

Media release

CPH Group to help Canton Zurich build new high school in Uetikon

Canton Zurich plans to build a new high school on the present site of the CPH Group's Uetikon chemistry operations in a few years' time. CPH can continue its manufacturing activities for the time being, and is considering relocating its Uetikon production to alternative sites either locally or outside Switzerland.

Perlen, 22 March 2016 - Canton Zurich wishes to build the new high school ("Kantonsschule") planned to serve communities on the eastern shore of Lake Zurich in Uetikon, on the site presently owned by CPH Chemie + Papier Holding AG (formerly CU Chemie Uetikon). To this end, CPH is selling 65,500 square metres of industrial land to the canton. The site is currently occupied by research & development, production and administration facilities of CPH's Chemistry Division.

The sale price amounts to CHF 52 million, and includes a contribution by CPH to the professional disposal of contaminated soil and building elements which is required for such a re-use of the site. CPH will also be contributing to the clean-up of the lake bed adjacent to the site, and Canton Zurich will be holding back CHF 32 million of the sale price in connection therewith.

Canton Zurich expects the new school project to entail several years of planning. In the meantime, CPH can continue its production at the Uetikon site; and to this end the company will lease back the site from the canton, initially for a two-year period.

CPH's Chemistry Division manufactures molecular sieves, chromatography gels, deuterated solvents and fertilizer at its Uetikon facility. The operation is currently home to 113 personnel of Zeochem AG and CU Deutero + Agro AG.

These developments will have no impact on customers: with the exception of the fertilizer, all the products currently manufactured at the Uetikon site will continue to be produced by CPH after the closure thereof. The Chemistry Division is currently considering relocating production to alternative sites either locally or outside Switzerland. Fertilizer production will be ceased in the medium-term future. Eleven positions are affected.



The Uetikon site (shown in yellow) that is being sold to Canton Zurich.

Zeochem maintains further production facilities in the USA and China which also manufacture molecular sieves. “With the recently-concluded acquisition of Jiangsu ALSIO Technology in China, we now have new capacities available for the low-cost manufacture of standard zeolite products,” says Peter Schildknecht, CEO of the CPH Group. “And this substantially enhances our competitive credentials.”

“In the medium term,” Schildknecht continues, “we plan to relocate our molecular sieve production to China and the USA. This will affect 58 employees at our Uetikon site. We have already drawn up a severance benefits package for the employees concerned, and will also be assisting them in finding new employment.”



Some of the Uetikon workforce reduction will be effected through early retirements. CPH will also be looking into relocating the Uetikon production of its gels and deuterated solvents to alternative premises in the local area. A decision on this is expected this summer.

“We will be sorry to leave Uetikon, which is the site of CPH’s original foundation almost 200 years ago,” adds Peter Schaub, Chairman of the Board of Directors of CPH Chemie + Papier Holding AG. “At the same time, we are pleased to be embarking on a new chapter for the site together with Canton Zurich – one that should secure its long-term use and development for generations to come.”

The CPH Uetikon site is adjacent to Lake Zurich and extends from Uetikon Harbour to the Uetikon/Meilen boundary. The 65,500-square-metre site is currently used for industrial purposes by companies of the CPH Group. Parts of it are also leased out to other industrial concerns. The entire factory site, which has been used to manufacture various chemical products since 1818, is included on the Federal Inventory of Swiss Heritage Sites (ISOS), to which it was added in 2012 in view of its importance in the development of Swiss industrial production.

Contacts

CPH Chemie + Papier Holding AG

Dr. Peter Schildknecht, CEO, +41 41 455 8757, investor.relations@cph.ch

Christian Weber, Head of Corporate Communications, +41 41 455 8751, medien@cph.ch

About CPH

CPH is an internationally active and diversified industrial group which is headquartered in Switzerland. The CPH Group develops, manufactures and distributes chemical products, wood-based paper and pharmaceutical packaging films. The Group and its subsidiaries maintain production facilities in Switzerland, Germany, the USA and China. With a total workforce of 858 employees, the Group generated net sales of CHF 420 million last year, to which 15% was contributed by its Chemistry Division. The shares of the Group’s holding company CPH Chemie + Papier Holding AG are listed on the SIX Swiss Exchange (ticker: CPHN).

This release contains future-oriented statements about CPH that are subject to risk and uncertainties. These statements reflect the management’s opinions at the time of the release’s compilation, but they may deviate from actual future events.