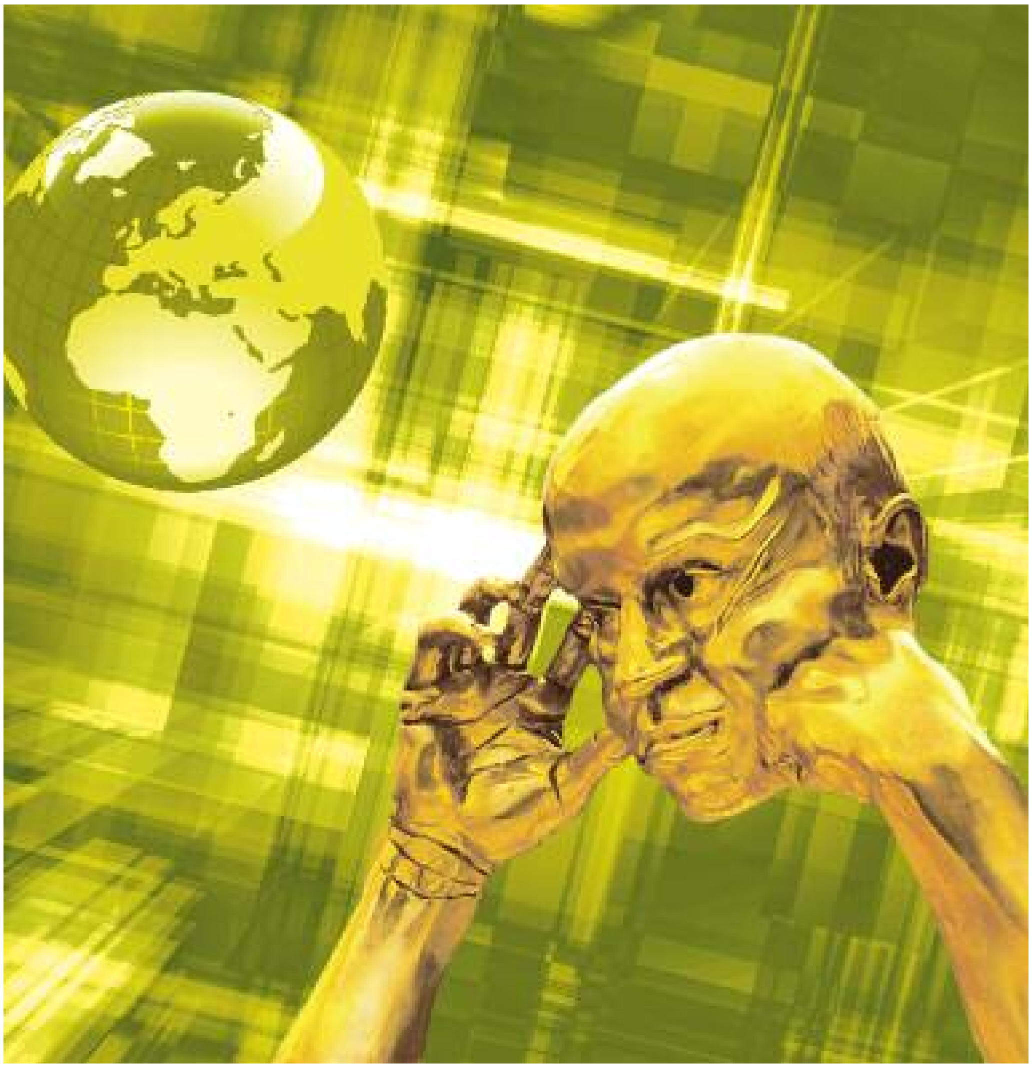


46^{th} ANNUAL REPORT 2008/2009

EMS-CHEMIE HOLDING AG

Domat/Ems Switzerland

Contents

Spotlight on Share Performance

	2008	2007	2006	2005	2004
Number of registered shares	23 389 028 [1]	25 052 870	25 052 870	25 052 870	25 052 870
Number of					
Shares entitled to dividend	22 373 911	24 025 654	22 718 364	23 810 571	24 255 600
Treasury shares	1 015 117	1 027 216	2 334 506	1 242 299	797 270
Information per share (in CHF):					
Dividend per share	5.00 [2]	7.25	8.00	6.50	4.00
Of which ordinary dividend	5.00	6.00	5.50	5.00	4.00
Of which special dividend	–	1.25	2.50	1.50	–
Earnings per share	9.25	12.14	12.99	7.30	7.33
Operative cash flow per share [3]	12.02	7.74	8.33	9.48	7.22
Equity per share [4]	42.61	54.71	48.15	44.64	36.48
Stock prices [5]					
High	165.22	170.00	147.00	116.90	99.21
Low	82.25	144.06	117.00	93.43	90.19
At December 31	88.50	166.60	146.60	116.50	94.36
Market capitalization on December 31 (CHF millions)	2 069.9	4 173.8	3 672.8	2 918.7	2 364.0

Registered shares are listed on the SIX Swiss Exchange.

	Security number	ISIN	Investdata / Reuters
EMS-CHEMIE	1.644.035	CH0016440353	EMSN

1) As part of a share repurchase, 1663 842 registered shares were canceled on November 3, 2008.
2) Proposal of the Board of Directors.
3) Operative cash flow = net operating income (EBIT) plus write-downs on intangible assets, property, plant and equipment plus changes in net working capital less tax payments.
4) Inclusive minority interests.
5) Source: Bloomberg.

Annual Statement

Dear Shareholders

The financial year 2008 was characterized by extraordinary developments. The boom years – with excessively high energy, raw materials and food prices – were followed by an abrupt downturn in the economy. This was accompanied by the collapse of financial markets and major global uncertainty. Consumer, investment and financial markets fell sharply. The decline in economic activity that first became visible two years earlier increased in intensity and speed.

Following a period of very strong economic activity – bolstered by inexpensive loans, low-wage countries and new emerging markets – a downturn was inevitable. Its intensity was however, unexpected. As so often the boom period was characterized by euphoria while risks were overlooked. Excessive rates of expansion and over-investment resulted in very high levels of corporate debt. The excesses of the boom years have since been corrected. A prudent and long term oriented approach to business and a healthy balance sheet are becoming increasingly important again. The current situation at some major companies demonstrates how relevant cash flow and equity ratio can be for survival of a company.

Although anticipating that conditions would deteriorate, as stated in spring 2007, EMS was also surprised by the intensity of the economic downturn. Appropriate steps were implemented at a very early stage. These included a global recruitment freeze, cost-reduction measures and postponement of investment. Production volumes and inventory stocks were also reduced. However, the sharp downturn in the second half of 2008 also affected EMS to an unexpected extent and ultimately led to a 26.7% decrease in net income to CHF 215 million (294) in the reporting year.

EMS has always considered it important to adopt a long-term perspective when conducting its business and to maintain a healthy balance sheet. As a result, the Group is in a solid position to overcome downturns such as that of 2008 without its existence being threatened. In 2008, EMS was able to generate a strong operative cash flow of CHF 275 million (181). At the end of 2008 its equity ratio was 58.1% – despite a share repurchase – and its return on equity was 22.1%.

A company must be capable of securing its future and of achieving good results, even during challenging periods. This is only possible with a strong

market position and an innovative approach to product development combined with cost leadership. EMS strives to achieve this goal at all times. All planned growth with new speciality products was successfully realised and market share was gained. Despite the difficult economic conditions, EMS started fortified in 2009 and will continue to build on its strength of developing speciality products in close cooperation with its customers.

The demands on employees and management are especially high during periods of crisis. It is not easy to make a profit: each individual must demonstrate a high level of commitment and considerable flexibility in order to achieve good results. Difficult times call for exceptional measures, and EMS therefore had to rapidly initiate and execute a number of steps. Our management and employees deserve recognition for their efforts. Although 2009 will be another exceptionally demanding year for EMS, we are confident of successfully mastering the challenges that lie ahead and of continuing to achieve a very good performance in the coming years.

We would like to take this opportunity to thank you, our shareholders, for the trust you place in EMS and for your valued loyalty to our company – especially during this period of economic difficulty. We look forward to continuing our relationship in the future.

Dr Ulf Berg
Chairman of the
Board of Directors

Magdalena Martullo
Vice-Chairman of the
Board of Directors and
Chief Executive Officer

General Information on the Financial Year 2008

Business Performance

The EMS Group was able to slightly increase net sales in local currencies in the reporting year 2008. Net sales in Swiss francs declined compared to the previous year, reflecting weaker foreign currencies. EMS successfully realized its plans to achieve growth through new business in its core area of Performance Polymers. The slowing of the economy, which led to a literal economic slump in the fourth quarter of 2008, forced customers to extensive reductions in production quantities and inventory stocks, which also resulted in a strong reduction of sales volumes for EMS. At the start of the year, EMS predicted that economic conditions would deteriorate and reduced costs and investments at an early stage. A global recruitment freeze was implemented in April 2008. Production quantities and inventory stocks were reduced. Net operating income (EBIT) declined compared to the excellent result in the previous year.

Net sales in Swiss francs decreased by 3.1% to CHF 1 504 million (1 552) compared to the previous year but rose by 0.8% in local currencies.
Net operating income (EBIT) was CHF 220 million (270) and EBITDA totalled CHF 278 million (324).
The EBIT margin was 14.6% (17.4%).
Net financial income for 2008 amounted to CHF 38 million (64).
Net income after taxes was CHF 215 million (294).

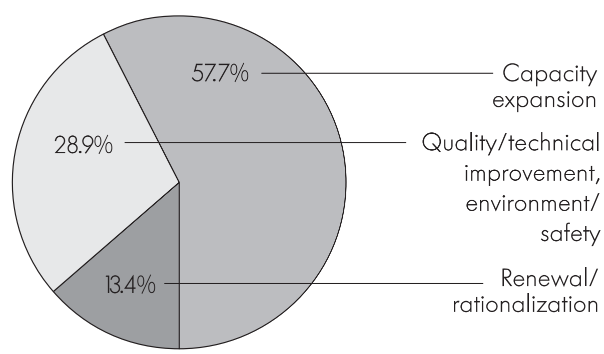
EMS has an innovative, high-margin speciality business, high liquidity and a strong equity ratio and is therefore, solidly positioned. It is continuing to pursue and will even accelerate its successful strategy for the expansion of its speciality business in the main area of Performance Polymers.

For 2009 EMS is expecting the economy to show further significant deterioration and is preparing for a very challenging market environment. The global markets for consumer and capital goods are reaching historically low levels. Reductions in inventory stock levels at all stages of the supply chain are reducing demand. Customers requiring innovative solutions however, are increasingly interested in working with EMS as their innovation partner. Work on customer projects in the areas of research and application development as well as in marketing and sales is being accelerated. EMS will monitor further developments of the markets and is also prepared to take rapid action in the future. Due to the difficult economic environment, EMS expects net sales and net operating income (EBIT) for 2009 to be significantly lower than in the previous year.

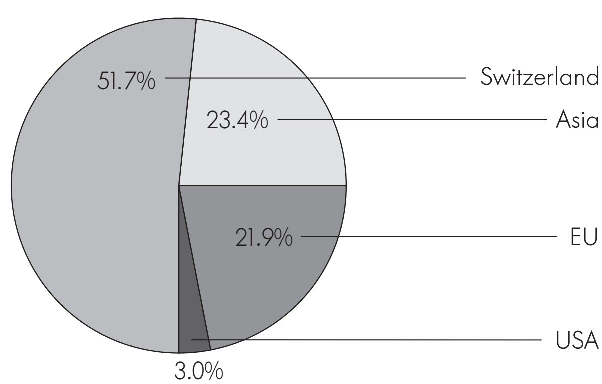
Investments

EMS made investments totalling CHF 64 million (72). Also in 2008, thanks to its strong operative cash flow of CHF 275 million (181), EMS was easily capable of financing its investments using its own resources, as in previous years. One of EMS' strengths is that it always generates strong free cash flow – both in good and in challenging years.

Investment by application



Investment by country and region



Management structure

At the 2008 Annual General Meeting, Dr Ulf Berg, Magdalena Martullo, Egbert Appel, Dr Hansjörg Frei and Dr Werner Prätorius were elected to the Board of Directors for a further one-year term of office. Albert Reich stepped down from the Board of Directors due to retirement.

Personnel

At the end of December 2008 EMS Group had a total of 2 165 (2 231) employees (excluding apprentices). This included 1 057 (1 221) employees in Switzerland, 601 (482) in the rest of Europe, 280 (274) in Asia and 227 (254) in the USA. End of 2008, the EMS Group in Switzerland employed 129 (109) apprentices being educated in 14 (12) different professions. A total of 33 (34) apprentices successfully completed their professional training during the reporting year.

Research and development

Expenditure on research and development corresponded to 3.2% (3.4%) of net sales in the reporting year (see Note 4 of the financial statements). Development activities focused primarily on speciality products in the main area of Performance Polymers.

Breakdown of production by country and region

Switzerland	54.1%
Germany	12.4%
USA	8.4%
Belgium	6.8%
Japan	6.4%
Great Britain	3.4%
Taiwan	3.1%
China	2.5%
Spain	1.6%
Others	1.3%

Breakdown of net sales by country and region

Germany	27.9%
USA	11.4%
Japan	9.3%
France	7.6%
China	6.7%
Italy	5.7%
Switzerland	5.1%
Great Britain	3.7%
Spain	3.6%
Austria	1.8%
Taiwan	1.7%
Czech Republic	1.5%
Sweden	1.3%
South Korea	1.2%
Finland	1.0%
Netherlands	1.0%
Rest of Europe	5.2%
Others	4.3%

Business areas

The EMS Group operates globally in the business areas of Performance Polymers and Fine Chemicals/Engineering. These business areas are further broken down into Business Units.

Performance Polymers

EMS-GRIVORY consists of three independent, profit-responsible Business Units and produces customized high-grade polymer materials (in granulate form). Thanks to their high-performance properties and the fact that they can be processed economically, these polymers can be used for a wide range of applications – particularly in the automotive and electronics industries, as well as in various other industrial sectors. EMS-GRIVORY Europe is specialized in innovative solutions for injection-moulding customers as well as extrusion and extrusion blow-moulding applications in Europe. EMS-GRIVORY Asia operates the respective Asian market. EMS-GRIVORY America is responsible for that business in North America.

The Business Unit EMS-EFTEC (previously «EMS-TOGO») is a specialist provider of bonding, coating, sealing and damping products for the global automotive industry.

The Business Unit EMS-GRILTECH is specialized in fusible adhesives for technical and textile applications, as well as in special fibres for paper machines. From 2009 this Business Unit will belong to the business area Fine Chemicals / Engineering.

The main business area Performance Polymers generated net sales of CHF 1 392 million (1 428) and net operating income (EBIT) of CHF 201 million (243) in the reporting year 2008. EMS successfully developed further speciality applications and launched new products in 2008. It also continued to consolidate its market positions worldwide. However, the economic downturn in the fourth quarter of 2008 impacted the general course of business.

Fine Chemicals / Engineering

The Business Unit EMS-PRIMID is specialized in crosslinkers for environmentally friendly powder coatings, bonding agents for the tyre industry and epoxy compounds for the manufacture of protective products used in the construction industry. In 2009 these activities will be integrated into the Business Unit EMS-GRILTECH.

The Business Unit EMS-PATVAG produces ignitors for airbag gas generators.

The Fine Chemicals / Engineering business area recorded net sales of CHF 112 million (125) and net operating income (EBIT) of CHF 18 million (27) in the reporting year 2008. As expected, net sales and result declined compared to the previous year due to the weaker economic environment.

Key Figures 2004 – 2008

CHF millions	2008	2007	2006	2005	2004
Net sales revenue	1 503.9	1 552.4	1 395.9	1 253.3	1 149.0
Change in % against previous year	–3.1%	+11.2%	+11.4%	+9.1%	
Change in local currencies	+0.8%	+9.2%	+10.3%	+8.4%	
Of which in Switzerland	5.1%	5.0%	4.8%	4.4%	4.5%
Net operating income (EBIT)	219.6	270.2	246.8	216.4	203.4
Change in % against previous year	–18.7%	+9.5%	+14.1%	+6.4%	
In % of net sales revenue	14.6%	17.4%	17.7%	17.3%	17.7%
Net financial income	37.5	63.7	118.3	10.9	18.3
Change in % against previous year	–41.1%	–46.1%	+981.2%	–40.2%	
Income taxes	41.9	40.1	57.4	45.5	41.3
Net income	215.2	293.8	307.7	181.9	180.4
Change in % against previous year	–26.7%	–4.5%	+69.2%	+0.8%	
In % of net sales revenue	14.3%	18.9%	22.0%	14.5%	15.7%
Operative cash flow [1]	275.1	180.7	190.8	229.9	180.6
Change in % against previous year	+52.3%	–5.3%	–17.0%	+27.3%	
In % of net sales revenue	18.3%	11.6%	13.7%	18.3%	15.7%
Investments	63.7	71.9	64.3	48.8	45.5
In % of operative cash flow	23.2%	39.8%	33.7%	21.2%	25.2%
Net cash position	251.0	569.5	551.4	577.9	336.0
Balance sheet total	1 679.4	2 277.1	2 328.6	2 350.4	2 322.6
Assets					
Current assets	1 083.6	1 671.8	1 733.0	1 816.9	1 724.5
Non-current assets	595.9	605.3	595.6	533.5	598.1
Equity and liabilities					
Current liabilities	221.2	614.2	339.0	315.0	293.7
Non-current liabilities	482.9	386.2	886.8	952.6	1 116.5
Equity [2]	975.3	1 276.7	1 102.7	1 082.9	912.3
Balance sheet equity ratio	58.1%	56.1%	47.4%	46.1%	39.3%
Return on equity	22.1%	23.0%	27.9%	16.8%	19.8%
Number of employees on December 31 [3]	2 165	2 231	2 061	2 055	2 078

[1] Operative cash flow = net operating income (EBIT) plus write-downs on intangible assets, property, plant and equipment plus changes in net working capital less tax payments.
[2] Inclusive minority interests.
[3] Excluding apprentices (2008: 129; 2007: 109; 2006: 112; 2005: 119; 2004: 124).

Corporate governance

EMS-CHEMIE HOLDING AG is committed to responsible corporate governance and oversight. The structure and content of this report comply with the SIX Swiss Exchange Directive on Information Relating to Corporate Governance (DCG) dated January 1, 2007. Detailed principles and rules are also laid down in the company's Articles of Association at www.ems-group.com/annualreport/2009/articlesofassociation and in the Organizational Rules of the EMS Group at www.ems-group.com/annualreport/2009/organizationalrules. All data refer to the situation as at December 31, 2008, except where stated otherwise.

