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DOTTIKON ES Aligns – Extraordinary Effects and Unchanged Outlook

Dottikon, Switzerland, April 21, 2017 – DOTTIKON ES Group, positioned as strategic development and manufacturing partner and specialized in the area of hazardous reactions and the exclusive synthesis of active pharmaceutical ingredients (API) and fine chemicals, closed its business year 2016/17 on March 31, 2017. As previously announced, the results for the business year 2016/17 and the Annual Report 2016/17 will be published on May 30, 2017.

In order to align its resources with the strong growth in its pharmaceutical exclusive synthesis business and the related capacity expansion investments, DOTTIKON ES will cease its solvent recycling business for third parties in the second half of the 2017 calendar year. The chemical waste incineration business for third parties will be continued. Nearly all employees affected by the measure will be transferred to production plants or production-related areas within DOTTIKON ES, where the number of employees will be further stepped up substantially in order to support the organic growth in the current business year 2017/18.

Value adjustments on rectification plants and infrastructure as well as provisions for soil decontamination in the amount of approximately CHF 11 million were included in the results for the business year 2016/17. This extraordinary effect from the operating business is counteracted by an extraordinary financial accounting income of CHF 6 million related to IAS 19. This effect is due to the reduction of the technical interest rate and the related conversion rate, which resulted in a reduction of the defined benefit obligations which, according to IFRS, are fictitiously assigned to the company. This has a beneficial one-time effect on the personnel expenses. In total, these extraordinary effects will reduce the result by around CHF 5 million.

Nonetheless, for the closed business year 2016/17, DOTTIKON ES still expects an increase in net sales and net income compared to the previous year, next to a further extension of its existing business and a broadening of its client, project, and product base.

DOTTIKON ES manufactures high-quality performance chemicals, intermediates and exclusive active pharmaceutical ingredients (APIs) for the world's leading chemical and pharmaceutical industry. The company with its production site in Dottikon (Aargau, Switzerland) is specialized in hazardous reactions and is positioning itself as strategic development and manufacturing partner. Its safety culture created over the last 100 years guides innovative use of hazardous reactions, low-temperature and high-pressure chemistry, as well as continuous processing. This shortens conventional chemical synthesis routes, increases yields, selectivities and purities, and reduces waste. The versatile technology and equipment portfolio is used to design, develop and optimize chemical processes, and scale up from kilograms to multi-tons.

DOTTIKON ES' one-site strategy allows reduced decision and communication pathways. This ensures rapid and efficient project development as well as clear and transparent communication with customers.



DOTTIKON ES HOLDING AG is listed at the SIX Swiss Exchange.

Symbol: DESN

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