-3
-	-	-23	-12	-	-4	-23	-16	-	-
-	-	-3	-202	-	-	-3	-202	-	-
-	-4	-49	-107	-	-	-49	-107	-	-2
-	2	497	455	-	-	497	455	-	-
90	64	2 469	3 142	47	-162	2 516	2 980	-	-
9	41	469	371	1	2	470	373	-	-
-	-	50	51	-	-	50	51	-	-
99	107	3 485	4 019	48	-160	3 533	3 859	-	-
-29	-25	-1 280	-1 002	-57	-36	-1 337	-1 038	-	-1
70	82	2 205	3 017	-9	-196	2 196	2 821	-	-
-	1	5 503	4 896	-	-	5 503	4 896	-	-
173	165	9 105	9 764	206	207	9 311	9 971	-	-
23	22	1 553	1 279	4	4	1 557	1 283	-	-
-	-	282	213	4	6	286	219	-	-
196	188	16 443	16 152	214	217	16 657	16 369	-	-