1. Group structure and shareholders

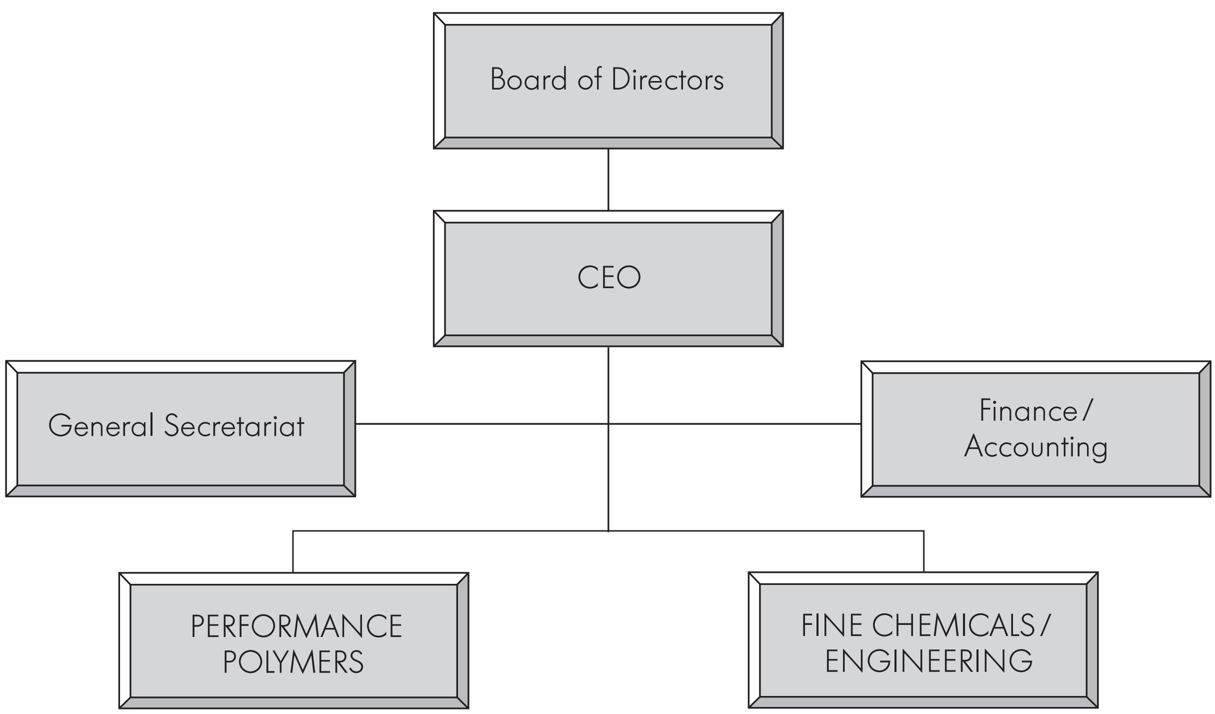
1.1 Group structure

The EMS Group is active worldwide in the two business areas Performance Polymers and Fine Chemicals/Engineering. The organizational breakdown is based on product types. The Group's operating structure is as follows:

The companies of the EMS Group are grouped together in the EMS-CHEMIE HOLDING AG, which has its registered office in Domat/Ems, Switzerland. EMS-CHEMIE HOLDING AG is the only listed company within the scope of consolidation. EMS registered shares (EMSN, ISIN: CH0016440353) are listed on the SIX Swiss Exchange. As at December 31, 2008, the market capitalization of EMS amounted to CHF 2 069.9 million. None of its subsidiaries hold any EMS registered shares.

An overview of the unlisted subsidiaries belonging to the consolidated EMS Group can be found in note 30 in the financial section.

Segment reporting by business area and geographical region can be found on page 30.



1.2 Significant shareholders

In the calendar year 2008, three shareholders each held more than 3% of the equity of EMS-CHEMIE HOLDING AG:

As at January 1, 2008, the EMESTA HOLDING AG, Zug held 52.67%, Miriam Blocher 7.86% and the EMS-CHEMIE HOLDING AG 4.10% (treasury shares).

As at April 14, 2008, the EMESTA HOLDING AG, Zug held 47.86%, Miriam Blocher 7.86% and the EMS-CHEMIE HOLDING AG 10.69% (treasury shares).

As at November 3, 2008, the EMESTA HOLDING AG, Zug, held 51.70%, Miriam Blocher 8.42% and the EMS-CHEMIE HOLDING AG 4.34% (treasury shares).

As at December 31, 2008, the EMESTA HOLDING AG, Zug held 51.70%, Miriam Blocher 8.89% and EMS-CHEMIE HOLDING AG 4.34% (treasury shares).

The change in percentage as at April 14, 2008 and November 3, 2008 are due predominantly to the reduction of capital (share repurchase and subsequent share cancellation).

1.3 Cross-shareholdings

There are no cross-shareholdings with other companies.

2. Capital structure

2.1 Capital / 2.2 Authorized and conditional capital in particular

The ordinary share capital of EMS-CHEMIE HOLDING AG amounts to CHF 233 890.28. No authorized or conditional capital exists.

2.3 Changes in capital

Information on capital changes can be found on page 2 (Spotlight on Share Performance), in the financial section on page 20 (Consolidated Changes in Equity of the EMS Group) and in note 14 (Share capital).

2.4 Shares and participation certificates / 2.5 Profit sharing certificates

The fully paid share capital is divided into 23 389 028 registered shares with a par value of CHF 0.01 each. All registered shares are entitled to dividends. Each registered share entitles the holder to one vote at the Annual General Meeting. No participation certificates or profit sharing certificates exist.

2.6 Limitations on transferability and nominee registrations

On request, purchasers of shares of EMS-CHEMIE HOLDING AG are entered in the share register as voting shareholders without restrictions, provided they expressly declare that the registered shares were acquired in their own name and on their own account.
The Board of Directors may enter people whose request for registration does not include an express declaration that they hold the shares on their own account ("Nominees"), and with whom the company has entered into an agreement to this effect, in the register of shareholders with voting rights up to a maximum of 2% of the share capital entered in the commercial register.
The Articles of Association do not provide for any privileges or restrictions on transferability.

2.7 Convertible bonds and warrants / options

Details of the outstanding convertible bond are set out in note 17 in the financial section. No warrants / options have been issued.

3. Board of Directors

3.1 Members of the Board of Directors / 3.2 Other activities and vested interests

Board of Directors

Name	Nationality	Status	Year of birth	First elected in	Term of office expires
Dr Ulf Berg	Swiss	Non-executive	1950	August 2007	2009
Magdalena Martullo	Swiss	Executive	1969	August 2002	2009
Egbert Appel	German	Non-executive	1949	January 2005	2009
Dr Hansjörg Frei	Swiss	Non-executive	1941	January 2003	2009
Dr Werner Prätorius	German	Non-executive	1946	September 2006	2009

On December 31, 2008, the Board of Directors of EMS-CHEMIE HOLDING AG consisted of the following five members:

Dr Ulf Berg (born in 1950, Swiss citizen, graduate engineer with a PhD in mechanical engineering) has been non-executive Chairman of the Board of Directors since August 2007. He worked for ABB (formerly BBC) in various managerial positions in Switzerland and abroad for more than 20 years until 1998. From 1999 to 2001, Dr Ulf Berg was COO and CEO of Carlo Gavazzi Holding AG. Since 2001, he has owned EG Energy Group AG. From 2003 to 2004, he was CEO of SIG Beverages Int. AG before moving to Sulzer AG in 2004 as CEO, a position he held until 2007. From 2007 to 2009, Dr Berg was non-executive Chairman of the Board of Directors of Sulzer AG. Since 2006, he has been a member of the Board of Directors of Bobst SA and was a member of the Board of Directors of Venture Incubator AG, Switzerland from 2004–2009. He joined the management board of Swissmem, Switzerland in 2004. He has also been a member of the Board of Trustees of Avenir Suisse since 2007 and of the Supervisory Board of SAG GmbH in Langen, Germany since 2008.

Magdalena Martullo (born in 1969, Swiss citizen, Master of Business Administration) has been executive Vice-Chairman of the Board of Directors since August 2002 and CEO since January 2004. She joined the EMS Group in January 2001 and became a member of the Board of Directors in August 2001. As CEO, Magdalena Martullo bears overall operating responsibility for the EMS Group. After performing various functions both in Switzerland and abroad, Magdalena Martullo was a Product Manager at Johnson & Johnson AG from 1994 to 1996. She then went on to work at Rivella AG until 2000, where her last position was Head of Marketing for Switzerland and member of the company's extended Senior Management. Since June 2004, Magdalena Martullo has been a member of the Executive Board of SGCI Chemie Pharma Schweiz, where she leads the Board Committee on economic policy.

Egbert Appel (born in 1949, German citizen, lawyer) has been a non-executive member of the Board of Directors since January 2005. He worked for Hilti AG for 23 years and was appointed to Senior Management in 1994, where he headed Human Resources, Financing and Information Technology until the end of 2006. Before joining Senior Management he worked as General Manager in Japan and Germany, as well as Branch Manager and Head of Human Resources of Hilti Deutschland. Prior to this, he was Head of Human Resources and secretary to the Board of Directors of an industrial group. Since January 2007, Egbert Appel has been a trustee of the Martin Hilti Family Trust and Managing Director of the Hilti Foundation. He has been Chairman of the Board of Directors of Norex International AB, Sweden since 2006, and a member of the Supervisory Board of Roto Frank AG in Germany since 2007.

Dr Hansjörg Frei (born in 1941, Swiss citizen, Doctor of Law) has been a non-executive member of the Board of Directors and Chairman of the Pension Fund of the EMS Group since January 2003. For many years Dr Frei held various management positions in the insurance industry. At the Winterthur insurance company, his last position until 2000 was as a member of the Group Executive Board in charge of Swiss operations. Following the company's merger with Credit Suisse, he was a Member of the Executive Board (Head of International Country Management) of Credit Suisse Financial Services until 2003. From 2000 to 2003, he was Chairman of the Swiss Insurance Association (SVV). Dr Hansjörg Frei has been a non-executive member of the Board of Directors of Bâloise-Holding since 2004.

Dr Werner Prätorius (born in 1946, German citizen, Doctor of Chemical Engineering) has been a non-executive member of the Board of Directors since September 2006. He spent almost 30 years with BASF, where he was responsible for a wide variety of national and international tasks. From 1995 to 2006 he was successively Head of the Engineering Plastics, Styrenic Polymers and Petrochemicals Divisions. Dr Prätorius has also been a member of the most important European trade organizations for chemicals and plastics such as the Association of Plastics Manufacturers in Europe (1994–2004), the Association of European Petrochemicals Producers (2002–2006) and the European Petrochemical Association (2001–2006).

None of the non-executive members of the Board of Directors have ever been a member of any Senior Management within the EMS Group. None currently have a direct or indirect business relationship with companies in the EMS Group.

3.3 Elections and terms of office

Each member of the Board of Directors is elected individually by the Annual General Meeting for a one-year term of office. There is no limit on the total term of office; members may be re-elected.

Attendance at meetings of the Board of Directors and committees

Name	Function	Attendance at meetings		
		Board of Directors	Audit Committee	Compensation Committee
Dr Ulf Berg	Chairman	7	4	3
Magdalena Martullo	Vice-Chairman and CEO	7		
Egbert Appel	Member	7		3[1]
Dr Hansjörg Frei	Member	7	4[1]	3
Dr Werner Prätorius	Member	7		
Albert Reich	Member (until August 9, 2008)	5		
Total meetings		7	4	3
Total duration (hours)		4 – 6	1 – 3	2 – 3

[1] Chairman

3.4 Internal organizational structure

Duties of the Board of Directors

The Board of Directors is the highest executive body of the EMS Group. It is responsible for supervising and monitoring the company's management and that of its affiliated companies which together form the EMS Group. Every year at its constituent meeting, the Board of Directors elects a Chairman and a Vice-Chairman from among its members. The Board of Directors has delegated most of the operational management of the EMS Group to the CEO. Special tasks can be delegated to individual members of the Board of Directors or to separate special committees.

Board committees: Members, tasks, areas of responsibility

There are two committees: the Audit Committee and the Compensation Committee. Their tasks and responsibilities are set out in guidelines (www.ems-group.com/annualreport/2009/organizationalrules). Both committees have assessment, advisory and monitoring functions but no decision-making powers.

The Audit Committee consists of two non-executive, independent members of the Board of Directors: Dr Hansjörg Frei, Chairman, and Dr Ulf Berg, member. It assesses the effectiveness of external reporting, internal finance and accounting, internal control systems and compliance with accounting principles. The Audit Committee makes recommendations to the entire Board of Directors regarding presentation of individual and consolidated financial statements to the Annual General Meeting. It also assesses the performance and remuneration of the external auditors.

The Compensation Committee consists of three non-executive members of the Board of Directors: Egbert Appel, Chairman, Dr Hansjörg Frei, member, Dr Ulf Berg, member. The Compensation Committee is concerned with the remuneration policy of the EMS Group (Board of Directors, Senior Management, senior executives).

Working methods of the Board of Directors and its committees

The Board of Directors and its committees meet as frequently as business demands and at least six times a year. The Board of Directors held seven meetings in 2008, each lasting between four and six hours. The Audit Committee held four meetings, each lasting between one and three hours, while the Compensation Committee held three meetings, each lasting between two and three hours.

The Head of Finance (CFO) also attends the meetings of the Board of Directors. Other members of Senior Management and Heads of Business Units are invited to attend meetings of the Board of Directors when it discusses matters relevant to their areas of responsibility. To constitute a quorum, a majority of the members of the Board of Directors must be present. The Board of Directors makes decisions and carries out elections with a majority of the members present at the meeting. In the event of a tie, the Chairman has the casting vote. Resolutions can also be passed by way of telephone conferences or by circular, provided that no member requests discussion in person. Resolutions passed in this way must be unanimous to be valid. Individual members are obliged to abstain from voting on personal matters or on matters involving persons with whom they are closely associated.

Members of Senior Management are invited to attend committee meetings wherematters relevant to their areas of responsibility are to be discussed. The provisions relating to meetings and resolutions of the Board of Directors and to the requirement for its members to abstain, also apply to the committees. At the next plenary meeting of the Board of Directors after their committees have met, the committee Chairmen report on the proceedings and submit proposals to the Board for its decision. Further details of internal organization can be found in the Organizational Rules of the EMS Group at www.ems-group.com/annualreport/2009/organizationalrules.

3.5 Definition of areas of responsibility

The Board of Directors makes decisions regarding all matters not reserved for the Annual General Meeting or another body by law, the Articles of Association or the Organizational Rules. Subject to article 716a of the Swiss Code of Obligations (non-transferable and inalienable duties of the Board of Directors), the Board of Directors has delegated most of the operational management of the EMS Group to Senior Management. These duties and responsibilities particularly include proposing the strategy for the EMS Group to the Board of Directors, achieving the operative and financial results of the EMS Group, reviewing the budgets and medium-term plans of Business Units, deciding on scheduled capital investments up to CHF 5 million and on unscheduled capital investments up to CHF 0.5 million, reaching decisions on the procurement of external capital (e.g. bonds, bank loans) up to CHF 30 million, issuing guarantees in accordance with the guarantee concept proposed to the Board of Directors, receiving periodic reports on business performance and all other significant events, deciding on the initiation and conduct of legal proceedings and submitting proposals to the Board of Directors for legal proceedings of fundamental significance, approving the organization up to the level of employees directly subordinate to Heads of Business Units, submitting proposals to the Board of Directors on the acquisition and disposal of equity holdings, assigning powers to the members of the board of trustees who protect the interests of the employer in EMS Group pension schemes, proposing authorised signatories to the Board of Directors, permitting heads of Business Units and their direct subordinates to accept seats on Boards of Directors, political offices or honorary offices, enacting the rules of the EMS Group and maintaining personal contact with senior managers of other companies and with important customers.

3.6 Information and control instruments vis-à-vis the Senior Management

At the end of each month the Board of Directors receives a written report from the CEO regarding business performance during that month and the expected monthly result. On the 4th working day of the following month, it receives the monthly income statement with the most important key figures, which are compared with the budgeted figures and those of the previous year. It is also provided, in the same detail, with monthly updated forecast calculations for the end of the year. This serves to monitor the achievability of the budget. If actual monthly results deviate from the budget by more than 10%, the CEO submits a report to the Board of Directors by the middle of the following month analysing the deviation in result and detailing corrective measures, both planned and already implemented. In addition, the Board of Directors receives consolidated quarterly financial statements prepared in accordance with IFRS. Along with the income statement, these mainly provide information on the balance sheet, the cash flow account and changes in equity. Furthermore, at each meeting of the Board of Directors, the CEO and CFO report on the course of business and on all matters relevant to the Group, while the two committee Chairmen report on the matters they have dealt with, detailing their significant findings and assessment and submitting proposals accordingly. Every year, the Board of Directors discusses and approves the budget for the following year, as well as rolling medium-term planning for the next three years. The CEO informs the members of the Board of Directors of any extraordinary events without delay by circular or other appropriate means. At Board meetings, any member of the Board may request information from other members or from Senior Management on any of the company's affairs. Between meetings of the Board of Directors, any member may request information from the CEO on the course of business, and – with the approval of the Chairman – on specific business events, and/or may inspect business documents. At their own discretion, members of the Board of Directors visit Group companies and participate in the two-monthly Management Meetings held by Senior Management with the Heads of the Business Units in order to form an independent view of the Group's operating activities and the implementation of its strategy.

During the year under review, 17 audits were conducted by Group Financial Controlling at Group companies, mainly focusing on bookkeeping and compliance. Group Financial Controlling discusses all audit findings in detail with the companies and Business Units concerned, and the most important measures are agreed on. In the event of disagreement between the auditors and the company audited, the different positions are stated transparently. An audit report is prepared containing the overall audit findings. Members of the Audit Committee, the CEO and the CFO each receive a copy of every audit report. Following each audit report, the CEO and CFO present the Audit Committee with the measures to be implemented by Group management. All significant measures are continuously monitored by the Audit Committee. In the event of discrepancies, the CEO and CFO must comment on them and present proposals for corrective measures. Although Group Financial Controlling is subordinate to the CFO, it reports directly to the Chairman of the Audit Committee with regard to these activities. The legal service of the EMS Group reports regularly to the Board of Directors on any legal changes important to EMS. Group Financial Controlling also regularly keeps the Audit Committee informed of such changes in the field of accounting. Twice a year, the Audit Committee is notified of all litigation cases that are underway or impending. Besides the status of the individual cases, the report focuses on risks and opportunities they represent, costs and other possible effects.

Risk management constitutes an integral component of planning and reporting activities at EMS. At Senior Management and Business Unit level, risks are identified annually as part of the medium-term planning procedure and preparation of the budget for the following year. They are then weighted according to the gravity of the risk and probability of its occurrence. The identification and assessment of changes in risk play an important part in this process. Measures are defined to reduce significant risks. In the course of planning discussions, the CEO and CFO report to the Board of Directors on the magnitude of these risks and the implementation status of the measures taken to counter them.

4. Senior Management

4.1 Members of Senior Management / 4.2 Other activities and vested interests

On December 31, 2008, Senior Management of EMS-CHEMIE HOLDING AG consisted of the following three persons:

Magdalena Martullo (born in 1969, Swiss citizen, Master of Business Administration) has been executive Vice-Chairman of the Board of Directors since August 2002 and CEO since January 2004. She joined the EMS Group in January 2001 and became a member of the Board of Directors in August 2001. As CEO, Magdalena Martullo bears overall operating responsibility for the EMS Group. After performing various functions both in Switzerland and abroad, Magdalena Martullo was a Product Manager at Johnson & Johnson AG from 1994 to 1996. She then went on to work at Rivella AG until 2000, where her last position was Head of Marketing for Switzerland and member of the company's extended Senior Management. Since June 2004, Magdalena Martullo has been a member of the Executive Board of SGCI Chemie Pharma Schweiz, where she leads the Board committee on economic policy.

