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Documentation

Speech by Armin Meyer, Chairman of the Board and CEO

Distinguished guests, ladies and gentlemen,

Good afternoon and welcome to what is for us a very special event here in Shanghai. On behalf of the entire Ciba Specialty Chemicals family, I thank you for joining us today in the inauguration ceremony of our China R&D Center. I would also like to express our sincere gratitude to the Swiss Council, Shanghai Government, our business partners and our media colleagues for their tremendous support.

I am very pleased to be here personally to open our newest global research and development facility and our first center of this type in China. It is a significant step in the implementation of our strategy to strengthen our presence in China. It also reflects Ciba Specialty Chemicals' belief that innovation is the key to profitable and sustainable business growth, everywhere in the world.

Ciba Specialty Chemicals is a company with a long and successful business history. Our company history dates back to J.R. Geigy Ltd, that began trading in chemicals and dyes in 1758. By 1884 the Basel-based chemicals company Ciba was had started business. Geigy and Ciba then merged the following century in 1971 to become Ciba-Geigy. Ciba Specialty Chemicals, as we now know it, was spun-off in 1997 from Novartis, the merged company of Sandoz and Ciba-Geigy.

Today, Ciba Specialty Chemicals is a global company, headquartered in Basel, Switzerland. We have 19,300 employees around the globe and are operational in 120 countries.

Significantly, our history of doing business in China is also a long one – dating back over 100 years. Today, as Kuno Kohler mentioned, Ciba Specialty Chemicals has a presence in China that has expanded to three trading companies, six branch offices, 12 production sites and, of course now, a global R&D center.

The industries that the R&D Center will be serving reflect our business focus globally and include: industrial, decoration and automotive coatings; plastics; imaging inks and graphics; polymer and lubricant industries; textile industries; personal care; home & fabric care; water treatments ranging from municipal and industrial applications to micro-encapsulation and soil additives; and the papermaking industry.

It is our aim to be global leader in all our chosen industry markets. At the same time we strive to be the partner of choice for our industry customers by providing products and services that enhance the performance of their products and manufacturing processes and bring greater benefits to their customers and down the value chain. We want to help our customers to grow with us. Innovation is key here. And the innovative new products and services that we wish to offer to our customers will stem from our R&D efforts. We believe it is important that our R&D activities are close to the customers that we serve if we want to produce new products that more exactly meet our customer needs.

Consequently, the opening of our China R&D Center has great significance for us. It is close to our industry customers in the booming China market and is well-positioned to serve the rest of the growing and developing Asian market. Of course, we also expect that a number of fully global R&D projects will now be led out of China.

I will close today by emphasizing again Ciba Specialty Chemicals' belief in China as a globally leading market of the future for our industry and by reiterating our intention to strengthen our own presence here. Our new R&D Center that you will see today demonstrates our belief in the growth potential of the region and Ciba Specialty Chemicals' continued commitment to China.