

Regional Expansion

## **Oerlikon officially opens Chinese headquarters in Shanghai**

**Pfäffikon SZ, Switzerland / Shanghai, China – June 19, 2012 – Swiss multi-national high-tech group Oerlikon today announced the official opening of its new headquarters in Shanghai. The Chinese headquarters will consolidate the Company's eight offices currently in operation in Shanghai and unite all five business Segments under one roof.**

Oerlikon's global CEO, Michael Buscher, who attended the opening, said, "China has become Oerlikon's most important market. The opening of our new Chinese headquarters marks another milestone in the Group's successful expansion strategy in Asia and is designed to spur further growth in the country. We have a strong commitment to China and we have demonstrated this through our investment of more than CHF 38 million (RMB 254 million) in China over the last three years," Mr. Buscher said.

Significantly, the new Shanghai building will be the global headquarters of Oerlikon Textile, the largest Segment of the Company. This will allow the global textile business to be directly led from Shanghai and for innovation created originating in China to be rolled out into other important markets. As announced in November last year, the Segment's activities will be directly led from the largest and most important textile market in the world by Clement Woon, a Singapore native. By the end of 2012, 40 % of Textile's senior management will be based at the new headquarters in Shanghai.

The Company's systematic focus on the growth markets of Asia has made a significant contribution to Oerlikon's positive business development in recent years. In 2011, the Group generated 28 % of its total sales, or CHF 1.2 billion (RMB 7.9 million), in China, a growth rate of 32 % compared to 2010 and 138 % compared to 2009. In 2011, Asia overall was responsible for 49 % of Oerlikon's total sales. In Q1 2012, the Group's growth rate of 6 % was significantly supported by China – with sales up 22 % compared to Q1 2011.

Oerlikon has a long history of successful operation in China. Oerlikon Textile has been present in China since the 1960s. Some of the long term investments in China in recent years have been: the textile Segment's opening of its Suzhou production site in 2005, Oerlikon's largest production facility in China; Oerlikon Coating's opening of two new coating centers in Jinan and Chongqing in 2011 bringing the total number to nine; and the more recent tripling of capacity at the Suzhou site. In 2012, Oerlikon Drive Systems began production operations at its first factory in Suzhou and Oerlikon Vacuum boosted capacity at its production site in Tianjin by about 30 %. As it stands today, Oerlikon employs approx. 2 500 people throughout China.

"Oerlikon's new headquarters in Shanghai also reflects how the Chinese economy has developed from a source of low cost production to a market with more developed and technology driven industries. To benefit from this trend, Oerlikon is not only enhancing its production capabilities in China step by step with engineering know how but is also developing China as a source of new technologies to benefit its business globally," said Mr. Buscher. "There is still huge potential in the Chinese market which we have not developed yet. The new headquarters gives us an additional push to take advantage of this very significant opportunity", Mr. Buscher said.

Further information about the opening and background information about Oerlikon in China can be downloaded here: <http://www.oerlikon.com/en/media/pictures/>

### **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 4.2 billion in 2011. The Company invested in 2011 CHF 213 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.*

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