Peter Germann (born in 1959, Swiss citizen, Master of Arts) has been the EMS Group's Head of Finance (CFO) since 1994 – interrupted by one year as Head of Finance with the Ascom Group – and a member of Senior Management since January 2004. Peter Germann previously held a variety of management positions, his last position being Head of Finance with the Arbonia-Forster Group.

Reto Fintschin (born in 1948, Swiss citizen, Engineer) has been a member of Senior Management since July 2006. He has been with EMS since 1974, interrupted by four years as Head of Sales and Marketing with another Swiss company. He has held various senior positions in sales and marketing with the EMS Group, including CEO of the UK sales company, Head of the Technical Thermoplastics Division until 1998 and Head of the Technical Fibres and Adhesives Division until 2000, when he assumed responsibility for the EMS-GRILTECH Business Unit.

Members of Senior Management are nominated by the CEO and appointed by the Board of Directors. They are subordinate to the CEO, whom they assist in the task of managing and supervising the EMS Group. Senior Management meets every two weeks. In addition, the Secretary General attends these meetings in an advisory capacity. The duties and responsibilities of Senior Management are listed in section 3.5. They are also given in the Organizational Rules of Senior Management at www.ems-group.com/annualreport/2009/organizationalrules.

4.3 Management contracts

No management contracts with third parties exist.

5. Compensation, shareholdings and loans

5.1 Content and method of determining the compensation and the shareholding programmes

The compensation system for members of the Board of Directors and Senior Management consists of a basic salary and a variable salary component, which are paid out in cash only. The basic salary and variable salary component are independent of each other. The variable salary component forms a central part of the overall compensation package. The principal criteria for setting the variable salary component are the achievement of net earnings targets and project objectives. Otherwise, no guidelines exist for the compensation system. If targets are not achieved, the variable salary component may be omitted. The level of the compensation depends on the individual's responsibilities and the complexity of the assigned duties.

Individual overall compensation packages are proposed by the Compensation Committee and approved by the Chairman of the Board of Directors, after consultation with the CEO, in April of the following year. They are paid out in May.

EMS has no shareholding programmes.

Details of the individual compensation for members of the Board of Directors and CEO, and of the overall compensation paid to the Board of Directors and Senior Management as a whole, are shown in a table in note 11 to the annual financial statements of EMS-CHEMIE HOLDING AG.

6. Shareholders' participation

Shareholders' participation rights are laid down in the Articles of Association of EMS-CHEMIE HOLDING AG (www.ems-group.com/annualreport/2009/articlesofassociation).

6.1 Voting-rights and representation restrictions

Voting-right restrictions apply solely to nominees. No rules exist governing the granting of exceptions.

A registered shareholder may only be represented at the Annual General Meeting by his/her legal representative, by another shareholder who has voting rights, by the representative of the executive bodies, by the independent proxy, or by a representative of the custodian bank. Shares held by the company do not confer voting rights at the Annual General Meeting and do not bear a dividend.

6.2 Statutory quorums

Except where the law provides otherwise, decisions taken by the Annual General Meeting are passed by an absolute majority of the votes represented at the Annual General Meeting.

6.3 Convocation of the General Meeting of Shareholders

The Ordinary Annual General Meeting of Shareholders is convened in accordance with legal requirements and the company's Articles of Association. It is convened by publication of a single notice in the Swiss Official Gazette of Commerce (SHAB) and selected Swiss newspapers, and by written invitations sent to the addresses of the shareholders and beneficiaries entered in the share register. The period of notice is 20 days. Extraordinary General Meetings of Shareholders are held in the cases prescribed by law and as required.

6.4 Agenda

One or more shareholders representing together 10% or more of the company's shares may request that a particular item be added to the agenda. A request to add an item to the agenda must be submitted in writing at least 40 days in advance of the Annual General Meeting, specifying the subject to be discussed and containing the proposed motions.

6.5 Inscriptions into the share register

The cut-off date for entering registered shareholders in the share register with regard to participation at the General Meeting of Shareholders is around 10 calendar days before the General Meeting. The cut-off date will in each case be determined by the Board of Directors and is stated in the invitation. Registered shares sold between the cut-off date and the General Meeting of Shareholders do not carry any voting rights. There are no rules governing the granting of exceptions.

7. Changes in control and defence measures

7.1 Duty to make an offer

According to Article 3, paragraph 2 of the Articles of Association, a party acquiring shares in EMS-CHEMIE HOLDING AG is not obliged to submit a public purchase offer.

7.2 Clauses on changes of control

There are no clauses relating to changes in control.

8. Auditors

8.1 Duration of the mandate and term of office of the lead auditor

KPMG AG, Badenerstrasse 172, 8026 Zurich, Switzerland, have acted as the statutory auditor of EMS-CHEMIE HOLDING AG since 2004. The statutory auditor is appointed by the Annual General Meeting for a one-year term of office. Hanspeter Stocker has been the lead auditor since 2004.

8.2 Auditing fees

The EMS Group paid KPMG a total of approximately CHF 340 000 for services worldwide relating to the audit of the Group's annual financial statements. The net sales revenue audited by KPMG worldwide accounts for approximately 43% of the EMS Group's total net sales.

8.3 Additional fees

KPMG charged a total of approximately CHF 366 000 for additional management and tax consultancy services and due diligence audits worldwide.

8.4 Information tools pertaining to the external audit

The Audit Committee monitors the independence and performance of the independent statutory auditor on behalf of the Board of Directors and verifies the financial reporting of EMS. It held four meetings during the year under review. The independent statutory auditor was invited to attend one meeting. Senior Management is responsible for financial accounting and continuous financial reporting, including the internal control system. The independent statutory auditor, KPMG AG, is responsible for giving an opinion on whether the accounting records and the annual financial statements comply with Swiss law and the company's Articles of Association. KPMG AG is responsible for providing an assessment of the consolidated financial statements (income statement, balance sheet, changes in equity, cash flow statement and notes), in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and with Swiss law. The Audit Committee is also responsible for monitoring the relevant activities of Senior Management and the independent statutory auditor.

9. Information policy

EMS publishes quarterly net sales figures, together with a commentary on the course of business and outlook for the future. The half-year and annual financial statements are prepared in accordance with IFRS. EMS also issues ad-hoc reports on important events as and when they occur.

Calendar of events of the EMS Group

July 10, 2009:
Half-year report 2009 (Media conference)

August 8, 2009:
Annual General Meeting 2009
of EMS-CHEMIE HOLDING AG

October 2009:
Third-quarter report 2009

February 2010:
Annual results 2009 (Media conference)

April 2010:
First-quarter report 2010

Further details regarding dates can be found at www.ems-group.com/annualreport/2009/information.
Subscription to ad-hoc reports received by e-mail can be made at www.ems-group.com/annualreport/2009/contact.

Further information is available on the company website: www.ems-group.com.

If you have any further enquiries, please contact:
EMS-CHEMIE HOLDING AG
Fuederholzstrasse 34
8704 Herrliberg
Switzerland
Phone +41 44 915 70 00
Fax +41 44 915 70 02
info@ems-group.com

Consolidated Income Statement

	Notes	2008 (CHF '000)	2007 (CHF '000)
Net sales revenue from goods and services		1 503 947	1 552 393
Inventory changes, semi-finished and finished goods		(31 057)	29 076
Capitalized costs and other operating income	1	56 021	52 286
Operating income		1 528 911	1 633 755
Material expenses		911 010	967 537
Personnel expenses	2	216 252	221 572
Depreciation and amortization	8, 23	58 198	53 351
Other operating expenses	3	123 894	121 133
Operating expenses		1 309 354	1 363 593
NET OPERATING INCOME (EBIT)		219 557	270 162
Income from equity-valuation of associated companies		427	4 548
Financial income	5	67 876	130 946
Financial expenses	6	30 792	71 798
NET FINANCIAL INCOME		37 511	63 696
NET INCOME BEFORE TAXES		257 068	333 858
Income taxes	7	41 858	40 104
NET INCOME		215 210	293 754
Of which attributable to:			
Shareholders of EMS-CHEMIE HOLDING AG		211 803	283 335
Minority interests	16	3 407	10 419
Earnings per share in CHF:			
Basic	26	9.25	12.14
Diluted	26	9.25	12.09

Reference numbers indicate corresponding Notes to the Consolidated Financial Statements.

Consolidated Balance Sheet

	Notes	31.12.2008 (CHF '000)	31.12.2007 (CHF '000)
NON-CURRENT ASSETS		595 872	605 290
Intangible assets	8	30 292	33 039
Property, plant and equipment	8	515 628	521 400
Financial assets		33 775	38 076
Investments in associated companies	8	14 836	16 934
Other investments	8	183	182
Other non-current financial assets	8	18 756	20 960
Derivative financial instruments	12	7 783	372
Deferred income tax assets	7	8 394	12 403
CURRENT ASSETS		1 083 555	1 671 774
Inventories	9	242 726	276 370
Accounts receivable			
Trade accounts receivable	10	170 742	255 968
Income tax assets		3 382	1 369
Other receivables	11	49 518	94 210
Securities		136 098	321 118
Derivative financial instrumentse	12	33 189	9 000
Cash and cash equivalents	13	447 900	713 739
TOTAL ASSETS		1 679 427	2 277 064
EQUITY		975 302	1 276 652
Equity, attributable to shareholders of EMS-CHEMIE HOLDING AG		960 094	1 259 588
Share capital	14	234	251
Retained earnings and reserves		748 057	976 002
Net income		211 803	283 335
Equity, attributable to minority interests	16	15 208	17 064
LIABILITIES		704 125	1 000 412
Non-current liabilities		482 929	386 232
Bonds	17	154 209	162 815
Option component of convertible bonds		10 933	39 952
Derivative financial instruments	12	0	502
Bank loans	18	150 000	0
Other non-current liabilities	19	12 352	10 442
Deferred income tax liabilities	7	99 666	105 029
Provisions	20	55 769	67 492
Current liabilities		221 196	614 180
Bonds	17	0	295 515
Option component of convertible bonds		0	12 532
Derivative financial instruments	12	3 059	5 578
Bank loans	18	16 507	3 102
Trade accounts payable		70 842	116 959
Income tax liabilities		34 036	51 530
Provisions	20	9 599	18 771
Other current liabilities	21	87 153	110 193
TOTAL EQUITY AND LIABILITIES		1 679 427	2 277 064

Reference numbers indicate corresponding Notes to the Consolidated Financial Statements.

Consolidated Changes in Equity

(CHF '000) (Notes)	Share capital	Capital reserves (share premium)	Retained earnings	Treasury shares	Gains/ (losses) from securities arising from IAS 39	Hedging reserves from IAS 39	Translation differences	Equity, attributable to shareholders of EMS-CHEMIE HOLDING AG	Equity, attributable to minority interests	Equity
At 31.12.2005	251	2 093	1 034 837	(125 814)	135 879	0	(5 967)	1 041 279	41 572	1 082 851
Changes in fair value: Available-for-sale securities					11 220			11 220		11 220
Currency translation differences							(5 405)	(5 405)	(859)	(6 264)
Net income / (expense) recognized directly in equity	0	0	0	0	11 220	0	(5 405)	5 815	(859)	4 956
Net income recognized in income statement			297 441					297 441	10 226	307 667
Total recognized income and expense	0	0	297 441	0	11 220	0	(5 405)	303 256	9 367	312 623
Transactions with treasury shares		83		(142 059)				(141 976)		(141 976)
Dividends paid			(147 674)					(147 674)	(3 111)	(150 785)
At 31.12.2006	251	2 176	1 184 604	(267 873)	147 099	0	(11 372)	1 054 885	47 828	1 102 713
Changes in fair value: Available-for-sale securities (15)					(32 442)			(32 442)		(32 442)
Currency translation differences							(6 945)	(6 945)	175	(6 770)
Net income / (expense) recognized directly in equity	0	0	0	0	(32 442)	0	(6 945)	(39 387)	175	(39 212)
Net income recognized in income statement			283 335					283 335	10 419	293 754
Total recognized income and expense	0	0	283 335	0	(32 442)	0	(6 945)	243 948	10 594	254 542
Buyout of minority interests (16)								0	(38 901)	(38 901)
Transactions with treasury shares (incl. converted treasury shares) (14)		21 881		133 354				155 235		155 235
Dividends paid			(194 480)					(194 480)	(2 457)	(196 937)
At 31.12.2007	251	24 057	1 273 459	(134 519)	114 657	0	(18 317)	1 259 588	17 064	1 276 652
Changes in fair value: Available-for-sale securities (15)					(76 671)			(76 671)		(76 671)
Net changes from cash flow hedges, after taxes (12)						35 539		35 539		35 539
Currency translation differences							(11 096)	(11 096)	726	(10 370)
Net income / (expense) recognized directly in equity	0	0	0	0	(76 671)	35 539	(11 096)	(52 228)	726	(51 502)
Net income recognized in income statement			211 803					211 803	3 407	215 210
Total recognized income and expense	0	0	211 803	0	(76 671)	35 539	(11 096)	159 575	4 133	163 708
Transactions with minority interests (16)								0	(2 424)	(2 424)
Transactions with treasury shares (incl. converted treasury shares) (14)		(1 462)		4 116				2 654		2 654
Redemption of share capital (14)	(17)		(299 475)					(299 492)		(299 492)
Dividends paid			(162 231)					(162 231)	(3 565)	(165 796)
At 31.12.2008	234	22 595	1 023 556	(130 403)	37 986	35 539	(29 413)	960 094	15 208	975 302

	2008	2007
Balance sheet equity ratio	58.1%	56.1%

Capital reserves are not eligible for distribution. Retained earnings include KCHF 47 (2007: KCHF 50) not eligible for distribution. The proposal of the Board of Directors for the profit distribution of EMS-CHEMIE HOLDING AG, whose financial year closes on April 30, 2009, was communicated on February 6, 2009. The change in income taxes recognized directly in equity amounts to KCHF –8 132 (2007: KCHF 1 836) on securities, KCHF –124 (2007: KCHF 1 859) on transactions with treasury shares and KCHF 3 019 (2007: KCHF 0) on hedge accounting according to IAS 39. The translation differences contain KCHF 1 998 (2007: KCHF 0) from IAS 21 "Net investment in a foreign operation".

For further information and data refer to page 2 "Spotlight on Share Performance".

Consolidated Cash Flow Statement

	Notes	2008 (CHF '000)	2007 (CHF '000)
Net income		215 210	293 754
Depreciation, amortization and impairment of intangible assets and property, plant and equipment	8, 23	58 198	53 351
(Profit) / loss from disposal of property, plant and equipment	3	5 474	1 680
Increase / (decrease) of provisions	20	(18 233)	11 213
Increase / (decrease) of other non-current liabilities		(205)	372
(Income) / expenses from the equity-valuation of associated companies		(427)	(4 548)
Impairment on available-for-sale securities	6, 23	0	8 163
Unrealized currency translation differences on foreign exchange positions		11 423	785
Change assets and liabilities of post-employment benefits, net	8, 19	(1 210)	1 186
Net interest expense	5, 6	379	3 699
Dividends on available-for-sale securities	5	(2 868)	(5 848)
Income from sale of available-for-sale securities	5	(10 616)	(87 844)
Income from liquidation of other participations	5	0	(42)
Expenses for income taxes	7	41 858	40 104
OPERATING CASH FLOW BEFORE CHANGES IN NET WORKING CAPITAL		298 983	316 025
Changes in net working capital		(17 425)	(39 062)
Taxes paid		(56 706)	(86 568)
Interest paid		(13 641)	(17 870)
Provisions used	20	(2 269)	(4 338)
CASH FLOW FROM OPERATING ACTIVITIES A		208 942	168 187
(Purchase) of intangible assets and property, plant and equipment	8	(63 712)	(71 866)
Disposal of intangible assets and property, plant and equipment	3, 8	322	796
(Purchase) of financial assets	8	(31)	(2 206)
Disposal of financial assets	5, 8	3 252	193
(Purchase) / disposal of available-for-sale securities		42 505	160 828
Interest received		13 809	19 773
Dividends received		5 146	7 822
Cash outflow from purchase of fully consolidated companies and minority interests	24	(2 642)	(85 612)
Cash inflow from liquidation of fully consolidated companies	24	0	26
Cash inflow from minority interests due to founding of fully consolidated companies	16	423	0
(Increase) / decrease of interest-bearing assets		42 899	1 677
CASH FLOW FROM INVESTING ACTIVITIES B		41 971	31 431
Capital redemption (nominal value and premium)		(299 492)	0
Dividends paid		(162 231)	(194 480)
Dividends paid to minorities	16	(3 565)	(2 457)
(Purchase) of treasury shares		(17 505)	(65 102)
Sale of treasury shares		2 984	16 858
Increase in interest-bearing liabilities		161 852	0
(Decrease) in interest-bearing liabilities		(214 990)	(14 568)
CASH FLOW FROM FINANCING ACTIVITIES C		(532 947)	(259 749)
TRANSLATION DIFFERENCE ON CASH AND CASH EQUIVALENTS D		16 195	1 356
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)		(265 839)	(58 775)
Cash and cash equivalents at 1.1.		713 739	772 514
Increase / (decrease) of cash and cash equivalents		(265 839)	(58 775)
Cash and cash equivalents at 31.12.	13	447 900	713 739

Reference numbers indicate corresponding Notes to the Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

Consolidated accounting principles

General information on the consolidated financial statements

The consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows of the EMS Group. The consolidation is based on individual financial statements of subsidiaries prepared according to uniform Group accounting principles and in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). They also comply with Swiss law.

The preparation of consolidated financial statements and related disclosures in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period in which they are determined to be necessary.

Changes to the consolidated accounting principles

The IASB published a series of new and revised standards and interpretations, which took effect in financial year 2008 and were implemented by the EMS Group on January 1, 2008. This has no material effect on the consolidated financial statements of the EMS Group.

Consistency

The principles of valuation and consolidation remain unchanged from the previous year, with the exception of the changes described above. For comparative purposes, certain prior-year amounts have been reclassified and amended to conform to the current year consolidated financial statements.

Possible implications of new or revised standards, relevant for the EMS Group, which came into force for financial year 2009 or later

Standard / Interpretation		Entry into force	Planned application by the EMS Group
IAS 1 rev. – Presentation of Financial Statements	**	January 1, 2009	Financial year 2009
IAS 23 rev. – Borrowing Costs	*	January 1, 2009	Financial year 2009
IAS 32 and IAS 1 Amendment – Puttable Financial Instruments and Obligations Arising on Liquidation	*	January 1, 2009	Financial year 2009
IFRS 8 – Operating Segments: Disclosure	**	January 1, 2009	Financial year 2009
IFRIC 16 – Hedges of a Net Investment in a Foreign Operation	*	October 1, 2008	Financial year 2009
IAS 39 rev. – Financial instruments: Recognition and Measurement – Amendments for Eligible Hedged Items	*	July 1, 2009	Financial year 2010
IFRS 3 rev. – Business Combinations	*	July 1, 2009	Financial year 2010
IFRIC 17 – Distributions of Non-cash Assets to Owners	*	July 1, 2009	Financial year 2010

* There are not expected to be any significant implications for the consolidated financial statements of the EMS Group.
** The primary expectation is that there will be additional disclosures in the consolidated financial statements of the EMS Group.

