

CARTEL DAMAGE CLAIMS

- CDC -

Press Release

CDC Hydrogen Peroxide SA: Damages action against Kemira Oyj before Helsinki district court

Brussels, 28 April 2011 - On 20 April 2011 Cartel Damage Claims Hydrogen Peroxide SA ("CDC HP") has filed an action against Kemira Oyj ("Kemira") for damages resulting from Kemira's participation in the European hydrogen peroxide cartel. The action was filed before the District Court of Helsinki.

The enforced claims result from the violation of competition law by Kemira as established by the European Commission in its decision COMP/F/39.620 – *Hydrogen Peroxide and Perborate* of 3 May 2006. According to this decision, Kemira together with other companies participated in a cartel in the European hydrogen peroxide market at least between 31 January 1994 and 31 December 2000. Hydrogen peroxide is a bleaching agent mainly used in the pulp and paper manufacturing industry. In numerous meetings the cartel members fixed target prices and monitored their implementation, allocated customers as well as market shares and exchanged commercially sensitive information. Pursuant to the Commission, the agreements consisted of a "*complex behaviour having a single economic aim, namely to distort the normal movement of prices*". Kemira acknowledged its participation in the anti-competitive agreements and provided evidence to the Commission under the Leniency Programme.

Prior to the filing of the action, two Finnish pulp and paper companies have sold their cartel-related damage claims resulting from hydrogen peroxide purchases to CDC HP. CDC HP purchased these claims and enforces them under its own name and on its own account and risk using its technical and economical know-how, in particular in relation to the hydrogen peroxide market. Already in March 2009 CDC HP brought an action against the members of the European hydrogen peroxide cartel, including Kemira, before the Regional Court in Dortmund, Germany. In these proceedings CDC HP enforces the damage claims relating to hydrogen peroxide purchases of 32 companies from the European pulp and paper industry. In this context CDC HP has carried out an in-depth analysis of the economic effects of the hydrogen peroxide cartel, based on an industry-wide collection of relevant transaction and purchase data. The first hearing in the German proceedings took place on 16 December 2010.

The analysis by CDC HP of the relevant transaction and market data confirms that the cartel resulted in an artificial increase of the hydrogen peroxide prices during the entire cartel period. As a result of the artificially high price level at the end of the infringement, the cartel had price effects even after its termination. As a consequence, purchasers of hydrogen peroxide sustained significant damages. CDC HP estimates the total damage (including interest) for which Kemira is liable in the action now pending before the Helsinki District Court to amount to up to Euro 78 million.

On the Private Enforcement of Antitrust Damage Claims

The European Court of Justice has repeatedly held that any person can claim damages for the loss caused by an infringement of EU competition law. The European Commission has therefore initiated legislative steps in order to achieve an effective EU-wide minimum standard for the enforcement of antitrust damage claims. The European Parliament appreciates this initiative. According to the European Commission the total damages caused by cartels in Europe amount to approximately € 25 to 69 billion annually. Victims of anticompetitive behaviour shall be fully compensated.

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On CDC Cartel Damage Claims

CDC HP is a company of the Brussels-based CDC Cartel Damage Claims group ('CDC'). CDC is specialised in the purchase, the preparation and the enforcement of damage claims resulting from the infringement of antitrust law. CDC analyses the effects of anticompetitive behaviour on the basis of market-wide transaction data and enforces damage claims in its own name and on its own account against cartel members Europe-wide.

With its approach CDC overcomes the obstacles to the enforcement of antitrust damage claims, which have been observed in practice by the European Commission, irrespective of the introduction of new procedural tools in Europe and particularly outside the often criticised US-style class action. CDC's collective approach results in synergies in the complex analysis of the cartel-related damage as well as in the enforcement of the corresponding claims in and out-of-court.

For any further information, please refer to our website www.carteldamageclaims.com or contact Dr Till Schreiber. We also refer to our Press Releases dated 10 December 2010 and 23 April 2009, both available at www.carteldamageclaims.com/Press.

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