



Press release

SF-CHEM announces new strategic owner

German CABB and Swiss SF-Chem to form new European leader in Chlorine Intermediates

The German specialty chemicals group CABB GmbH, based in Sulzbach am Taunus, Germany, acquires 100% of the shares in SF-Chem, Pratteln/Basel, Switzerland. SF-Chem was originally founded by the major chemical companies located in and around Basel in 1917 as a joint operation focussing on chlorine and sulphur based chemicals. In 2004 the company was sold by Syngenta and Clariant as part of a management buyout. In close cooperation with the now departing majority shareholder Capvis, SF-Chem has been successfully positioned in the market as an independent company over the past years. SF-Chem and CABB are similar in size; together they will form a new European leader in chlorine intermediates.

Zurich and Pratteln, July 18, 2007. SF-Chem, Pratteln/Basel, Switzerland, has a new owner and industrial partner: the German CABB GmbH, Sulzbach am Taunus, Germany. The strategic targets as defined with the now departing majority owner Capvis, the leading Swiss private equity house, have been achieved and SF-Chem is now ready for the next growth step with its new industrial partner CABB. The parties have convened not to disclose the transaction price.

A new European leader in Chlorine Intermediates

SF-Chem and CABB are both specialized in the manufacture and marketing of chlorine and sulphur compounds. Both companies are similar in size and will form a new European market leader in this field with annual sales in excess of CHF 400 million, 660 employees and three state-of-the art production sites in Pratteln (CH), Knapsack (D) and Gersthofen (D). The new Group's products are used both as base and highly specialized chemical raw and intermediate materials in the pharmaceutical, agricultural as well as specialty and performance chemicals industries.

SF-Chem originated in 1917 as a joint production unit of the major chemical companies based in and around Basel. In 2004, the company was sold by Syngenta and Clariant as part of a management buyout. Its new management team led by CEO Ueli Roost, and its private equity partner Capvis, successfully positioned SF-Chem as an independent and truly market oriented company. "Together with a new management team which was strengthened with top talent from outside, SF-Chem was transformed into a specialty chemical supplier fit for global competition," Tobias Ursprung, a Partner at Capvis, recalls the successful repositioning of the company. "SF-Chem is a prime example of how a well-structured partnership between a private equity house and a committed management team can reposition a company and bring it a long way forward – to the benefit of all, including the company and its employees."

Setting new growth targets together

Solidly growing and profitable, SF-Chem today employs 360 people in Switzerland. The new strategic partner CABB provides a perfect base to expand the combined business and strengthen the international market position. The combination of the two companies provides both partners access to a fine-mesh distribution network in Europe, North America and Asia, as well as to each other's specialized production technologies in the same core business of chlorine and sulphur



CAPVIS

chemicals. The development of new applications for existing as well as new customer groups will further enhance the growth potential.

Ueli Roost, CEO of SF-Chem, is very pleased. "Sharing the same industrial focus with CABB, we have found the perfect European partner and strategic majority shareholder. Our production sites, operations and distribution networks complement each other ideally. Together we can now tackle the next growth steps ahead of us."

The current management team will continue to run SF-Chem under the new majority owner CABB and will continue to retain a shareholding in the combined company.

For further information:

SF-Chem AG

Ueli Roost
CH-4133 Pratteln
Tel. +41 61 825 35 55
Fax. +41 61 825 35 06

CAPVIS Equity Partners AG

Tobias Ursprung
Talacker 42 ; CH-8023 Zurich
Tel. +41 43 300 58 58
Fax +41 43 300 58 59
e-mail: tobias.ursprung@capvis.com

About SF-Chem AG SF-Chem supplies customers in the chemical industry, in particular in the pharmaceutical, agrochemical and specialty chemicals industries. The company, founded in 1917, has its head office and production facilities at Pratteln in Basel, Switzerland. SF-Chem pursues a growth strategy with its independently operated business units Chemicals and Custom Manufacturing in order to ensure an autonomous worldwide market position.

- Chemicals: sulphur- and chlorine-based intermediates.
- Custom Manufacturing: development of custom-tailored, specific solutions for the pharmaceutical, agrochemical and speciality chemicals industries. SF-Chem employs 360 people and achieves annual sales of CHF 180 million. www.sf-chem.ch.

About CABB GmbH CABB GmbH is one of the world's leading suppliers of chemical building blocks based on chlorine and acetic acid. CABB is world market leader in monochloroacetic acid (MCAA) and holds excellent market positions for specialty intermediates such as MCAA esters, TCAA, glycolic acid and 3-chloropropionic acid. Headquartered in Sulzbach near Frankfurt/Main (Germany), CABB operates a worldwide sales network and achieves an annual turnover of around 150 million Euros. At two manufacturing sites (Knapsack, near Cologne, and Gersthofen, close to Munich) CABB operates state-of-the-art technologies and constantly improves processes and products to achieve the highest quality and safety standards. CABB's 300 highly qualified staff members combine high commitment and dedication with the entrepreneurial spirit of a small, efficient and flexible organization. By tailoring all activities to its customers' needs and to market requirements, CABB strives to develop competitive advantage and build sustainable leading business positions with good growth perspectives. www.cabb-chemicals.com

About Capvis Capvis is the leading private equity house in Switzerland and among the top players in German-speaking Europe. Capvis invests in market-leading midsize firms with headquarters in Switzerland, Germany or Austria, typically as part of succession solutions or corporate spin-offs. Total investment funds exceed CHF 800 million. Since 1990, the Capvis team has completed 37 transactions with a total volume exceeding CHF 3.5 billion. The current Capvis fund has majority holdings in Orior (CH), Lista (CH), Ticketcorner (CH), Benninger (CH), WMF (DE) and ACP (A) amongst others, and a minority holding in Stadler Rail (CH). Capvis' strategy aims to acquire substantial ownership in attractive firms, to support management teams in releasing new entrepreneurial potential, and to steer the businesses to new levels of excellence. www.capvis.com