Scope of consolidation

The scope of consolidation includes all companies in and outside Switzerland which are controlled – directly or indirectly – by EMS-CHEMIE HOLDING AG, holding more than 50% of the voting rights, or by contracts or other agreements (see note 30 "List of subsidiaries and minority holdings").

The equity method of accounting is applied for the associated companies, which are not directly or indirectly controlled by EMS-CHEMIE HOLDING AG (shareholding normally between 20% and 50% of voting rights).

Shares in other companies (less than 20% of voting rights) are valued at their fair value.

Method of consolidation

The financial statements of majority-owned companies are fully consolidated. Assets and liabilities, income and expenses are incorporated in full. Capital consolidation is effected using the purchase method. Intercompany transactions and relations have been eliminated in the course of consolidation. Unrealized profits from intercompany deliveries are eliminated in the income statement. All assets and liabilities of acquired companies are valued according to the accounting principles of the EMS Group at the time of acquisition. Any positive difference between the resulting fair value of shareholders' equity and the cost of acquisition is capitalized as goodwill. Results for acquired companies are included in consolidation as from the date on which control was transferred.

Upon the acquisition of minority interests in a fully consolidated company, any difference between the purchase price and the carrying amount of such minority interests at the time of acquisition is capitalized as goodwill. No fair value adjustments are recognized.

In case of disposal of companies the deconsolidation is effected through the income statement from the date control is relinquished, whereby the companies' results are included in the consolidation up to such date.

Balance sheet date

The balance sheet date of subsidiaries is December 31. The balance sheet date of EMS-CHEMIE HOLDING AG is April 30. In accordance with uniform Group accounting principles an interim closing is prepared for the holding company as of December 31.

Valuation principles

The consolidated financial statements are based on historical costs except for securities, other investments and derivative financial instruments, which are valued at fair value, as well as bonds, which are measured at amortized cost.

Intangible assets (excluding goodwill)

This item consists of acquired patents, trademarks, software and other intangible assets. Other intangible assets are measured at cost less amortization and impairments. Amortization of patents, trademarks and software is calculated using the straight-line method based on their limited useful economic lives, generally over 3 to 12 years.

Goodwill

This item consists of goodwill acquired in a business combination. Goodwill represents the difference between consideration paid and the fair value of the net assets and contingent liabilities acquired. Goodwill is subject to an annual impairment test.

Property, plant and equipment

Property, plant and equipment are shown at purchase price or manufacturing cost less depreciation and impairments. Assets are depreciated using the straight-line method over their estimated useful lives. Useful lives are estimated in terms of the asset's physical life expectancy, corporate policy on asset renewals and technological and commercial obsolescence. The value of the capitalized property, plant and equipment is periodically reviewed.
An impairment loss is recorded when the carrying amount exceeds the recoverable amount.

Repairs and maintenance are expensed as incurred. Investments in improvements or renewals of assets are capitalized if they significantly extend service life, increase capacity or provide a substantial improvement in the quality of production performance.

Depreciation periods are as follows:
– Land: normally not depreciated
– Plant under construction: normally not depreciated
– Buildings: 25 – 50 years
– Technical plant and machinery: 7 – 25 years
– Other property, plant and equipment: 5 – 15 years

Leases

There are no assets held under leasing agreements which may be considered as an asset purchase in economic terms (finance lease) in the EMS Group. Payments on leased assets defined as "operating lease" and having a rental character are expensed over the lease period.

Financial assets within non-current assets

Shares in associated companies are included using the equity method.
Other investments are classified as available-for-sale. The valuation is the same as described under "securities".

Inventories

Inventories used for production are valued at their historical purchase or production cost or at their net realizable value, whichever is lower. Inventories are valued using the "fifo" (first-in, first-out) method. Besides individual costs, the cost of production also includes a proportionate allocation of manufacturing overheads.

Accounts receivable

This item is measured on the basis of the original invoiced amount less allowances for doubtful accounts. Such allowances are formed if there are objective indications that outstanding amounts will not or only partially be collected. The allowance represents the difference between the invoiced amount and the recoverable amount.

Securities

Securities include marketable securities traded on stock exchanges and are classified as available-for-sale. Initial measurement of all security transactions is done at the date of fulfillment of the contract (settlement date accounting) at fair value including transaction costs. Subsequent measurement is done at fair value with changes recorded in equity and only transferred to the income statement at the moment of the sale or in case of an impairment. Impairment is assumed when there is a significant or prolonged decline in the fair value below its cost. According to the guidelines of the EMS Group a significant or prolonged decline exists if the fair value of securities is below its cost for a period of nine months or by more than 20%. If the decline in fair value is less than 20% or lasts less than nine months, management decides whether the loss has to be considered permanent.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank account balances and short or medium-term deposits maturing within three months. Cash and cash equivalents are valued at their nominal value. This definition is also used for the cash flow statement.

Bonds and non-current bank loans

Non-current bank loans are recognized initially at the proceeds received, net of transaction costs incurred. In subsequent periods, debenture bonds and non-current bank loans are stated at amortized cost. Convertible bonds are split into a liability component and an option component at date of issue and are shown separately in the balance sheet.
On initial recognition, the fair value of the liability component is the present value of the contractually determined stream of future cash flows discounted at the rate of interest applied at that time by the market to instruments of comparable credit status and providing substantially the same cash flows, on the terms, but without the conversion option. At date of issue the value of the option component results by deduction of the liability component from the proceeds of the bond issue. With conventional convertible bonds, the holder acquires the right to

convert into shares of the issuer. The option therefore constitutes an equity component. In the case of the convertible bond issued by the EMS Group, there is an option to convert into registered shares of Lonza Group AG. The option component is therefore treated as a debt instrument, and is measured at fair value in subsequent years and adjusted through the income statement.

Bonds and non-current bank loans are classified as current if they are due to be repaid within twelve months after the balance sheet closing date, even if an agreement has been concluded on the long-term refinancing or rescheduling of payment commitments after the balance sheet closing date but prior to the approval of the financial results for publication.

Liabilities and deferred income

This item includes current and non-current debts, valued at the amount of repayment, and deferred income.

Provisions

Provisions are set up for legal or other liabilities if these liabilities resulting from a past event and existing at balance sheet date will most probably bring about a cash outflow and if the amounts can be reliably estimated.

Employee benefits

All subsidiaries in Switzerland have their own, legally independent pension plans that are independently managed. They are financed through contributions from employers and employees. Present and former employees (or their surviving dependants) will receive benefits upon reaching the age limit and/or in the event of incapacity or death. For the purposes of the consolidated financial statements, future pension obligations are calculated on the basis of actuarial methods complying with IFRS. In the case of defined benefit obligations, the present value of the projected benefit obligation is assessed using the projected unit credit method on the basis of completed and expected years of service, the expected pay trend and the adjustment of pensions. Costs for this provision ("expense recognized in the income statement") are calculated annually and carried to the income statement. Changes in actuarial assumptions are recognized in the income statement on a straight-line basis over two years when they exceed the limit of 10% of the plan assets or 10% of the plan obligations. Employees of subsidiaries abroad are insured by governmental institutions or independent defined contribution pension plans.

Derivative financial instruments

Initial measurement of all derivative financial instruments is done at the date of transaction (trade date accounting) at fair value excluding transaction costs. Subsequent measurement is done at fair value within the balance sheet position derivative financial instruments. Changes in fair value are shown within the financial income.

Hedge accounting

For the hedging of interest rate risks no hedge accounting as defined by IAS 39 is used.
Hedge accounting as defined by IAS 39 has been used since 2008 for the hedging of currency risks. This includes the use of cash flow hedges, which hedge future transactions with a high likelihood of occurrence. At initial recognition of cash flow hedges, the effective portion of hedging instruments is recognized in equity and the ineffective portion immediately in the income statement. Gains and losses from cash flow hedges shown in equity are transferred to the income statement on the date on which the forecasted transaction affects the income statement.
The goal of hedge accounting is to match the impact of the hedged item and the hedging instrument in the income statement.

Net sales revenue

Net sales revenue includes the invoiced amounts for supplied goods and services less diminished proceeds.

Research and development costs

Research and development costs are charged to the income statement for the year in which they incur under the following headings: wages and salaries, material expenses and amortization on research and development assets. Development costs are capitalized only and insofar as it can be assumed with a high degree of probability that sufficient future income will be generated to cover the costs arising in connection with the development of the product or process.

Impairment

The carrying amounts of non-current assets not valued at fair value are reviewed at balance sheet date. If there are any indications of permanent impairment, the recoverable amount is determined. The recoverable amount corresponds to the higher of the net selling price or the value in use. In cases where the carrying amount is higher than the recoverable amount, the difference is booked in the income statement.

For the impairment test the corporate assets are collected at the lowest level, for which cash flows can identified separately (cash-generating units). For estimating the value in use, the future cash flows are discounted to the present value with a discount rate before taxes which includes the current market expectations, the time value of money and the specific risks of the assets.

Fair values

The carrying amounts for securities and financial assets stated at fair value are calculated at stock-exchange prices applicable on the balance sheet date. Values for derivative financial instruments are based on replacement values or recognized valuation models such as option price models (Black-Scholes). If there is no separate disclosure in the notes to the consolidated financial statements of the EMS Group, the fair values are considered to be in line with the carrying amounts at the balance sheet date.

Foreign currencies

The financial statements of the individual Group companies are presented in the currency of the primary economic environment in which the respective company operates (functional currency). The consolidated financial statements are prepared in Swiss francs, the Group's reporting currency.

Financial statements in foreign currencies are translated as follows: current assets, non-current assets and liabilities at year-end exchange rates. All items in the income statement and the net income are translated using the average exchange rate for the year. These exchange rate differences are carried to equity without affecting net income (translation adjustment).

In case of disposal of a subsidiary abroad, the translation difference, accumulated during the period when the subsidiary was a consolidated company, is added to profit (or loss) from sale of this company.

The foreign currency positions in the financial statements of the consolidated companies are translated as follows: Foreign currency transactions are translated at the exchange rate of the transaction day. At year-end the balances of foreign currencies are translated at the exchange rate prevailing at year-end. The differences are recognized in the income statement (transaction gains and losses).

The most important exchange rates are:

			Average exchange rates		Year-end exchange rates	
		Unit	2008	2007	2008	2007
Euro	EUR	1	1.586	1.643	1.490	1.655
US Dollar	USD	1	1.082	1.200	1.055	1.125
Japanese Yen	JPY	100	1.050	1.019	1.170	1.004
Chinese Renminbi	CNY	100	15.58	15.77	15.47	15.40
Taiwan Dollar	TWD	100	3.428	3.651	3.216	3.466

Income taxes

Provisions for deferred income taxes are recognized to reflect the tax impact on differences in the valuation of assets and liabilities for Group consolidation purposes and for local taxation purposes. These provisions are continuously adjusted to take account of any changes to local fiscal law. Provisions for deferred taxation are set up using the balance sheet liability method, under which deferred tax assets or liabilities are set up for all temporary differences between the tax values and the values entered in the consolidated financial statements. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Earnings per share

Earnings per share are based on the consolidated net income attributable to the shareholders of EMS-CHEMIE HOLDING AG, which is divided by the weighted average number of shares issued. The diluted earnings per share figure additionally includes all the shares that could potentially be issued following the exercising of option or conversion rights, for instance.

Segment reporting

Segment reports are presented primarily by business area and secondarily by geographical region. The segmentation is prepared to the level of EBIT.
A splitting of financial income and expenses and of taxes is not useful because those functions are executed on Group level.

Financial risk management

General

Risk management constitutes an integral part of planning and reporting activities at the EMS Group. At Senior Management and Business Unit level, risks are identified annually as part of medium-term planning procedure and preparation of the budget for the following year. They are then weighted according to the risk level and probability of its occurrence. In the course of planning discussions, the CEO and CFO report to the Board of Directors on the magnitude of these risks and the implementation status of the measures taken to counter them. The policy for the risk management remains unchanged from the previous year.

The EMS Group is exposed to various financial risks arising from its business activities such as credit risks, liquidity risks and market risks. The financial risks are reported monthly to the Board of Directors. The specific financial risks are described below.

Credit risks

Credit risks arise from the possibility that the counterparty to a transaction may be unable or unwilling to meet their obligations. Fixed-term deposits and derivative financial instruments are only entered into with counterparties that have a high credit standing. Trade receivables are subject to a policy of active risk management focusing on the assessment of country risk, credit availability, ongoing evaluation of credit standing and account monitoring procedures. There are no significant concentrations within counterparty credit risks. Within trade receivables, this is due to the EMS Group's large number of customers and their wide geographical spread, which has been permanently verified. Country risk limits and exposures are continuously monitored. The exposure of other financial assets to credit risk is controlled by setting a policy for limiting credit exposure to high-quality counterparties, ongoing reviews of credit ratings, and limiting individual aggregate credit exposure accordingly. There are no collateral or similar contracts.

Liquidity risks

Liquidity risk is the risk that the EMS Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The cash flows and liquidity requirements of the EMS Group are supervised by central treasury. The goal is to have the liquidity required for day-to-day operations available at all times.

Market risks

Interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Currency risks

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The EMS Group operates internationally and is exposed to exchange-rate risk. The EMS Group uses partly derivative financial instruments in the usual course of business to cover the risks. The EMS Group's treasury unit conducts the trade by order of Senior Management or Head of Business Unit, monitors exposure and prepares the relevant reports, which are submitted monthly to Senior Management and the Board of Directors. The liquidity required for day-to-day operations must be available at all times.

Other price risks: securities risks

Among "other price risks" are securities risks. Available-for-sale securities and the option component of convertible bonds can be influenced by changes in fair values.

Available-for-sale securities are held for fund management purposes. The risk of loss in value is reduced by reviews prior to investing and continuous monitoring of the performance of investments and changes in their risk profile.

Capital management

The capital managed by the EMS Group consists of the consolidated equity including minority interests. The EMS Group has set the following goals for the management of its capital:
- maintaining a healthy and sound balance sheet structure based on continuing values;
- ensuring the necessary financial resources to be able to make investments and acquisitions;
- achieving a return for shareholders that is appropriate to the risk;
- distribution of financial resources not required for operational business to the shareholders.

Capital is monitored on the basis of the equity ratio, which is calculated as being equity (including minority interests) as a percentage of total assets. The balance sheet equity ratio is 58.1 % as at December 31, 2008 (December 31, 2007: 56.1 %).

Treasury shares are bought and sold on the basis of active management. The EMS Group does not have any financial covenants with minimal capital requirements.

There were no changes in the EMS Group's approach to capital management in the reporting period.

Significant estimates and assumptions made by management

Impairment of non-current assets

To ascertain whether impairment has occurred, estimates are made of the expected future cash flows arising from the use and possible disposal of such assets. Significant assumptions are made in relation to such calculations, including sales figures, margins and discounting rates. It is also possible for useful lives to be reduced, the intended use of property, plant and equipment to change, production sites to be relocated or closed, and production plants to generate lower-than-expected sales in the medium term. The carrying amounts for property, plant and equipment and intangible assets are shown in note 8.

Provisions for litigation risks and other provisions

In the course of their ordinary business operations, Group companies may be involved in legal proceedings. Provisions for litigation risks and other provisions are measured using available information on the basis of the realistically expected net cash outflow, if considered necessary. Other provisions primarily cover warranty claims arising from the sale of goods or services. Future reporting periods may therefore be affected by changes in the estimates of expected or actual cash outflows. The carrying amounts for provisions are shown in note 20.

Securities

The EMS Group has classified this item as available-for-sale, which means that fluctuations in the fair value are recognized in equity until the date of sale, provided there is no lasting impairment. The assessment as to whether impairment has occurred depends on the duration and extent of the decline based on clear criteria. However, it also requires that management makes estimates with regard to future economic developments. The fair value of securities is shown in the balance sheet.

Employee benefits

The EMS Group operates various retirement plans on behalf of its employees. In the case of defined benefit plans, statistical assumptions are made in order to estimate future developments. When parameters alter due to changes in the economic situation or different market conditions, subsequent results may differ significantly from the actuarial opinions and calculations. The carrying amounts of reported employee retirement assets and liabilities are shown in notes 8 and 19.

Taxes

Measurement of current direct and indirect tax liabilities is subject to interpretation of the tax legislation in the countries concerned. The accuracy of tax declarations and appropriateness of liabilities are judged in the context of final assessments or inspections by the tax authorities. Furthermore, the judgment as to whether tax-loss carry forwards can be capitalized requires critical assessment of their usability in terms of netting with future profits, which are dependent on numerous imponderables.

Segment Information

Breakdown by business area (Primary segment)

(CHF '000)

	Net sales revenue: Net sales with other segments		Net sales revenue: Net sales with third parties		Net sales revenue: Total net sales		Depreciation, amortization and impairment in intangible assets and property, plant and equipment [1]		Net operating income (EBIT)	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
PERFORMANCE POLYMERS	131	311	1 392 269	1 427 888	1 392 400	1 428 199	49 502	45 097	201 438	243 382
FINE CHEMICALS / ENGINEERING	0	0	111 678	124 505	111 678	124 505	8 696	8 254	18 119	26 780
Subtotal segments	131	311	1 503 947	1 552 393	1 504 078	1 552 704	58 198	53 351	219 557	270 162
– Internal net sales	(131)	(311)			(131)	(311)				
Total EMS Group	0	0	1 503 947	1 552 393	1 503 947	1 552 393	58 198	53 351	219 557	270 162

For a description of the business areas see pages 4 – 6 ("General Information on the Financial Year").

	Segment assets [2]		Segment liabilities [3]		Investments in intangible assets and property, plant and equipment		Income from equity-valuation of associated companies		Investments in associated companies	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
PERFORMANCE POLYMERS	957 792	1 058 582	298 808	389 524	51 816	57 489	427	4 548	14 836	16 934
FINE CHEMICALS / ENGINEERING	122 801	116 691	73 668	96 972	11 896	14 377	0	0	0	0
Subtotal segments	1 080 593	1 175 273	372 476	486 496	63 712	71 866	427	4 548	14 836	16 934
Non-segment assets / liabilities	598 834	1 101 791	331 649	513 916						
Total EMS Group	1 679 427	2 277 064	704 125	1 000 412	63 712	71 866	427	4 548	14 836	16 934

Breakdown by geographical region (Secondary segment)

(CHF '000)

	Total net sales revenue (customers)		Total net sales revenue (production)		Net operating income (EBIT)		Segment assets [2]		Investments in intangible assets and property, plant and equipment	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Switzerland	76 146	76 758	813 397	908 282	174 130	194 796	650 817	706 031	32 944	44 144
European Union (EU)	892 223	959 214	377 212	372 748	28 301	43 075	185 552	221 058	13 947	21 167
North America	174 796	134 813	126 028	78 967	(7 148)	4 632	96 541	127 503	1 913	1 650
Asia	300 248	314 270	187 310	192 396	24 274	27 659	147 683	120 681	14 908	4 905
Others	60 534	67 338	0	0	0	0	0	0	0	0
Subtotal segments	1 503 947	1 552 393	1 503 947	1 552 393	219 557	270 162	1 080 593	1 175 273	63 712	71 866
Non-segment assets							598 834	1 101 791		
Total EMS Group	1 503 947	1 552 393	1 503 947	1 552 393	219 557	270 162	1 679 427	2 277 064	63 712	71 866

Invoicing and cost attribution between segments are subject to the same conditions as with third parties.

