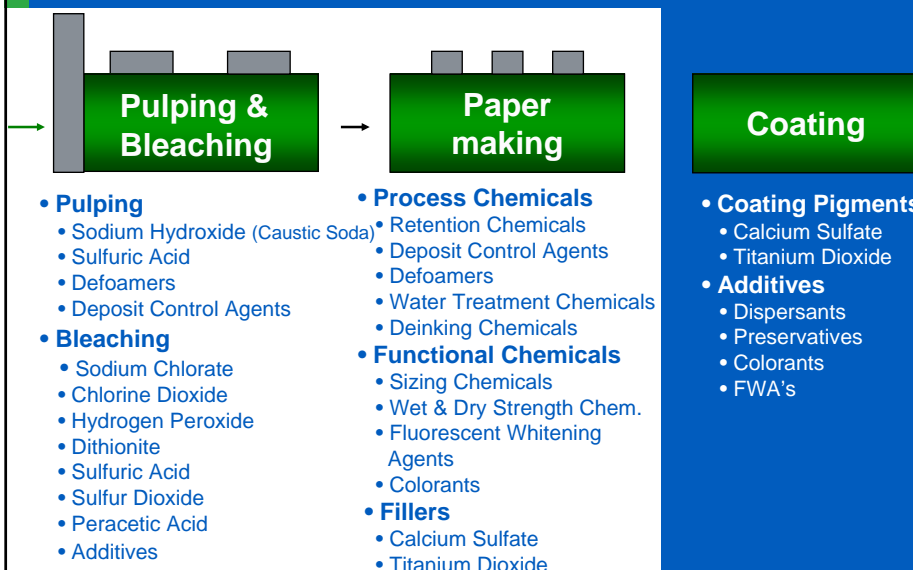


## Pigments and Additives

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### Pigments and Additives Product Offering Today



#### • Pulping

- Sodium Hydroxide (Caustic Soda)
- Sulfuric Acid
- Defoamers
- Deposit Control Agents

#### • Bleaching

- Sodium Chlorate
- Chlorine Dioxide
- Hydrogen Peroxide
- Dithionite
- Sulfuric Acid
- Sulfur Dioxide
- Peracetic Acid
- Additives

#### • Process Chemicals

- Retention Chemicals
- Deposit Control Agents
- Defoamers
- Water Treatment Chemicals
- Deinking Chemicals

#### • Functional Chemicals

- Sizing Chemicals
- Wet & Dry Strength Chem.
- Fluorescent Whitening Agents
- Colorants

#### • Fillers

- Calcium Sulfate
- Titanium Dioxide

### Coating

#### • Coating Pigments

- Calcium Sulfate
- Titanium Dioxide

#### • Additives

- Dispersants
- Preservatives
- Colorants
- FWA's

## SBU Paper Pigments

### SBU Paper Pigments Key Elements of our Strategy



- Staying in touch with technologies and business trends in Coating and Fillers to fulfill the Vision “From Pulp to Coater”
- Developing applications to better fit to paper pigments market
- Increasing awareness of Kemira paper pigment solutions in the market
- Increasing efficiency in all functions

## SBU Paper Pigments Business Drivers

- Paper cost will be decreased in competition with other media - **efficiency in raw material use**
- Cost reduction - **More economical furnish and new pigment concepts**
- Differentiation and competition with unique products - **paper production and quality upgrading continue**
- Paper upgrading without extra costs - **pigment consumption will grow faster than paper consumption**

More pigments and fillers are consumed for paper production

R&D focus on finding improved solutions and utilizing CaSO<sub>4</sub> benefits in fitting to market

## SBU Paper Pigments Main Pigment Suppliers

	Position in Paper Pigments	Offering
OMYA	strong	Calcium Carbonate GCC, PCC
Imerys	strong	Kaolin, PCC
J.M. Huber	medium	Kaolin, PPC
SMI	medium	PCC
Engelhard	small	Kaolin
Thiele Kaolin	small	Kaolin
Kemira	niche	Calcium Sulfate

## SBU Paper Pigments Summary

- Customer industry is focusing on improved cost efficiency by using increasingly fillers and pigments for paper manufacturing
- In the biggest paper manufacturing markets in Europe and NA the growth is expected to be 30-40 % for pigments and fillers during next 10 years
- Current product lines provides possibilities to grow with strategic partners in paper industry
- Experienced and committed people provide unique pigment and filler concepts
- Complement the Strategy of Kemira Pulp & Paper Chemicals  
"From Pulp to Coater"

## SBU Additives Key Elements of our Strategy



- Represents PPC core product lines to selected industrial markets via service companies
- Leverage “mine to mill” concept and the increased usage of minerals in paper
- Deliver strong profits through value-oriented “Family of Chemistries” approach.
- Achieve superior operational efficiencies by leveraging the assets and core technologies of Pulp and Paper Chemicals.

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## Business Drivers General Trends Additives

- Minerals growth – increasing demand for fillers and pigments
- Energy cost – chemicals deliver efficiency-improvement
- BRIC pressures – outsourcing and acquisition potentials
- Global consolidation – favors global companies with corporate account approach
- Emerging markets – favor first mover, which creates barrier to entry

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## Pigments and Additives Sales & Personnel by Region

Pigments & Additives	
Revenue	Personnel
30	51
70	136
	2
100	189

## SBU Additives Key Customers



- Top 10 customers represent over 50% of sales
- 75% of customers purchase multiple core product lines
- #1 specialty chemical supplier to white pigments for paper

## SBU Additives Summary

- Strong financial performance and growth
- Value-oriented product portfolio
- Delivering innovative, customer-focused solutions
- Capturing industry trends, access to market outside P&P sector
- Experienced, committed, and driven personnel

