

Media Release

Title	CPH Plans a Major Investment in Perlen Papier AG, Lucerne
Lead	Preliminary project for a new paper machine with an investment volume of CHF 500 million
Text	<p>Perlen, March 12, 2008 – CPH Chemie + Papier Holding AG, listed on the Swiss Stock Exchange, plans the construction of a high-performance paper machine for its subsidiary Perlen Papier AG to produce newsprint paper on its Perlen site in the Canton of Lucerne. After the feasibility study revealed that the replacement of the existing paper machine 5 dating back to 1971 makes economic sense, the Board of Directors has approved a preliminary project to plan the facility. The final decision on construction of the new paper machine 7, requiring investments of some CHF 500 million, will be taken in December of this year.</p> <p>The new machine will have a capacity of 360,000 metric tonnes/year and replace the present machine with a volume of 130,000 tonnes/year. Thus, production capacity can be raised by a net 230,000 tonnes/year. It will be possible to sell the bulk of the additional volume to long-standing customers. In the event of a decision in favor of building the new facility, paper machine 7 will go online during the third quarter of 2010.</p>

Today, Perlen Papier AG produces a total of 320,000 tonnes of newsprint and magazine paper per year on two paper machines. With the planned expansion, total capacity would reach 550,000 tonnes/year and, by way of the investment, would secure the production site in the long run. Perlen Papier AG attained sales of CHF 277.7 million in 2007 and employs 380 people. It will continue to focus on wood-containing paper and its main sales markets in Central Europe.

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