[1] See note 8.
[2] Segmented assets: Assets without cash and cash equivalents, securities, fixed deposits in other current and non-current financial assets and investments in associated companies.
[3] Segmented liabilities: Liabilities without current and non-current bank loans, bonds and option component of convertible bonds.

Consolidated Income Statement

Notes		2008 (CHF '000)	2007 (CHF '000)
1	Capitalized costs and other operating income		
	Capitalized costs	10 543	14 200
	Other operating income	45 478	38 060
	Income from liquidation of fully consolidated companies	0	26
	Total capitalized costs and other operating income	56 021	52 286
2	Personnel expenses		
	Wages and salaries	172 905	175 578
	Subcontractor salaries	5 348	8 644
	Expenses for defined benefit plans	8 413	12 116
	Legal / contractual social insurance	29 586	25 234
	Total personnel expenses	216 252	221 572
	Employee benefits		
	The following figures give an overview of the Swiss pension plans:		
	Present value of funded obligations	(404 442)	(453 718)
	Fair value of plan assets	377 919	437 196
	Recognized liability for defined benefit obligations	(26 523)	(16 522)
	Liability for long-service leave	0	0
	Cash-settled share-based payment liability	0	0
	Total employee benefits	(26 523)	(16 522)
	Unrecognizable amount	(12 760)	(15 403)
	Actuarial losses, not accounted for	52 537	43 969
	Total recognized net assets in the Group balance sheet for independent defined benefit plans	13 254	12 044

There are no unfunded obligations.
The Group makes contributions to a contributory defined benefit plan that provides pensions for employees upon retirement, disability and death. The plan entitles a retired employee to receive an annual payment equal to 6.8 % (2007: 6.8 %) of the retirement assets. Disability and death pensions are defined as fixed ratios of the salary insured.

Notes	2008 (CHF '000)	2007 (CHF '000)
The balance sheet shows the following:		
Surplus recognized in financial assets as pension assets (see note 8)	17 993	17 004
Deficit recognized in other non-current liabilities as liabilities from employee benefits (see note 19)	(4 739)	(4 960)
Total recognized net assets in the Group balance sheet	13 254	12 044
Plan assets consist of the following:		
Loans to the employer	4 279	7 096
Liquid assets	238 284	45 683
Real estate	21 180	21 180
Bonds	75 022	153 477
Other equities	39 154	209 760
Total plan assets	377 919	437 196
Movement in the liability for defined benefit obligations		
Liability for defined benefit obligations at 1.1.	453 718	448 396
Benefits paid by the plan	(16 893)	(14 001)
Current service costs and interest (see below)	32 226	27 589
Net curtailments	899	0
Settlements	(11 191)	(6 365)
Actuarial (gains) / losses (see next page)	(54 317)	(1 901)
Liability for defined benefit obligations at 31.12.	404 442	453 718
Movement in plan assets		
Fair value of plan assets at 1.1.	437 196	423 887
Contributions paid into the plan	17 307	17 857
Benefits paid by the plan	(16 893)	(14 001)
Expected return on plan assets	17 488	16 956
Settlements	(11 191)	(6 365)
Actuarial gains / (losses) (see next page)	(65 988)	(1 138)
Fair value of plan assets at 31.12.	377 919	437 196
Expense recognized in the income statement		
Current service costs	17 939	16 632
Interest on obligation	14 287	10 957
Expected return on plan assets	(17 488)	(16 956)
Recognized actuarial gains and losses (see next page)	3 103	3 299
Effect of curtailments	899	0
Effect of the limit in paragraph 58(b)	(2 643)	5 111
Employees' contributions	(7 684)	(6 927)
ERIS (Expense Recognized in the Income Statement)	8 413	12 116
The expense is recognized in personnel expenses.		

Notes		2008 (CHF '000)	2007 (CHF '000)
	Change of recognized net assets		
	At 1.1.	12 044	13 230
	ERIS (Expense Recognized in the Income Statement)	(8 413)	(12 116)
	Employer's contribution	9 623	10 930
	At 31.12.	13 254	12 044
	Actual return on plan assets	(39 054)	10 150
	Not recognized actuarial gains and losses		
	Cumulative amount at 1.1.	43 969	48 031
	Actuarial gains and losses of the period	11 671	(763)
	Amortization during the period	(3 103)	(3 299)
	Cumulative amount at 31.12.	52 537	43 969
	Actuarial assumptions		
	Actuarial assumptions at the reporting date (expressed as weighted averages):		
	Discount rate at 31.12.	3.5%	2.5%
	Expected return on plan assets at 1.1.	4.0%	4.0%
	Future salary increases	1.5%	1.5%
	Future pension increases	0.5%	0.5%

The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based on historical returns, without adjustments. In Switzerland health care costs are not paid to employees.

Historical information	2008	2007	2006	2005
Present value of the defined benefit obligation	404 442	453 718	448 396	429 733
Fair value of plan assets	(377 919)	(437 196)	(423 887)	(402 356)
Deficit in the plan	26 523	16 522	24 509	27 377
Experience gains / (losses) arising on plan liabilities	(16 177)	1 901	(5 381)	0
Experience gains / (losses) arising on plan assets	(65 988)	(1 138)	(87)	41 437

The Group expects to pay KCHF 8 015 (2008: KCHF 8 786) in contributions to defined benefit plans in 2009.

Notes		2008 (CHF '000)	2007 (CHF '000)
3	**Other operating expenses**		
	Rents	12 139	9 299
	Repairs and maintenance	21 182	22 762
	Insurance, duties, fees	8 007	7 945
	Energy	30 821	27 583
	Administration, promotion	31 138	29 089
	Losses on disposal of property, plant and equipment, net	5 474	1 680
	Other operating expenses	15 133	22 775
	Total other operating expenses	123 894	121 133
4	**Research and development**		
	Expenditures for research and development amount to	48 155	53 432
	In percent of net sales revenue	3.2%	3.4%

Notes		2008 (CHF '000)	2007 (CHF '000)
5	Financial income		
	Interest income from related parties	361	360
	Other interest income	11 496	19 051
	Interest income on loans and receivables	7	7
	Interest income on held-to-maturity investments	571	1 175
	Total interest income	12 435	20 593
	Dividends on available-for-sale securities	2 868	5 848
	Income from sale of available-for-sale securities, net	10 616	87 844
	Fair value adjustments on derivative financial instruments, net	34 647	0
	Income from conversion of bonds	5 980	16 619
	Income from repurchase of own bonds	1 330	0
	Income from liquidation of other participations	0	42
	Total financial income	67 876	130 946
6	Financial expenses		
	Interest expenses to associated companies	75	74
	Other interest expenses	1 247	974
	Interest expenses on financial liabilities measured at amortized cost	11 492	23 244
	Total interest expenses	12 814	24 292
	Foreign exchange losses, net	16 500	1 843
	Fair value adjustments on derivative financial instruments, net	0	35 152
	Impairment on available-for-sale securities	0	8 163
	Bank charges and commissions	1 478	2 348
	Total financial expenses	30 792	71 798
7	Income taxes		
	Current income taxes	34 497	73 709
	Deferred income taxes	7 361	(33 605)
	Total income taxes	41 858	40 104

The ultimate holding company is incorporated in Switzerland. The subsidiaries operate in different countries with different tax laws and tax rates. The effective income tax expenses differed from the expected income tax expenses as follows:

Breakdown of the income tax expenses	2008 (CHF '000)	2007 (CHF '000)
Net income before income taxes	257 068	333 858
Expected income tax rate	21.0%	23.2%
Expected income taxes	54 083	77 560
Use of tax losses carried forward not capitalized	(1 122)	(138)
Change in deferred tax assets not having been set up	(2 764)	3 421
Tax exemption / Expenses not being deductible for tax purposes	(1 294)	(6 726)
Taxes from previous years and tax holidays	(7 031)	187
Impact of changed deferred income tax rates	(172)	(34 179)
Other	158	(21)
Effective income taxes	41 858	40 104
Effective income tax rate	16.3%	12.0%

Notes	2008 (CHF '000)		2007 (CHF '000)	

Deferred income taxes:
Change in recognized assets / liabilities

	Deferred income tax assets	Deferred income tax liabilities	Deferred income tax assets	Deferred income tax liabilities
At 1.1.	12403	105029	3898	128531
Increase via income statement	45	8498	8747	2063
Decrease via income statement	(3808)	(4900)	(97)	(27018)
Income taxes recognized directly in equity	0	(8132)	0	1836
Translation differences	(246)	(829)	(145)	(383)
At 31.12.	8394	99666	12403	105029

Note to the deferred income tax liabilities

	2008	2007
Calculation according to the "balance sheet liability method":		
Deferred income taxes on non-current assets	76670	86115
Deferred income taxes on current assets	20683	15328
Deferred income taxes on liabilities	2313	3586
Total deferred income tax liabilities	99666	105029

Deferred income taxes on non-current assets affect mainly property, plant and equipment, on current assets inventories.

Tax loss carryforwards

	Tax loss carryforwards	Tax effect	Tax loss carryforwards	Tax effect
Total tax loss carryforwards not considered in the balance sheet	41519	12011	29870	10788
Of which to be carried forward for up to:				
1 year	0	0	0	0
2 years	0	0	0	0
3 years	0	0	0	0
4 years	159	33	0	0
5 years	10136	2128	2	1
More than 5 years	31224	9850	29868	10787

Consolidated Balance Sheet as at December 31

Notes

8 Intangible assets, property, plant and equipment, financial assets

I. Intangible assets

(CHF '000)	Goodwill	Patents, trade-marks	Others	Total
At 1.1.2007				
Cost	0	13 183	15 881	29 064
Accumulated amortization and impairment	0	(11 199)	(11 243)	(22 442)
Net book value	0	1 984	4 638	6 622
2007				
At 1.1.	0	1 984	4 638	6 622
Change in scope of consolidation	20 245	0	10 861	31 106
Additions	0	68	1 087	1 155
Disposals	0	0	(29)	(29)
Amortization	0	(944)	(2 283)	(3 227)
Reclassifications	0	0	296	296
Translation differences	(2 262)	25	(647)	(2 884)
At 31.12.	17 983	1 133	13 923	33 039
Cost	17 983	13 297	26 026	57 306
Accumulated amortization and impairment	0	(12 164)	(12 103)	(24 267)
Net book value	17 983	1 133	13 923	33 039
2008				
At 1.1.	17 983	1 133	13 923	33 039
Additions	3 161	49	570	3 780
Disposals	0	0	(72)	(72)
Amortization	0	(938)	(5 001)	(5 939)
Reclassifications	0	5	651	656
Translation differences	(422)	(50)	(700)	(1 172)
At 31.12.	20 722	199	9 371	30 292
Cost	20 722	4 088	24 645	49 455
Accumulated amortization and impairment	0	(3 889)	(15 274)	(19 163)
Net book value	20 722	199	9 371	30 292

The other intangible assets mainly contain customer related intangibles and capitalized software usage rights.
The addition in goowill results from the buyout of the minorities at Changchun EFTEC Chemicals Products Ltd. as at January 1, 2008 (see note 16) and concerns the segment "Performance Polymers".

Impairment test for goodwill:

The cash generating unit for the impairment test of the total goodwill of KCHF 20 722 (2007: KCHF 17 983) is the Business Unit EMS-EFTEC (segment "Performance Polymers"). Its recoverability is tested yearly on the basis of future cash flows. The recoverable amount calculated by impairment testing is based on the value in use.

The following assumptions form the basis:
– The cash flows for the first three years were determined on the basis of medium-term plans.
– The cash flows of the following years were calculated with an annual growth rate of 1%.
– The discount rate before taxes is 12%.

The projections are based on knowledge and experience and also on judgements made by management as to the probable economic development of the relevant markets.

Impairment testing as of the closing date confirmed the recoverability of goodwill.

Notes

II. Property, plant and equipment

(CHF '000)	Land incl. development cost	Buildings	Technical plant, machinery, R&D plants	Furniture, EDP equipment, vehicles	Plant under construction and payments in advance	Total
At 1.1.2007						
Cost	18282	270582	755424	56006	36745	1137039
Accumulated depreciation and impairment	(1373)	(150951)	(463040)	(35862)	(437)	(651663)
Net book value	16909	119631	292384	20144	36308	485376
2007						
At 1.1.	16909	119631	292384	20144	36308	485376
Change in scope of consolidation	1020	1575	16350	413	1487	20845
Additions	1407	1276	5086	1852	61090	70711
Disposals	(59)	(298)	(1339)	(600)	(151)	(2447)
Depreciation	(46)	(7547)	(34126)	(4405)	0	(46124)
Impairment	0	0	(4000)	0	0	(4000)
Reclassifications	(72)	10596	25975	2445	(39240)	(296)
Translation differences	(90)	(728)	(2406)	42	517	(2665)
At 31.12.	19069	124505	297924	19891	60011	521400
Cost	20456	293374	802688	60787	60011	1237316
Accumulated depreciation and impairment	(1387)	(168869)	(504764)	(40896)	0	(715916)
Net book value	19069	124505	297924	19891	60011	521400
2008						
At 1.1.	19069	124505	297924	19891	60011	521400
Additions	67	607	3133	1976	57310	63093
Disposals	(352)	(3541)	(1403)	(422)	(6)	(5724)
Depreciation	(66)	(8684)	(32447)	(4415)	0	(45612)
Impairment	0	0	(6288)	(143)	(216)	(6647)
Reclassifications	803	22994	48044	2875	(75482)	(766)
Translation differences	(798)	(4264)	(3844)	(1131)	(79)	(10116)
At 31.12.	18723	131617	305119	18631	41538	515628
Cost	20156	300628	844057	60398	41538	1266777
Accumulated depreciation and impairment	(1433)	(169011)	(538938)	(41767)	0	(751149)
Net book value	18723	131617	305119	18631	41538	515628

Fire insurance value is KCHF 1474586 (2007: KCHF 1462231).
Property, plant and equipment are insured at replacement values.

Due to the yearly systematic review and check of usability of manufacturing line, the following impairments were booked:

Year	**Amount**	**Segment**
2008:	KCHF 6647	Performance Polymers
2007:	KCHF 4000	Performance Polymers

Notes

III. Financial assets

(CHF '000)	Investments in associated companies	Other investments	Other non-current financial assets: Pension assets IAS 19	Other non-current financial assets: Other non-current financial assets	Total
At 1.1.2007					
Cost / Fair value	29 405	244	18 499	80 418	98 917
Accumulated depreciation / amortization and impairment	0	0	0	(28 852)	(28 852)
Net book value	29 405	244	18 499	51 566	70 065
2007					
At 1.1.	29 405	244	18 499	51 566	70 065
Change in scope of consolidation	2 602	0	0	43	43
Additions / Increase	2 587	0	0	2 206	2 206
Disposals / Decrease	(13)	(61)	(1 495)	(90)	(1 585)
Reclassifications	(17 067)	0	0	(49 758)	(49 758)
Translation differences	(580)	(1)	0	(11)	(11)
At 31.12.	16 934	182	17 004	3 956	20 960
Cost / Fair value	16 934	182	17 004	4 626	21 630
Accumulated depreciation / amortization and impairment	0	0	0	(670)	(670)
Net book value	16 934	182	17 004	3 956	20 960
2008					
At 1.1.	16 934	182	17 004	3 956	20 960
Additions / Increase	0	1	989	30	1 019
Disposals / Decrease	(1 851)	0	0	(3 252)	(3 252)
Translation differences	(247)	0	0	29	29
At 31.12.	14 836	183	17 993	763	18 756
Cost / Fair value	14 836	183	17 993	812	18 805
Accumulated depreciation / amortization and impairment	0	0	0	(49)	(49)
Net book value	14 836	183	17 993	763	18 756

In connection with the purchase of 70% of EFTEC America, the existing 30%-investment of EFTEC America of KCHF 17 067 was reclassified from investments in associated companies to investments in fully consolidated companies at November 20, 2007 (see note 24). The other non-current financial assets mainly contain loans to third parties. In 2007, fixed deposits were reclassified to other receivables due to their maturity (below twelve months) (see note 11).

Notes		2008 (CHF '000)	2007 (CHF '000)
9	Inventories		
	Raw materials and supplies	85 664	84 161
	Semi-finished goods, work in progress	8 027	6 507
	Finished products	176 750	208 573
	Value adjustments	(27 777)	(27 914)
	Advance payments on goods	62	5 043
	Total inventories	242 726	276 370
10	Trade accounts receivable		
	Trade accounts receivable from associated companies	0	133
	Trade accounts receivable from third parties	178 730	263 624
	Allowances for doubtful accounts	(7 988)	(7 789)
	Total trade accounts receivable	170 742	255 968
	Allowances for doubtful accounts are determined on the basis of historical losses and recognizable individual risks.		
	Due dates of trade accounts receivable		
	Not due	148 313	235 201
	Overdue <30 days	23 788	23 538
	Overdue 30 to 90 days	4 091	4 155
	Overdue >90 days	2 538	863
	Total	178 730	263 757
	The movement of the allowances for doubtful accounts on trade accounts receivable is as follows:		
	At 1.1.	7 789	7 433
	Increase / Decrease	689	489
	Translation differences	(490)	(133)
	At 31.12.	7 988	7 789
11	Other receivables		
	Receivables from associated companies	91	22
	Other receivables	36 327	34 895
	Other current financial assets	0	50 000
	Prepayments and accrued income	13 100	9 293
	Total other receivables	49 518	94 210
	In the previous year the other current financial assets consisted of fixed-term deposits between three and twelve months.		

