

KEMIRA TO ACQUIRE WATER TREATMENT CHEMICALS COMPANY NHEEL QUIMICA LTDA IN BRAZIL

Kemira Water Solutions Brazil has agreed to acquire Nheel Química Ltda, a leading Brazilian water treatment chemicals company. By this acquisition Kemira will strengthen its position in the Brazilian and Latin American water treatment market. In 2006 the revenue of Nheel Química was approximately EUR 24 million.

The production site of Nheel Química is located in Rio Claro, Sao Paulo state and it produces the full range of coagulants. Coagulants are mainly used for treatment of drinking water and wastewater.

The strong economical growth in Brazil brings stricter environmental demands and higher demands on clean water in the coming years. This acquisition makes Kemira well positioned for further growth in the region and it fits well in Kemira's strategy to enhance its position in the fast growing emerging markets.

The completion of the transaction is subject to regulatory approvals being granted and the other conditions and terms of the acquisition agreement being met.

Kemira Water is the world's leading supplier of inorganic coagulants and ranks third in water treatment polymers. It offers customized water treatment and sludge treatment solutions to municipal and private water treatment plants and industry. In 2006, Kemira Water business area had revenue of EUR 468 million and a payroll of approximately 1,600 employees. It is present in 30 countries.

For further information please contact

Kemira Water
Mats Jungar, President
Tel. +358 (0)10 862 1028, Mobile +358 (0) 40 707 4943

Fred Schuurman, Vice President, Sales Latin America
Tel. +55 (11) 4393-4707, Mobile +55 (11) 9429-3847

Marie Lundgren, BA Kemira Water communications
Tel. +46 42 17 11 19, Mobile +46 737 19 11 19

Kemira is a chemicals group made up of four business areas: Kemira Pulp&Paper, Kemira Water, Kemira Specialty and Kemira Coatings. Kemira is a global group of leading chemical businesses with a unique competitive position and a high degree of mutual synergy.

In 2006, Kemira recorded revenue of around EUR 2.5 billion and had a payroll of 9,000 employees. Kemira operates in 40 countries.

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