

## Oerlikon's Renewal of long term contract with global agricultural and off-highway equipment manufacturer

Oerlikon 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, coating, and advanced nanotechnology. A Swiss company with a tradition going back over 100 years, Oerlikon is a global player with around 12,700 employees at around 160 locations in 34 countries and sales of CHF 2.9 billion in 2012. The Company invested CHF 106 million in R&D in 2012, with over 1 000 specialists working on future products and services. In most areas, the operative businesses rank either first or second in their respective global markets.

### **Drive Systems wins CHF 600 million contract**

Oerlikon's Drive Systems Segment announces a long term contract worth up to CHF 600 million with a major global agricultural and off-highway equipment manufacturer. The contract covers high performances gears, shafts, crown-wheel and pinions, shifting solutions and torque hub assemblies. The supply agreement also includes final drives and transmissions. "This order demonstrates significant customer confidence and extends our relationship into new businesses, applications and geographies", said Heriberto Diarte, Segment CEO of Drive Systems.

The new agreement represents a renewal of Oerlikon's business with this renowned equipment manufacturer that has been a customer for more than 50 years. The contract comprises new product development programs, new applications, customer production network reorganization and the complete outsourcing of certain products and production assets to Oerlikon. Under the new contract, the Drive Systems Segment will also supply final drives and transmissions specifically designed and manufactured for harvesting machinery and equipment. The contract runs until the end of 2015 and will be fulfilled by Oerlikon Drive Systems Segment production sites worldwide. ♦



## Pakistan among PepsiCo's top 10 non-US markets



Pakistan is one of the top 10 markets outside the United States for PepsiCo, says Qasim Khan, a senior executive in the global food and beverage giant's management team for Asia.

"Pakistan is one of the largest and fastest growing markets for PepsiCo around the world," said Khan, the Rawalpindi-born head of PepsiCo's North and South Asia business unit. His division covers Japan, South Korea, Thailand, Indonesia, the Philippines, Malaysia, Singapore, Pakistan, Mongolia, and the island states in the Pacific Ocean. Somewhat surprisingly for PepsiCo, its biggest brand in Pakistan is not the signature Pepsi cola, but rather Mountain Dew. "Pakistan is the second-largest market in the world for Mountain Dew after the United States," said Muhammad Khosa, head of corporate affairs at PepsiCo Pakistan.

Pepsi began its operations in Pakistan with carbonated beverages in 1967, and currently has eight bottling franchisees operating throughout the country. In addition to Pepsi and Mountain Dew, they produce 7up and Mirinda in the carbonated beverage category, and Sting in the energy drink segment. Over the past decade, Pepsi has added snack foods and fruit juices to its portfolio of products in Pakistan, which it manufactures primarily out of a factory in Lahore.

The addition of the snack food business – as well as strong growth in its beverage lines – has resulted in PepsiCo becoming the largest food and beverage company in Pakistan. The revenues of PepsiCo Pakistan and its eight bottlers came to a combined Rs 82 billion for the financial year ending June 30, 2012, up 19% compared to the previous year. The snack food business which started in 2006 in Pakistan was the fastest growing in the Asia Pacific region for PepsiCo last year. Indeed, growth was so fast that the company's manufacturing plant for snacks reached its peak production capacity within its first year of operations. The company had initially estimated that it would be able to handle at least three years' growth: it is now planning to add capacity as quickly as possible.

Pakistan's growing importance for PepsiCo is increasingly being reflected in different ways. A television commercial produced in Pakistan for Mountain Dew is now used worldwide. Pakistani technical staff members are occasionally sent to PepsiCo's divisions around the world to train others. And the PepsiCo food laboratory in Lahore is now used as one of the main labs for products being tested for the Middle East and Africa. ♦