Notes				2008 (CHF '000)	2007 (CHF '000)
12	Derivative financial instruments				
	The following summary shows the most important derivative financial instruments:				
	Financial instruments at fair value classified through profit or loss				
	Currency SWAPS and forward rate agreements	EUR/CHF	Notional amount CHF	39070	216855
			Positive replacement value CHF	214	466
			Negative replacement value CHF	955	1309
		JPY/CHF	Notional amount CHF	530	123340
			Positive replacement value CHF	3	245
			Negative replacement value CHF	0	3847
		USD/CHF	Notional amount CHF	38790	0
			Positive replacement value CHF	702	0
			Negative replacement value CHF	171	0
		CZK/CHF	Notional amount CHF	4680	13455
			Positive replacement value CHF	0	859
			Negative replacement value CHF	136	0
		GBP/EUR	Notional amount CHF	7583	19263
			Positive replacement value CHF	0	29
			Negative replacement value CHF	47	710
	Currency options	EUR/CHF	Notional amount CHF	30270	33080
			Positive replacement value CHF	40	23
			Negative replacement value CHF	295	214
	Equity options	CHF	Notional amount CHF	0	140625
			Positive replacement value CHF	0	7750
			Negative replacement value CHF	0	0
	Total		Notional amount CHF	120923	546618
			Positive replacement value CHF	959	9372
			Negative replacement value CHF	1604	6080
	Thereof: Current portion		Positive replacement value CHF	959	9000
			Negative replacement value CHF	1604	5578
	Non-current portion		Positive replacement value CHF	0	372
			Negative replacement value CHF	0	502

Notes				2008 (CHF '000)	2007 (CHF '000)
	Financial instruments effective for hedge accounting purposes				
	Currency SWAPS and forward rate agreements	EUR/CHF	Notional amount CHF	296 590	0
			Positive replacement value CHF	15 820	0
			Negative replacement value CHF	0	0
		JPY/CHF	Notional amount CHF	155 979	0
			Positive replacement value CHF	16 353	0
			Negative replacement value CHF	1 455	0
		USD/CHF	Notional amount CHF	89 833	0
			Positive replacement value CHF	5 644	0
			Negative replacement value CHF	0	0
	Currency options	JPY/CHF	Notional amount CHF	21 200	0
			Positive replacement value CHF	2 196	0
			Negative replacement value CHF	0	0
	Total		Notional amount CHF	563 602	0
			Positive replacement value CHF	40 013	0
			Negative replacement value CHF	1 455	0
	Thereof: Current portion		Positive replacement value CHF	32 230	0
			Negative replacement value CHF	1 455	0
	Non-current portion		Positive replacement value CHF	7 783	0
			Negative replacement value CHF	0	0

Derivative financial instruments were mostly effected for hedging purposes. Currency SWAPS, forward rate agreements and currency option contracts are used for the hedging of foreign currencies.
Equity options served to hedge the market risks inherent in securities and of bonds.
The replacement value is understood as beeing the fair value of derivative financial instruments. Positive replacement values are the values that are lost if the counterparty cannot deliver (maximum default risk). This risk is considered to be minimal, as the counterparties are first-rate financial institutions.
Any derivatives are reported at fair value.

Notes		2008 (CHF '000)	2007 (CHF '000)
13	Cash and cash equivalents		
	Deposits	446 488	712 496
	Cash and cash equivalents	1 412	1 243
	Total cash and cash equivalents	447 900	713 739

Notes	2008 (CHF '000)	2007 (CHF '000)

14 Share capital

	Par value	Number of issued registered shares	Number of treasury shares	Number of shares entitled to dividend	Share capital (CHF '000)
At 31.12.2006	CHF 0.01	25 052 870	2 334 506	22 718 364	251
Purchase of treasury shares		–	395 062	(395 062)	–
Sale of treasury shares		–	(100 655)	100 655	–
Converted treasury shares (see note 17)		–	(1 601 697)	1 601 697	–
At 31.12.2007	CHF 0.01	25 052 870	1 027 216	24 025 654	251
Purchase of treasury shares		–	132 114	(132 114)	–
Sale of treasury shares		–	(9 023)	9 023	–
Repurchase of registered shares via put options		–	1 663 842	(1 663 842)	–
Redemption of share capital		(1 663 842)	(1 663 842)	–	(17)
Converted treasury shares (see note 17)		–	(135 190)	135 190	–
At 31.12.2008	CHF 0.01	23 389 028	1 015 117	22 373 911	234

15 Changes in fair value in equity: available-for-sale securities

	2008	2007
At 1.1.	114 657	147 099
Transfer into consolidated income statement	(31 168)	(74 543)
Fair value adjustments	(53 635)	43 937
Income taxes recognized directly in equity due to fair value adjustments	8 132	(1 836)
Total changes in fair value: available-for-sale securities	(76 671)	(32 442)
At 31.12.	37 986	114 657

16 Minority interests

This item reflects the minority interests in capital and profit / loss for the year. Minorities own significant shares in EMS-UBE Ltd., EFTEC Asia Pte. Ltd., Shanghai EFTEC Chemical Products Ltd., Wuhu EFTEC Chemical Products Ltd. (from August 31, 2008), Changchun EFTEC Chemical Products Ltd. (until January 1, 2008) and EFTEC Europe Holding AG (until November 20, 2007). The change in minority interests is as follows:

	2008	2007
At 1.1.	17 064	47 828
Founding with minority interests	423	0
Buyout of minority interests (see note 24)	(2 847)	(38 901)
Dividends paid	(3 565)	(2 457)
Net income	3 407	10 419
Translation differences	726	175
At 31.12.	15 208	17 064

Notes		2008 (CHF '000)	2007 (CHF '000)
17	Bonds		
	Current bonds: EMS-CHEMIE HOLDING AG: 2% convertible bond 2002 – 25.7.2008 EMS-CHEMIE HOLDING AG: 4% debenture bond 2002 – 29.7.2008	 – –	 93 644 201 871
	Total current bonds	–	295 515
	Non-current bond: EMS-INTERNATIONAL FINANCE (Guernsey) Ltd.: 2.5% convertible bond 2002 – 23.4.2010	 154 209	 162 815
	Total non-current bond	154 209	162 815
	The option component of the convertible bonds is separately stated in the balance sheet. The bonds are stated less converted shares or shares repurchased via the stock exchange. The discount rate for the convertible bonds is 4.00%. The bonds contain standard covenants. The convertible bonds offer standard anti-dilution protection.		
	Details to the bonds issued: 2% convertible bond 2002 – 25.7.2008 (originally nominal CHF 300 million)		
	Each bond of CHF 5 000 could be converted at any time during the conversion period (25.7.2002 – 15.7.2008) either into 39.52569 registered shares of Lonza Group AG or into 39.38869 registered shares of EMS-CHEMIE HOLDING AG (choice lies with bond holder) [conversion price per Lonza share: CHF 126.50; conversion price per EMS share: CHF 126.94]. The issuer had the right to settle the obligation in cash instead of delivering registered shares of Lonza Group AG or registered shares of EMS-CHEMIE HOLDING AG. In spite of the possibility of conversion into EMS shares the total option component was regarded as a liability. In 2008, 2% convertible bonds with a nominal value of CHF 17 million (2007: CHF 205 million) were converted into treasury shares (see note 14) and convertible bonds with a nominal value of CHF 77 million (2007: –) into Lonza shares. The non-converted bonds of CHF 1 million were repaid at 25.7.2008.		
	The net present value is as follows: Present value issued bond Present value repurchased bond	 – –	 93 644 0
	At 31.12.	–	93 644
	Fair value at 31.12.	–	121 496

Notes		2008 (CHF '000)	2007 (CHF '000)
	4% debenture bond 2002 – 29.7.2008 (originally nominal CHF 300 million)		
	The outstanding debenture bond of CHF 202 million was repaid at 29.7.2008.		
	The net present value is as follows:		
	Present value issued bond	–	201 871
	Present value repurchased bond	–	0
	At 31.12.	–	201 871
	Fair value at 31.12.	–	202 949
	2.5% convertible bond 2002 – 23.4.2010 (nominal CHF 350 million)		
	Each bond of CHF 5 000 can be converted at any time during the conversion period (23.4.2002 – 13.4.2010) into 40 registered shares of Lonza Group AG (conversion price per Lonza share: CHF 125).		
	The net present value is as follows:		
	Present value issued bond	343 428	338 633
	Present value repurchased bond	(189 219)	(175 818)
	At 31.12.	154 209	162 815
	Fair value at 31.12.	160 303	196 046
18	Bank loans		
	The non-current bank loans are composed as follows:		
	CHF: Average interest rate: 1.90% (2007: –)	150 000	0
	Total non-current bank loans	150 000	0
	The carrying amounts of non-current bank loans correspond to their fair values, as the bank loans were closed in December 2008.		
	The current bank loans are composed as follows:		
	JPY: Average interest rate: 1.21% (2007: 1.49%)	15 269	1 004
	CNY: Average interest rate: 5.58% (2007: 7.29%)	1 238	1 232
	USD: Average interest rate: – (2007: 5.12%)	0	792
	CHF: Average interest rate: – (2007: 7.27%)	0	74
	Total current bank loans	16 507	3 102
	The carrying amounts of current bank loans correspond to their fair values, as the interest rates are variable.		
19	Other non-current liabilities		
	Other non-current liabilities	3 921	739
	Liabilities from employee benefits IAS 19	8 431	9 703
	Total other non-current liabilities	12 352	10 442
	Liabilities from employee benefits IAS 19 include KCHF 4 739 (2007: KCHF 4 960) liabilities from Swiss pensions plans (see note 2).		

Notes	2008 (CHF '000)	2007 (CHF '000)

20 Provisions

(CHF '000)	Pension liabilities	Provisions for restructuring costs	Provisions for litigation risks	Other provisions	Total
At 1.1.2008	1422	4371	68108	12362	86263
Increase via income statement	246	7165	327	181	7919
Decrease via income statement	0	0	(25953)	(199)	(26152)
Amounts used	(125)	(1765)	(32)	(347)	(2269)
Translation differences	(96)	(172)	(22)	(103)	(393)
At 31.12.2008	1447	9599	42428	11894	65368
Of which: Current portion of provisions	0	9599	0	0	9599
Non-current portion of provisions	1447	0	42428	11894	55769

Pension liabilities mainly contain provisions for payments to governmental institutions or independent defined contribution pension plans of subsidiaries abroad. Within the provisions for litigation risks, the risk arising from litigation processes is adequately covered as at the time of preparation of the financial statements (see note 28). The decrease in 2008 is due to an expired warranty period and a change in the estimation of litigation risk. Warranty provisions are mainly included within other provisions.

21 Other current liabilities

	2008	2007
Advances from customers	3645	5393
Prepaid expenses and deferred income	46525	66448
Other current liabilities to related parties	22	0
Other current liabilities to associated companies	2428	2064
Liabilities to social security institutions	6125	9094
Other current liabilities	28408	27194
Total other current liabilities	87153	110193

22 Liabilities, net / (net cash position)

	2008	2007
Bonds (see note 17)	154209	458330
Option component of convertible bonds	10933	52484
Pension liabilities (see note 20)	1447	1422
Bank loans (see note 18)	166507	3102
Other current liabilities to related parties (see note 21)	22	0
Interest-bearing liabilities	333118	515338
less		
Other current financial assets (see note 11)	0	50000
Receivables from associated companies (see note 11)	91	22
Securities	136098	321118
Deposits (see note 13)	446488	712496
Interest-bearing liabilities, net / (cash, net)	(249559)	(568298)
less		
Cash and cash equivalents (see note 13)	1412	1243
Liabilities, net / (net cash position)	(250971)	(569541)

Consolidated Cash Flow Statement

Notes		2008 (CHF '000)	2007 (CHF '000)
23	Depreciation, amortization and impairment of intangible assets, property, plant and equipment and financial assets		
	Amortization intangible assets	5 939	3 227
	Depreciation property, plant and equipment	45 612	46 124
	Impairment property, plant and equipment	6 647	4 000
	Subtotal depreciation, amortization and impairment of intangible assets and property, plant and equipment	58 198	53 351
	Impairment on available-for-sale securities	0	8 163
	Total depreciation, amortization and impairment of intangible assets, property, plant and equipment and financial assets	58 198	61 514
	For the breakdown of the depreciation, amortization and impairment of intangible assets and property, plant and equipment please refer to note 8 and to the segment reporting.		
24	Purchase / disposal of fully consolidated companies		
	Cash outflow from purchase of fully consolidated companies and minority interests		
	Buyout of minority interests at Changchun EFTEC Chemical Products Ltd.		
	On January 1, 2008, the participation of 60 % was increased to 80 %. The purchase price was KCHF 2 642. At the same time it was agreed by contract that the participation will be increased to 100 % on January 1, 2011. The purchase price was discounted to the actual value for the calculation of goodwill (see note 8). Total goodwill amounts to KCHF 3 161.		

Notes	2008 (CHF '000)	2007 (CHF '000)

Acquisition of EFTEC

On November 20, 2007, EMS Group acquired the automotive supplier EFTEC worldwide. Previously, EMS Group owned 30% of EFTEC America, 70% of EFTEC Europe and 60% of EFTEC Asia. EMS Group will control the worldwide EFTEC business and for this purpose is acquiring the shares held by the H. B. Fuller Company, namely 70% of EFTEC America, 30% of EFTEC Europe and 20% of EFTEC Asia.

From November 20, 2007 to December 31, 2007, the acquired business of EFTEC America contributed net sales revenue of CHF 6.2 million and a net loss of CHF 1.8 million to the EMS Group. If the acquisition had occurred on January 1, 2007, Group net sales revenue would have been CHF 76.1 million higher, while net income attributable to shareholders of EMS-CHEMIE HOLDING AG would have been CHF 4.3 million lower. These amounts have been calculated using the Group's accounting policies.

EFTEC Europe and EFTEC Asia are already included in the scope of consolidation as fully consolidated companies with minority interests. On November 20, 2007, above mentioned minority interests were bought.

Net assets acquired and goodwill are shown as follows:

	2008 (CHF '000)	2007 (CHF '000)
Purchase price in cash and cash equivalents		94 400
Direct costs relating to the acquisition		1 183
Total purchase price		95 583
Amount of assets acquired		(75 338)
Goodwill		20 245

The goodwill included expected synergies from the acquisition and the employees.

Notes

The acquisition of EFTEC America has been accounted for using the purchase method. The following amounts of assets and liabilities acquired have been included in the consolidated financial statements:

(CHF '000)	Assets and liabilities included at acquisition date in consolidated financial statements	Adjustment through purchase price allocation	Assets and liabilities immediately before the combination
Intangible assets	10861	10857	4
Property, plant and equipment	20845	8673	12172
Other non-currents assets	2645	1950	695
Inventories	9312	(1080)	10392
Trade accounts receivable	4586	(527)	5113
Other receivables	8871	0	8871
Cash and cash equivalents	9971	0	9971
Non-current liabilities	(1816)	(1797)	(19)
Trade accounts payable	(4368)	0	(4368)
Other current liabilities	(7403)	(120)	(7283)
Fair value of assets acquired of EFTEC America	53504	17956	35548
Existing investment in EFTEC America (see note 8)	(17067)		
Carrying amount of minority interests in EFTEC Europe and EFTEC Asia (see note 16)	38901		
Amount of assets acquired	75338		
Goodwill	20245		
Total cost of the business combination	95583		

Purchase price paid	95583
Cash and cash equivalents of subsidiary acquired	(9971)
Cash outflow from purchase of fully consolidated companies and minority interests	85612

Cash inflow from liquidation of fully consolidated companies

On December 28, 2007, DINOL Holding AB and DINOL AB were liquidated. The liquidation generated cash and cash equivalents of KCHF 26.

Notes		2008 (CHF '000)	2007 (CHF '000)
25	Contingent liabilities		
	Contingent liabilities at the end of the year amount to	24 208	22 182
	This mainly relates to issued guarantees. No legal proceedings are known to be in progress within the EMS Group which could have a significant impact on the Group's financial position in excess of the provisions booked in the balance sheet (see note 20).		
26	Earnings per share – EPS		
	Earnings per share are calculated by dividing the net income attributable to the shareholders of EMS-CHEMIE HOLDING AG by the weighted average number of shares outstanding (excluding treasury shares). Diluted earnings per share factor in any potential dilution which may be caused by the exercising of warrant and conversion rights on outstanding bond issues.		
	Details of earnings per share:		
	Basic earnings per share		
	Weighted average of registered shares outstanding	22 887 970	23 335 901
	Net income, attributable to the shareholders of EMS-CHEMIE HOLDING AG	211 803	283 335
	Basic earnings per share (CHF)	9.25	12.14
	Diluted earnings per share		
	Weighted average of registered shares outstanding (basic)	–	23 335 901
	Adjustment for assumed conversion of 2% convertible bond, 2002 – 25. 7. 2008	–	738 378
	Weighted average of registered shares outstanding at assumed conversion of 2% convertible bond (diluted)	–	24 074 279
	Net income, attributable to the shareholders of EMS-CHEMIE HOLDING AG (basic)	–	283 335
	Elimination of interest expenses relating to 2% convertible bond, 2002 – 25. 7. 2008	–	3 905
	Elimination other expenses relating to 2% convertible bond, 2002 – 25. 7. 2008	–	4 456
	Minus tax effect	–	(655)
	Net income, attributable to the shareholders of EMS-CHEMIE HOLDING AG (diluted)	–	291 041
	Diluted earnings per share (CHF)	9.25	12.09
	A dilution is a reduction in earnings per share resulting from the assumption that convertible instruments are converted. In 2008 there was no further dilution as the 2% convertible bond was redeemed on 25. 7. 2008.		

Notes		2008 (CHF '000)	2007 (CHF '000)
27	**Significant shareholders**		
	EMESTA HOLDING AG, Zug, 12 091 291 registered shares (2007: 13 195 356 registered shares) Amount of holding	51.70%	52.67%
	Miriam Blocher, 2 079 000 registered shares (2007: 1 969 000 registered shares) Amount of holding	8.89%	7.86%
	No other representation of significant shareholders is known to the Board of Directors.		

28 **Transactions with related parties**

EMESTA HOLDING AG, Zug (majority shareholder), the pension funds, members of the Board of Directors and members of the Senior Management as well as the close members of their families and associated companies are regarded as related parties. For financial key figures of the significant associated company, see note 32.

The members of the Board of Directors or Senior Management as well as the close members of their families did not receive any credits, advances or other types of loans. No related party transactions took place with them.

The bonuses included in the reporting year consist of the bonuses estimated in the reporting year. The definitive bonuses for the reporting year are announced after the publication of this financial report and are presented in the annual report 2008 / 2009 in the annual accounts of EMS-CHEMIE HOLDING AG.

Breakdown of the total compensation	2008	2007
Short-term employee benefits to the members of the Board of Directors and Senior Management	2 917	4 453
Share-based payment	0	0
Termination benefits	0	0
Post-employment benefits	0	0
Other long-term employee benefits	0	9
Total compensation	2 917	4 462

The detailed disclosures of compensation as per Swiss law can be found in the financial statements of EMS-CHEMIE HOLDING AG.

Existing shareholdings, conversion rights and options in EMS-CHEMIE HOLDING AG of the members of the Board of Directors and members of the Senior Management as well as their related parties are as follows:

Board of Directors	Number of shares	
Dr U. Berg, Chairman	1 500	1 500
M. Martullo, Vice-Chairman and CEO *	558 805	558 805
E. Appel, Member	1 200	1 200
Dr H. J. Frei, Member	1 720	1 720
Dr W. Prätorius, Member	0	0
A. Reich, Member (until August 9, 2008)	–	0
Total Board of Directors	563 225	563 225

Notes		2008 (CHF '000)	2007 (CHF '000)
	Senior Management	Number of shares	
	M. Martullo, Vice-Chairman and CEO *	shown under "Board of Directors"	
	P. Germann, CFO	0	0
	R. Fintschin, Member	750	750
	Total Senior Management	750	750

* Excluding EMESTA HOLDING AG, in which Ms M. Martullo holds a 49.9% stake (see note 27).

Neither the members of the Board of Directors and the Senior Management nor their related parties have any conversion rights or options in EMS-CHEMIE HOLDING AG.

