

Media release

Paper Division to acquire Papierfabrik Utzenstorf AG's paper recycling business

The Paper Division of the CPH Group is to take over the customer and recovered paper supplier contracts of Papierfabrik Utzenstorf AG with effect from 1 January 2018. The acquisition will ensure the continuation of waste paper recycling in the Swiss communities concerned. The Utzenstorf recovered paper sorting facility will also remain in operation.

Perlen, 25 July 2017 – Perlen Papier AG, which constitutes the Paper Division of the CPH Group, is to take over, with effect from 1 January 2018, the contractual agreements with customers and recovered paper suppliers and the remaining paper stocks of Papierfabrik Utzenstorf AG of Canton Bern, Switzerland, which will be ceasing its paper production and distribution at the end of 2017. The development ensures the continued collection and recycling in Perlen of some 260,000 tonnes of recovered paper a year.

“The Utzenstorf paper factory and our Perlen Papier AG subsidiary have agreed a far-sighted and forward-looking solution here that ensures the future of paper recycling in Switzerland and sustainably strengthens the country's paper production credentials,” says Peter Schildknecht, CEO of the CPH Group. “These additional volumes of recovered paper from Switzerland will replace expensive and less eco-minded imports from abroad at our Perlen paper production plant. They will substantially raise the proportion of recovered paper that we source from Switzerland; and this will reduce our raw materials costs from 2018 onwards, and thus further enhance the competitiveness of our recycled paper products on the Swiss and international markets. So this is another major step for Perlen Papier AG on its course to cost leadership.”

Perlen Papier AG will be Switzerland's only manufacturer of newsprint and magazine paper from 2018 onwards. Its production plant in Perlen (Canton Lucerne) will then process some 500,000 tonnes of recovered paper sourced from Swiss households a year and recycle it into new paper products. In doing so, Perlen Papier will also ensure that Swiss communities can continue to dispose of their residents' household paper waste in an ecofriendly way.



Perlen Papier will also continue to operate the recovered paper sorting facility in Utzenstorf, which separates some 30,000 tonnes of recovered paper and cardboard a year. To this end, Perlen Papier will acquire these facilities and take over a small number of their personnel, and will rent the present premises. The parties have agreed not to divulge the sale price involved.

The Paper Division of the CPH Group operates two paper machines at its Perlen plant. The PM7, which came into operation in 2010, is Europe's most advanced paper machine, and produces over 350,000 tonnes of newsprint a year. The PM4 is used to manufacture lightweight coated (LWC) magazine paper. The Paper Division produced 513,000 tonnes of paper last year for the Swiss and international press publishing markets.

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About the CPH Group

The CPH Group is an internationally active and diversified group of industrial companies. Headquartered in Switzerland, the Group develops, manufactures and distributes chemical products, wood-based paper and pharmaceutical packaging films. The CPH Group and its subsidiaries maintain seven production facilities in Switzerland, Germany, the USA and China. The shares of the Group's holding company CPH Chemie + Papier Holding AG are listed on the SIX Swiss Exchange (ticker: CPHN).

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