

Kemira changes outlook for full-year 2011 due to weakening market conditions

Kemira's revenue and operative EBIT in the fourth quarter 2011 for Paper, Municipal & Industrial and Other segment are expected to be slightly lower than previously estimated.

The exceptionally late start of the winter season in continental Europe and Nordic countries has postponed deliveries of our de-icing products for airport runways. The demand of chemicals for the Paper industry in Europe and North America is expected to be lower than estimated. Some municipal customers have unexpectedly decreased their consumption of water treatment chemicals due to challenging economic environment. Raw material prices have stabilized but remain at a high level.

Kemira's management has initiated actions to reduce costs and to improve operational efficiency and cash flow.

Following the lower than expected volume demand in the fourth quarter of 2011, and high raw material prices, Kemira's full year 2011 revenue is expected to be at the same level as in 2010 and the full year 2011 operative EBIT at the same level or slightly lower than in 2010. Capital expenditure is expected to be approximately EUR 100 million in 2011.

Previously, the full year 2011 revenue was expected to be slightly higher than in 2010, and despite the rising raw material prices, full year 2011 operative EBIT was expected to be higher than in 2010. Kemira expected the capital expenditure to be between EUR 100-110 million in 2011.

Kemira will publish its fourth quarter and annual 2011 results on February 8, 2012.

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Kemira is a global two billion euro water chemistry company that is focused on serving customers in water-intensive industries. The company offers water quality and quantity management that improves customers' energy, water, and raw material efficiency. Kemira's vision is to be a leading water chemistry company.

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