In connection with the sale of Atisholz to EMESTA HOLDING AG in 2001, EMS-CHEMIE HOLDING AG issued a guarantee for warranties. This guarantee was CHF 19 million at December 31, 2008 (2007: CHF 19 million). There was no claim in 2008 (2007: CHF 3 million).

29 Subsequent events

The consolidated financial statements were approved by the Board of Directors on March 31, 2009 and need to be approved by the General Meeting on August 8, 2009. Between December 31, 2008 and March 31, 2009 there were no further subsequent events requiring an adjustment of the book values of Group assets and liabilities or needing to be published here.

Notes

30 List of subsidiaries and minority holdings (at 31.12.2008)

Name	Domicile	Country
EMS-CHEMIE HOLDING AG	Domat/Ems	Switzerland
EMS-INTERNATIONAL FINANCE (Guernsey) Ltd.	Guernsey	Guernsey
EMS-FINANCE (Guernsey) Ltd.	Guernsey	Guernsey
EMS-MANAGEMENT SERVICES (Guernsey) Ltd.	Guernsey	Guernsey
EMS-PATENT AG	Domat/Ems	Switzerland
BUSINESS AREA PERFORMANCE POLYMERS		
EMS-CHEMIE AG	Domat/Ems	Switzerland
EMS-CHEMIE (France) S.A.	Boulogne	France
EMS-CHEMIE (UK) Ltd.	Stafford	UK
EMS-CHEMIE (Japan) Ltd.	Tokyo	Japan
EMS-UBE Ltd.	Ube	Japan
EMS-CHEMIE (Italia) S.r.l.	Milano	Italy
EMS-CHEMIE (Deutschland) GmbH	Gross-Umstadt	Germany
EMS-CHEMIE (Taiwan) Ltd.	Hsin Chu Hsien	Taiwan (R.O.C.)
EMS-CHEMIE (China) Ltd.	Shanghai	China (People's Rep.)
EMS-CHEMIE (Suzhou) Ltd.	Suzhou	China (People's Rep.)
EMS-GRILON HOLDING Inc.	Wilmington, DE	USA
EMS-CHEMIE (North America) Inc.	Sumter, SC	USA
EFTEC Europe Holding AG	Zug	Switzerland
EFTEC AG	Romanshorn	Switzerland
EFTEC Sàrl	Montataire Cedex	France
EFTEC Engineering GmbH	Markdorf	Germany
EFTEC Ltd.	Rhigos	UK
EFTEC NV	Genk	Belgium
EFTEC S.A.	Zaragoza	Spain
EFTEC Asia Pte. Ltd.	Singapore	Singapore
EFTEC (Thailand) Co. Ltd.	Rayong	Thailand
EFTEC Shroff (India) Ltd.	Mumbai	India
EFTEC (China) Ltd.	Hong Kong	China (People's Rep.)
Shanghai EFTEC Chemical Products Ltd.	Shanghai	China (People's Rep.)
Changchun EFTEC Chemical Products Ltd.	Changchun	China (People's Rep.)
Wuhu EFTEC Chemical Products Ltd.	Wuhu	China (People's Rep.)
D PLAST – EFTEC a.s.	Zlín	Czech Republic
EMS-TOGO Corp.	Taylor, MI	USA
EFTEC North America, L.L.C.	Troy, MI	USA
EFTEC Latin America S.A.	Panama City	Panama
EFTEC Brasil Ltda.	Sorocaba	Brazil
EFTEC Aftermarket GmbH	Lügde	Germany
BUSINESS AREA FINE CHEMICALS / ENGINEERING		
EMS-PRIMID *		
EMS-PATVAG AG	Domat/Ems	Switzerland
EMS-PATVAG s.r.o.	Brankovice	Czech Republic
EMS-METERING AG	Domat/Ems	Switzerland
Swiss Gas Metering AG	Domat/Ems	Switzerland

Category: P = Production V = Trade, sale D = Financing, various

Consolidation: K = Fully consolidated E = Equity valuation

Currency	Share capital (in '000)	Holding Group	Holding direct	Category	Consolidation
CHF	234			D	K
CHF	60	100.00%	100.00%	D	K
CHF	1	100.00%	100.00%	D	K
CHF	1	100.00%	100.00%	D	K
CHF	100	100.00%	100.00%	D	K
CHF	100	100.00%	100.00%	P,V	K
EUR	1 951	100.00%	100.00%	V	K
GBP	1 530	100.00%	100.00%	V	K
JPY	210 000	100.00%	100.00%	V	K
JPY	1 500 000	66.67%	66.67%	P,V	K
EUR	1 300	100.00%	100.00%	V	K
EUR	2 556	100.00%	100.00%	P,V	K
TWD	281 000	100.00%	100.00%	P,V	K
CNY	5 000	100.00%	100.00%	V	K
CNY	98 693	100.00%	100.00%	P	K
USD	2 420	100.00%	95.87%	D	K
USD	11 285	100.00%	100.00%	P,V	K
CHF	8 000	100.00%	70.00%	D	K
CHF	2 500	100.00%	100.00%	P,V	K
EUR	8	100.00%	100.00%	V	K
EUR	25	100.00%	100.00%	P,V	K
GBP	352	100.00%	100.00%	P,V	K
EUR	1 240	100.00%	100.00%	P,V	K
EUR	944	100.00%	100.00%	P,V	K
USD	3 518	80.00%	80.00%	D,V	K
THB	49 500	80.00%	100.00%	P,V	K
INR	15 000	39.20%	49.00%	P,V	E
USD	3 700	80.00%	100.00%	D	K
CNY	20 750	48.00%	60.00%	P,V	K
CNY	27 500	80.00%	100.00%	P,V	K
CNY	6 650	48.00%	60.00%	D	K
CZK	47 569	50.00%	50.00%	P,V	E
USD	750	100.00%	100.00%	D	K
USD	38 222	100.00%	100.00%	P,V	K
USD	0	100.00%	88.50%	D	K
USD	286	100.00%	100.00%	P	K
EUR	1 023	100.00%	100.00%	P,V	K
CHF	100	100.00%	100.00%	P,V	K
CZK	30 000	100.00%	100.00%	P,V	K
CHF	100	100.00%	100.00%	D	K
CHF	100	100.00%	100.00%	P, V	K

* EMS-PRIMID is a reporting unit within EMS-CHEMIE AG

Notes	2008 (CHF '000)	2007 (CHF '000)

31 Change in scope of consolidation

Fully consolidated:

Addition:

EFTEC (China) Ltd.: This company was founded on January 1, 2008.

Changchun EFTEC Chemical Products Ltd.: On January 1, 2008, the participation of 60% was increased to 80%. At the same time it was agreed by contract that the participation will be increased to 100% on January 1, 2011.

Wuhu EFTEC Chemial Products Ltd.: This company was founded on August 31, 2008.

Swiss Gas Metering AG: This company was founded on December 3, 2008.

Disposal:

Autotek Sealants Inc.: This company was merged with EFTEC North America, L.L.C. on November 20, 2008.

EFTEC Engineering AB: This company was liquidated on October 2, 2008.

32 Significant associated company

D PLAST-EFTEC a.s.		
Domicile		Zlín, Czech Republic
Percentage held		50.00%
Financial year		January 1, 2008 – December 31, 2008
Category		Production, Sale
Currency		CZK
Net sales revenue	KCHF	46 068
Net income	KCHF	7 419
Assets	KCHF	27 954
Equity	KCHF	21 685
Liabilities	KCHF	6 269

33 Risk management

Credit risks	2008	2007
Overview of financial assets		
Other non-current financial assets (see note 8)	763	3 956
Trade accounts receivable (see note 10)	170 742	255 968
Receivables from associated companies (see note 11)	91	22
Other current financial assets (see note 11)	0	50 000
Derivative financial instruments (see note 12)	40 972	9 372
Cash and cash equivalents (see note 13)	447 900	713 739
Total financial assets	660 468	1 033 057

The maximum credit risk is equal to the carrying amount of the respective assets.
There are no collateralized financial assets. For the analysis of due dates and allowances for doubtful accounts on trade accounts receivable, see note 10.

Liquidity risks

The maturity date of financial liabilities is as follows:

At 31. 12. 2008 (CHF '000)	Carrying amount	Contractual Cash flows	<1 year	Maturity date 1 – 5 years	>5 years
Non-derivative financial liabilities:					
Bonds (see note 17)	154 209	165 018	3 929	161 089	0
Current bank loans (see note 18)	16 507	16 507	16 507	0	0
Non-current bank loans (see note 18)	150 000	159 600	2 850	156 750	0
Trade accounts payable	70 842	70 842	70 842	0	0
Advances from customers (see note 21)	3 645	3 645	3 645	0	0
Other current liabilities to related parties (see note 21)	22	22	22	0	0
Other current liabilities to associated companies (see note 21)	2 428	2 428	2 428	0	0
Derivative financial liabilities:					
Option component of convertible bonds	10 933	0	0	0	0
Derivative financial instruments (see note 12)	3 059	3 059	3 059	0	0
Total financial liabilities	411 645	421 121	103 282	317 839	0

At 31. 12. 2007 (CHF '000)	Carrying amount	Contractual Cash flows	<1 year	Maturity date 1 – 5 years	>5 years
Non-derivative financial liabilities:					
Bonds (see note 17)	458 330	487 576	310 882	176 694	0
Current bank loans (see note 18)	3 102	3 102	3 102	0	0
Trade accounts payable	116 959	116 959	116 959	0	0
Advances from customers (see note 21)	5 393	5 393	5 393	0	0
Other current liabilities to associated companies (see note 21)	2 064	2 064	2 064	0	0
Derivative financial liabilities:					
Option component of convertible bonds	52 484	0	0	0	0
Derivative financial instruments (see note 12)	6 080	6 080	5 578	502	0
Total financial liabilities	644 412	621 174	443 978	177 196	0

Notes

Market risks

Interest rate risks

Sensitivity analysis of interest rate risks

The bonds and the non-current bank loans have a fixed interest rate. The valuation of the bonds is at amortized costs. There are no derivative financial instruments on interest rates used. An increase / (decrease) in the interest rate of 100 basis points in the case of the deposits and the current bank loans would increase / (decrease) net income after taxes by CHF 3.1 million (2007: CHF 5.4 million). This sensitivity analysis assumes that all other assumptions, e.g. currency rates, remain constant. The sensitivity analysis was performed on the same basis as for the previous year.

Currency risks

Overview currency exposure, net (in KCHF)

At 31.12.2008	CHF	EUR	USD	JPY	TWD	Other currencies
Trade accounts receivable (see note 10)	33074	56499	17069	28941	10897	24262
Loans to group companies	31679	43000	79592	4680	0	4355
Derivative financial instruments (see note 12)	0	0	0	177709	0	4680
Trade accounts payable	(24093)	(11883)	(8216)	(20501)	(2309)	(3840)
Loans from group companies	0	(2906)	(693)	0	0	(687)
Current bank loans (see note 18)	0	0	0	(15269)	0	(1238)
Non-current bank loans (see note 18)	(150000)	0	0	0	0	0
Derivative financial instruments (see note 12)	0	(365930)	(128623)	0	0	(7583)
Currency exposure, net	(109340)	(281220)	(40871)	175560	8588	19949

At 31.12.2007	CHF	EUR	USD	JPY	TWD	Other currencies
Trade accounts receivable (see note 10)	69387	85555	29226	25710	22262	23828
Loans to group companies	21145	48477	18000	4016	0	5388
Derivative financial instruments (see note 12)	0	0	0	123340	0	13455
Trade accounts payable	(52940)	(24850)	(7371)	(18273)	(5071)	(8454)
Loans from group companies	(47934)	0	(739)	0	0	0
Current bank loans (see note 18)	(74)	0	(792)	(1004)	0	(1232)
Derivative financial instruments (see note 12)	0	(249935)	0	0	0	(19263)
Currency exposure, net	(10416)	(140753)	38324	133789	17191	13722

Notes	2008	2007

Sensitivity analysis of currency risks

A 10% increase / (decrease) in the Swiss franc (CHF) against all other currencies would decrease / (increase) net income after taxes by CHF 7.9 million (2007: CHF 3.6 million). Per currency: EUR: CHF – 3.7 million (2007: CHF +13.9 million), USD: CHF – 1.0 million (2007: CHF – 5.1 million), JPY: CHF – 0.3 million (2007: CHF – 9.3 million), other currencies: CHF – 2.9 million (2007: CHF – 3.1 million).
A 10% increase / (decrease) in the Swiss franc (CHF) against all other currencies would increase / (decrease) equity after taxes by CHF 11.9 million. Per currency: EUR: CHF +22.3 million, USD: CHF +0.7 million, JPY: CHF – 8.2 million, other currencies: CHF – 2.9 million (2007: As there was no use of hedge accounting pursuant to IAS 39, no hedges were booked directly to equity in the previous year.).
This sensitivity analysis was performed at the balance sheet date and assumes that all other assumptions, e.g. interest rates, remain constant. The sensitivity analysis was performed on the same basis as for the previous year.

Other price risks: Securities risks

The "securities" item in the balance sheet comprises the following countries:	2008	2007
Switzerland	99%	72%
Euroland	0%	18%
Great Britain	0%	7%
USA	1%	3%
Total	100%	100%
There is no significant correlation to a share index.		

Sensitivity analysis of securities risks

A 10% increase in the fair value of available-for-sale securities (mainly Lonza securities), underlyings of stock options and option component of convertible bonds would increase equity after taxes by CHF 13.6 million (2007: CHF 30.8 million), while the net income after taxes would be CHF 19.4 million (2007: CHF 15.5 million) lower.
A 10% decrease in the fair value of available-for-sale securities, underlyings of stock options and option component of convertible bonds would decrease equity after taxes by CHF 13.6 million (2007: CHF 30.8 million), while net income after taxes would be CHF 19.1 million (2007: CHF 11.2 million) higher.
The sensitivity analysis was performed on the same basis as for the previous year.

34 Information about the risk assessment process

Risk management constitutes an integral component of planning and reporting activities at EMS. At Senior Management and Business Unit level, risks are identified annually as part of the medium-term planning procedure and preparation of the budget for the following year. They are then weighted according to the gravity of the risk and probability of its occurrence. The identification and assessment of changes in risk play an important part in this process. Measures are defined to reduce significant risks. In the course of planning discussions, the CEO and CFO report to the Board of Directors on the magnitude of these risks and the implementation status of the measures taken to counter them.

Report of the Statutory Auditor on the Consolidated Financial Statements

Report of the Statutory Auditor on the Consolidated Financial Statements to the Annual General Meeting of EMS-CHEMIE HOLDING AG, Domat / Ems

As Statutory Auditor, we have audited the consolidated financial statements of EMS-CHEMIE HOLDING AG, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes (pages 18 to 57) for the year ended December 31, 2008.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law, Swiss Auditing Standards and the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended December 31, 2008 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Financial Reporting Standards (IFRS) and comply with Swiss law.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Zurich, March 31, 2009

KPMG AG

Hanspeter Stocker Licensed audit expert Auditor in charge	Georg Mosimann Licensed audit expert

Annual Accounts
EMS-CHEMIE HOLDING AG

for the Financial Year May 1, 2008 – April 30, 2009

EMS-CHEMIE HOLDING AG
Domat/Ems Switzerland

Income Statement May 1, 2008 to April 30, 2009

	Notes	2008 / 2009 (CHF '000)	2007 / 2008 (CHF '000)
INCOME			
License fees from group companies		35 449	64 391
Financial income			
Interest income		6 153	9 372
Foreign exchange differences, net	1	8 870	0
Income from disposal of group companies		0	471
Dividends on group companies		156 410	281 633
Income from financial assets		31 022	35 734
Other income		164	15 623
Total income		238 068	407 224

	Notes	2008 / 2009 (CHF '000)	2007 / 2008 (CHF '000)
EXPENSES			
Operating expenses to group companies		20 672	26 550
Financial expenses			
Expenses from financial assets		38 234	36 795
Interest expenses		11 064	12 632
Foreign exchange differences, net	1	0	4 795
Loss from disposal of group companies		0	5 140
Bank charges, duties, fees		1 045	1 859
Administration expenses		1 520	1 420
Depreciation		0	19
Expenses arising from guarantees	2	0	3 084
Total expenses		72 535	92 294
Net income before taxes		165 533	314 930
Taxes		1 110	5 754
Net income		164 423	309 176

Balance Sheet as at April 30, 2009

	Notes	30.4.2009 (CHF '000)	30.4.2008 (CHF '000)
Non-current assets		374 436	370 846
Investments in group companies	3	291 107	291 007
Loans to group companies		83 329	79 839
Current assets		288 623	745 639
Prepayments and accrued income		10 398	1 556
Accounts receivable from third parties		631	3 010
Accounts receivable from group companies		42 461	37 718
Current financial assets	4	90 832	545 553
Cash and cash equivalents		144 301	157 802
TOTAL ASSETS		663 059	1 116 485

Shareholders' equity	5	394 037	691 336
Share capital	6/7	234	251
Legal reserves		47	50
Reserves for treasury shares	4	130 403	416 560
Other reserves		10 000	10 000
Retained earnings	8	253 353	264 475
Liabilities		269 022	425 149
Non-current liabilities		164 169	14 169
Bank loans		150 000	0
Provisions		14 169	14 169
Current liabilities		104 853	410 980
Loans from group companies		79 630	0
Bank loans		0	3 220
Bonds	9	0	282 965
Accruals and deferred income		8 010	12 395
Accounts payable to third parties		1 997	36 524
Accounts payable to group companies		15 216	75 876
TOTAL EQUITY AND LIABILITIES		663 059	1 116 485
Balance sheet equity ratio		59.4%	61.9%

Notes to the Financial Statements 2008/2009

Accounting principles

General

The financial statements of EMS-CHEMIE HOLDING AG have been prepared in accordance with the historical cost convention and with the provisions of Swiss law. Assets, liabilities and shareholders' equity are valued at the lower of cost or market and the principle of prudence is applied.
The financial year differs from the calendar year (closing date: April 30, 2009).
Companies in which EMS-CHEMIE HOLDING AG's shareholding is in excess of 50% (voting rights) are designated as group companies.

Foreign currency translation

Revenue and expenditure in foreign currencies are translated into Swiss francs for the income statement at the average rates for the month in which they arose.
Financial assets and current assets are translated at the year-end rate, as are current liabilities.

Current assets

Appropriate value adjustments have been effected for balances subject to risk.
Current financial assets are shown at the lower of cost or market value, derivative financial instruments at market value.

Non-current assets

Non-current assets are shown at purchase value or at face value less any value adjustments required, as the case may be.

Liabilities

Non-current liabilities are shown at their redemption value.

Income Statement 2008/2009

Notes		2008/2009 (CHF '000)	2007/2008 (CHF '000)
1	Foreign exchange differences, net		
	Foreign exchange gains	24 652	7 465
	Foreign exchange losses	15 782	12 260
	Foreign exchange differences, net	8 870	(4 795)

2 Expenses arising from guarantees
In connection with the sale of Atisholz to EMESTA HOLDING AG in 2001, EMS-CHEMIE HOLDING AG issued a guarantee for warranties.
This guarantee stood at KCHF 18 916 as of April 30, 2009 (April 30, 2008: KCHF 18 916). There was no claim in 2008/2009 (2007/2008: KCHF 3 084).

Balance Sheet as at April 30, 2009

3 Investments in group companies
Details of the investments as at December 31, 2008 can be seen in note 30, "List of subsidiaries and minority holdings", in the consolidated financial statements of the EMS Group. In the period to April 30, 2009, there were no changes in investments.

		2008/2009	2007/2008
4	Current financial assets		
	Securities	2 517	143 786
	Treasury shares	88 315	401 767
	Current financial assets	90 832	545 553

Details to treasury shares:	Number of registered shares	
At 1.5.	2 580 393	2 336 224
Purchases	129 710	395 280
Disposals	(4 056)	(105 622)
Conversion	(27 088)	(1 709 331)
Repurchase of registered shares	0	1 663 842
Redemption of share capital	(1 663 842)	0
At 30.4.	1 015 117	2 580 393

During the reporting year, 129 710 treasury shares were purchased at an average market price of CHF 133.21 and 4 056 treasury shares were sold at an average market price of CHF 132.80 (2007/2008: Purchase of 395 280 treasury shares at an average market price of CHF 164.72, sale of 105 622 treasury shares at an average market price of CHF 166.78).
Shares were traded on the stock exchange.
Of the 2% convertible bond 2002 – 25.7.2008, convertible bonds with a nominal value of KCHF 3 440 (2007/2008: KCHF 219 015) were converted into 27 088 (2007/2008: 1 709 331) treasury shares (see note 9).
From the repurchase of registered shares by virtue of put options, 1 663 842 registered shares were canceled on November 3, 2008.

Notes		2008 / 2009 (CHF '000)	2007 / 2008 (CHF '000)
5	Shareholders' equity		
	At 1.5.	691 336	576 640
	Dividends paid	(162 231)	(194 480)
	Redemption of share capital	(299 491)	0
	Net income (see note 8)	164 423	309 176
	At 30.4.	394 037	691 336

6 Share capital

	Par value	Number of issued registered shares	Number of treasury shares	Number of shares entitled to dividend	Share capital (CHF '000)
At 30.4.2007	CHF 0.01	25 052 870	2 336 224	22 716 646	251
Change in treasury shares		–	244 169	(244 169)	–
At 30.4.2008	CHF 0.01	25 052 870	2 580 393	22 472 477	251
Change in treasury shares		–	98 566	(98 566)	–
Redemption of share capital		(1 663 842)	(1 663 842)	–	(17)
At 30.4.2009	CHF 0.01	23 389 028	1 015 117	22 373 911	234

Notes		2008 / 2009 (CHF '000)	2007 / 2008 (CHF '000)
7	Significant shareholders		
	EMESTA HOLDING AG, Zug, 12 091 291 registered shares (2007/2008: 12 004 390 registered shares)		
	Amount of holding	51.70 %	47.92 %
	Miriam Blocher, 2 079 000 registered shares (2007/2008: 1 969 000 registered shares)		
	Amount of holding	8.89 %	7.86 %
	No other representation of significant shareholders is known to the Board of Directors.		
8	Retained earnings		
	Balance brought forward	264 475	298 178
	Dividends paid	(162 231)	(194 480)
	Reclassification reserves for treasury shares	(13 314)	(148 399)
	Net income	164 423	309 176
	Retained earnings	253 353	264 475
9	Bonds		
	2% convertible bond 2002 – 25.7.2008	–	80 925
	4% debenture bond 2002 – 29.7.2008	–	202 040
	Bonds	–	282 965

Details of the bonds can be seen in note 17, "Bonds", in the consolidated financial statements of the EMS Group. Convertible bonds with a nominal value of KCHF 3 440 (2007/2008: KCHF 219 015) were converted into treasury shares (see note 4) and convertible bonds with a nominal value of KCHF 76 460 (2007/2008: –) into Lonza shares. At 25.7.2008 the convertible bond and at 29.7.2008 the debenture bond were repaid.

Notes			2008 / 2009 (CHF '000)	2007 / 2008 (CHF '000)
10	Contingent liabilities			
	Guarantees (maximum liability)		569 942	577 911

To secure the convertible bond in the amount of CHF 350 million issued by EMS-INTERNATIONAL FINANCE (Guernsey) Ltd. in April 2002, EMS-CHEMIE HOLDING AG granted a guarantee in the amount of CHF 367.5 million.

11 Compensation and shareholdings
The following compensation was paid in the reporting year:

Board of Directors	Function	Compensation 2008 / 2009	Compensation 2007 / 2008
Dr U. Berg	Chairman (from August 13, 2007)	191	79
D. Klug	Chairman (until August 12, 2007)	–	140
M. Martullo	Vice-Chairman and CEO	715	1 111
E. Appel	Member	105	137
Dr H. J. Frei	Member	257 *	387 *
Dr W. Prätorius	Member	105	137
A. Reich	Member (until August 9, 2008)	195	453
Total Board of Directors		1 568	2 444

* Double function as Member of the Board of Directors and Chairman of the Foundation Board of the Pension Fund for the EMS Group. Compensation as Member of the Board of Directors: KCHF 105 (2007/2008: KCHF 137).

	2008 / 2009	2007 / 2008
Senior Management		
Total compensation paid to the Senior Management was	1 842	2 646

The highest compensation for a member of the Senior Management in the reporting year was KCHF 715 (2007/2008: KCHF 1 111) and was paid to M. Martullo, Vice-Chairman of the Board of Directors and CEO.

	2008 / 2009	2007 / 2008
Total compensation paid to the Board of Directors and Senior Management was	2 695	3 979

The compensation is paid exclusively in cash. EMS has no stock option program. For further information on the method of determining compensation, refer to the Corporate Governance section, part 5: Compensation, shareholdings and loans.

Advisory board
There is no advisory board.

No compensation was paid to former members of the Board of Directors or Senior Management. Furthermore, all compensation for current or former members of the Board of Directors, Senior Management and related parties was paid on an arm's length basis. The current as well as former members of the Board of Directors, Senior Management and related parties did not receive any loans or credits.

Notes	2008 / 2009 (CHF '000)	2007 / 2008 (CHF '000)

Existing shareholdings, conversion rights and options in EMS-CHEMIE HOLDING AG held by members of the Board of Directors, members of the Senior Management and related parties were as follows:

Board of Directors	Function	Number of registered shares	
Dr U. Berg	Chairman	1 500	1 500
M. Martullo	Vice-Chairman and CEO *	558 805	558 805
E. Appel	Member	1 200	1 200
Dr H. J. Frei	Member	1 720	1 720
Dr W. Prätorius	Member	0	0
A. Reich	Member (until August 9, 2008)	–	0
Total Board of Directors		563 225	563 225

Senior Management	Function		
M. Martullo	Vice-Chairman and CEO *	shown under "Board of Directors"	
P. Germann	CFO	0	0
R. Fintschin	Member	750	750
Total Senior Management		750	750

* Excluding EMESTA HOLDING AG, in which Ms M. Martullo holds a 49.9% stake (see note 7).

The members of the Board of Directors, Senior Management and related parties did not hold any conversion rights or options in EMS-CHEMIE HOLDING AG.

12 Information about the risk assessment process

Risk management constitutes an integral component of planning and reporting activities at EMS. At Senior Management and Business Unit level, risks are identified annually as part of the medium-term planning procedure and preparation of the budget for the following year. They are then weighted according to the gravity of the risk and probability of its occurrence. The identification and assessment of changes in risk play an important part in this process. Measures are defined to reduce significant risks. In the course of planning discussions, the CEO and CFO report to to the Board of Directors on the magnitude of these risks and the implementation status of the measures taken to counter them.

Proposal of the Board of Directors for the appropriation of retained earnings

	2008 / 2009 (CHF)	2007 / 2008 (CHF)
Retained earnings		
Net income	164 423 101.20	309 175 756.21
Reclassification reserves for treasury shares	(13 314 413.47)	(148 398 970.53)
Balance brought forward	102 244 020.72	103 698 027.29
Total retained earnings	253 352 708.45	264 474 812.97
Appropriation		
Payment of an ordinary dividend of CHF 5.00 (previous year CHF 6.00) gross and	(111 869 555.00)	(134 259 966.00)
a special dividend of CHF 0.00 (previous year CHF 1.25) gross	0.00	(27 970 826.25)
per registered share entitled to dividend		
Balance to be carried forward	141 483 153.45	102 244 020.72

Report of the Statutory Auditor on the Financial Statements

Report of the Statutory Auditor on the Financial Statements to the Annual General Meeting of EMS-CHEMIE HOLDING AG, Domat / Ems

As statutory auditor, we have audited the financial statements of EMS-CHEMIE HOLDING AG, which comprise the income statement, balance sheet and notes (pages 60 to 67) for the year ended April 30, 2009.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended April 30, 2009 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Zurich, May 25, 2009

KPMG AG

Hanspeter Stocker	Georg Mosimann
Licensed audit expert	Licensed audit expert
Auditor in charge	

Addresses of EMS Companies, Switzerland

EMS-CHEMIE HOLDING AG
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 81 632 61 11
Fax +41 81 632 74 01
www.ems-group.com
info@ems-group.com

EMS-CHEMIE HOLDING AG
Fuederholzstrasse 34
CH-8704 Herrliberg
Phone +41 44 915 70 00
Fax +41 44 915 70 02
www.ems-group.com
info@ems-group.com

EMS-CHEMIE AG
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 81 632 61 11
Fax +41 81 632 74 01
www.ems-group.com
welcome@emschem.com

EMS-CHEMIE AG
Fuederholzstrasse 34
CH-8704 Herrliberg
Phone +41 44 915 70 00
Fax +41 44 915 70 02
www.ems-group.com
info@ems-group.com

EMS-CHEMIE AG
Kugelgasse 22
CH-8708 Männedorf
Phone +41 44 921 00 00
Fax +41 44 921 00 01
www.ems-group.com
info@ems-group.com

EMS-CHEMIE AG
Business Unit
EMS-GRIVORY Europe
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 81 632 78 88
Fax +41 81 632 76 65
www.emsgrivory.com
welcome@emsgrivory.com

EMS-CHEMIE AG
Business Unit
EMS-GRILTECH
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 81 632 72 02
Fax +41 81 632 74 02
www.emsgriltech.com
info@emsgriltech.com

EMS-CHEMIE AG
Business Unit
EMS-SERVICES
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 81 632 77 66
Fax +41 81 632 76 76
www.emsservices.ch
welcome@emsservices.ch

EMS-PATENT AG
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 81 632 68 26
Fax +41 81 632 74 40
info@emspatent.com

EMS-PATVAG AG
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 81 632 75 45
Fax +41 81 632 74 36
www.emspatvag.com
welcome@emspatvag.com

EFTEC AG
Hofstrasse 31
CH-8590 Romanshorn
Phone +41 71 466 43 00
Fax +41 71 466 43 01
www.eftec.ch
info@eftec.ch

Swiss Gas Metering AG
Reichenauerstrasse
CH-7013 Domat/Ems
Phone +41 56 470 24 58
www.swiss-gas-metering.com
info@swiss-gas-metering.com

Addresses of EMS Companies, Worldwide

Belgium

EFTEC NV
Henry Fordlaan 1
B-3600 Genk
Phone +32 89 65 14 00
Fax +32 89 65 14 80

Brazil

EFTEC Brasil Ltda.
Alameda Rio Negro, 1030
Torre Corporate Cj. 404
Alphaville - Barueri - SP
CEP - 06454-000
Brazil
Phone +55 11 41 93 13 53
Fax +55 11 41 93 11 48

China

EMS-CHEMIE (China) Ltd.
Room 1908, Building A
Far East International Plaza
319 Xian Xia Road
Shanghai, 200051
P.R. China
Phone +86 21 6295 7186
Fax +86 21 6295 7870

EMS-CHEMIE (Suzhou) Ltd.
227, Songbei Road
Suzhou Industrial Park
Suzhou City, 215000
Jiangsu Province
P.R. China
Phone +86 512 8666 8181
Fax +86 512 8666 8183

Shanghai EFTEC
Chemical Products Ltd.
Humin Road
521 Guanghua Road
Shanghai 201108
P.R. China
Phone +86 21 6489 1122
Fax +86 21 6489 1199

EFTEC Asia Pte. Ltd.
Shanghai Representative Office
Unit 1008
Super Ocean Finance Center
2067 Yan An Road West
Shanghai 200336
P.R. China
Phone +86 21 6295 7716
Fax +86 21 6295 7816

Changchun EFTEC
Chemical Products Ltd.
No. 808 Chuangxin Road
New & High Tech. Ind.
Development Zone
Changchun 130012
P.R. China
Phone +86 431 8508 0800
Fax +86 431 8508 0808

Wuhu EFTEC
Chemical Products Ltd.
No. 215 Yinhu North Road
Economic & Technology
Development Zone
Wuhu 241009, Anhui Province
P.R. China
Phone +86 553 584 7268
Fax +86 553 584 7268

EFTEC China Ltd.
3313-3317, Jardine House
1 Connaught Place, Central
Hong Kong
Phone +852 2526 4868
Fax +852 2526 6568

Czech Republic

D PLAST-EFTEC a.s.
U Tescomy 206
CZ-760 01 Zlín
Phone +420 577 004 411
Fax +420 577 004 444
zlin@dplast-eftec.cz

D PLAST-EFTEC a.s.
Větrná 445
CZ-463 34 Hrádek nad Nisou
Phone +420 482 429 511
Fax +420 482 429 504

EMS-PATVAG s.r.o.
Brankovice č.p. 350
CZ-683 33 Brankovice
Phone +420 517 302 200
Fax +420 517 302 222

France

EMS-CHEMIE (France) S.A.
73 – 77, rue de Sèvres
Boîte postale 52
F-92105 Boulogne-Billancourt Cedex
Phone +33 1 41 10 06 10
Fax +33 1 48 25 56 07
welcome@fr.emsgrivory.com

EFTEC Sàrl
Les Marches de l'Oise
Bâtiment Copenhague
100, rue Louis Blanc
F-60765 Montataire Cedex
Phone +33 3 44 24 19 18
Fax +33 3 44 24 97 10

Germany

EMS-CHEMIE
(Deutschland) GmbH
Warthweg 14
D-64823 Gross-Umstadt
Phone +49 6078 783 0
Fax +49 6078 783 158
welcome@de.emsgrivory.com

EFTEC Aftermarket GmbH
Pyrmonter Strasse 76
D-32676 Lügde
Phone +49 5281 9829 80
Fax +49 5281 9829 860

EFTEC Engineering GmbH
Dornierstrasse 7
D-88677 Markdorf
Phone +49 7544 920 0
Fax +49 7544 920 200

Great Britain

EMS-CHEMIE (UK) Ltd.
Darfin House, Priestly Court
Staffordshire Technology Park
GB-Stafford ST18 0AR
Phone +44 1785 283 739
Fax +44 1785 283 722
welcome@uk.emsgrivory.com

EFTEC Ltd.
Rhigos / Aberdare
GB-Mid Glamorgan CF44 9UE
Phone +44 1685 81 54 00
Fax +44 1685 81 39 97

Guernsey

EMS-INTERNATIONAL FINANCE (Guernsey) Ltd.
Trafalgar Court
3rd Floor, West Wing
St. Peter Port
Guernsey GY1 2JA
Channel Islands
Phone +44 1481 712 704
Fax +44 1481 712 705

India

EMS-CHEMIE (Taiwan) Ltd.
India Office
Plot No. 645 – 646 4th Floor
Oberoi Chambers II
New Link Road
Andheri (West), Mumbai 400 053
India
Phone +91 22 3294 9870
Fax +91 22 2673 6218

EFTEC Shroff (India) Ltd.
Plot No. 645 – 646 4th Floor
Oberoi Chambers II
New Link Road
Andheri (West), Mumbai 400 053
India
Phone +91 22 2674 7900
Fax +91 22 2673 6218

Italy

EMS-CHEMIE (Italia) S.r.l.
Via Visconti di Modrone, 2
I-20122 Milano
Italia
Phone 00 800 1100 1122 *
Fax 00 800 1100 2233 *
welcome@it.emsgrivory.com
* from Italy only

Japan

EMS-CHEMIE (Japan) Ltd.
EMS Building
2-11-20 Higashi-koujiya
Ota-ku, Tokyo 144-0033
Japan
Phone +81 3 5735 0611
Fax +81 3 5735 0614
www.emsgrivory.co.jp
welcome@jp.emsgrivory.com

EMS-UBE Ltd.
1978-10 Kogushi
Ube-shi, Yamaguchi 755-8633
Japan
Phone +81 836 31 02 13
Fax +81 836 31 02 14
uems1k3@ube-ind.co.jp

Mexico

Grupo Placosa EFTEC S.A. de C.V.
Calle 56 sur No. 11 Civac
Jiutepec Mor. C.P.
62500 Cuernavaca Mor.,
Mexico
Phone +52 777 319 3477
Fax +52 777 320 4240

Romania

S.C. AUTO COATING S.R.L.
Budeasa Mare, Arges County
117 151 Budeasa
Romania
Phone +40 248 236 377
Fax +40 248 236 325

Russia

D PLAST-EFTEC NN
Pr. Iljicha 39-77
603 101 Nizhnij Novgorod
Russia
Phone +7 8312 996 889
Fax +7 8312 996 889
pavlov@defnn.ru

D PLAST-EFTEC RT
Ulica 20.1, Korpus 1/1
Promyslennaja Ploscadka Alabuga
Elabuzhsky rayon
423 630 Elabuga
Republic Tatarstan
Russia
Phone +7 85 557 519 40
Fax +7 85 557 519 41
r.gazizov@dplast-rt.ru

Singapore

EFTEC Asia Pte. Ltd.
15 Beach Road
#03-07 Beach Centre
Singapore 189677
Phone +65 6545 82 01
Fax +65 6337 28 06

Spain

EFTEC S.A.
Carretera Logroño km 29,2
E-50639 Figueruelas (Zaragoza)
Phone +34 976 65 62 69
Fax +34 976 65 62 70

Taiwan

EMS-CHEMIE (Taiwan) Ltd.
36, Kwang Fu South Road
Hsin Chu Industrial Park
Fu Kou Hsiang
Hsin Chu Hsien 30351
Taiwan, R.O.C.
Phone +886 35 985 335
Fax +886 35 985 345
welcome@tw.emsgrivory.com

Thailand

EFTEC (Thailand) Co. Ltd.
Eastern Seaboard
Industrial Estate (Rayong)
109/10 M 004, Pluakdaeng
Rayong 21140
Thailand
Phone +66 38 954 271
Fax +66 38 954 270

United States

EMS-CHEMIE
(North America) Inc.
2060 Corporate Way
P.O. Box 1717
Sumter, SC 29151
USA
Phone +1 803 481 91 73
Fax +1 803 481 38 20
welcome@us.emschem.com

EFTEC North America L.L.C.
20219 Northline Road
Taylor, MI 48180-4786
USA
Phone +1 800 633 7789

Ukraine

JSC D PLAST-EFTEC UA
Ul. Gorkoho 27/29
69063 Zaporozhye
Ukraine
Phone +380 612 138 568
Fax +380 612 138 568
shved@mail.lviv.ua

PERFORMANCE POLYMERS FINE CHEMICALS / ENGINEERING