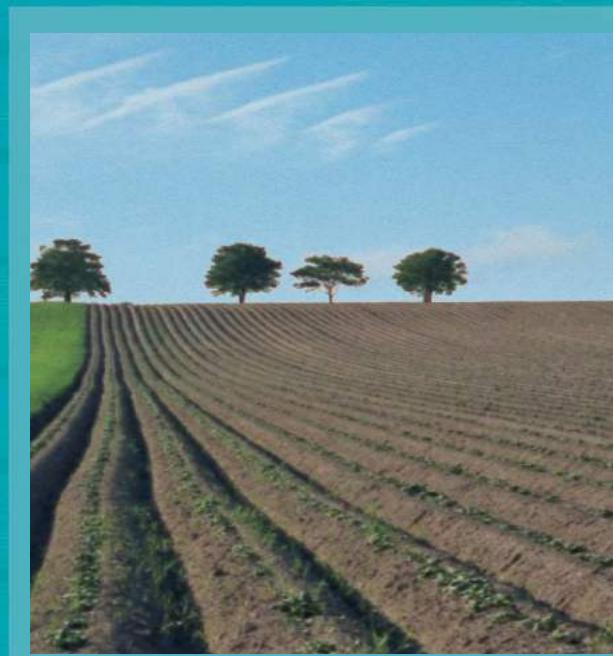
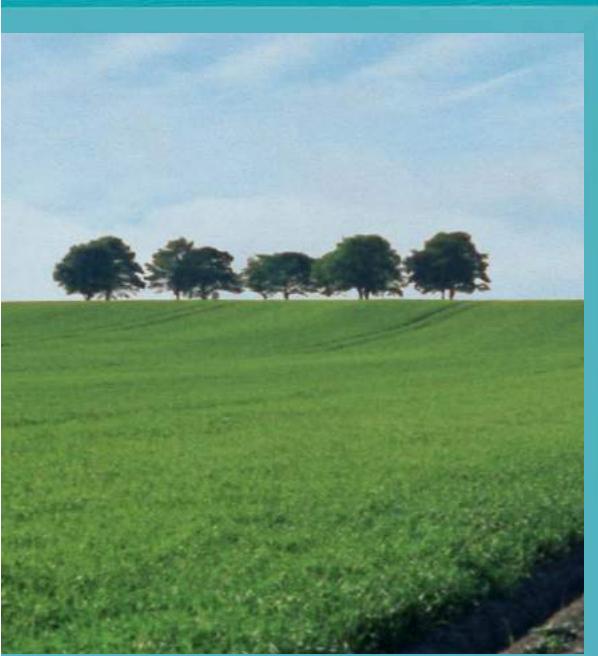


chemgineering

Annual Report 2006

Chemgineering Group



Engineering and Consulting use specific strategies to promote growth

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The Management Team 2006



Top row (l. to r.):
Dr. Armin Mayer
Wolfgang Lenz
Dr. Herbert Matthys

Middle row (l. to r.):
Markus Meier
Frank Studt

Bottom row (l. to r.):
Walter Rätsch
Dr. Wolfgang Müller

*Members of the Audit and
Compliance Committee 2006:*

Konrad P. Wirz (Chairman)

Dr. Herbert Matthys

Walter Rätsch

Jörg Schönewolf

*Members of the Remuneration
Committee 2006:*

Hans Martin (Chairman)

Dr. Wolfgang Essig

(till 21.3.2006)

Helmut Knauthe

(from 21.3.2006)

Dr. Ernst Staehelin

The Management Team and Board of Directors



The management team warmly welcomes Dr. Birgitt Scharla in December 2006 who joined beginning of 2007 as the new Head of Consulting.

The Management Team

Dr. Herbert Matthys

Chief Executive Officer
Consulting

Dr. Armin Mayer

Managing Director,
Germany and Austria
Account Management

Wolfgang Lenz

Managing Director, Switzerland
Engineering/Facility Construction

Dr. Wolfgang Müller

Engineering, Switzerland
Quality Management

Frank Studt

Account Management

Markus Meier

Marketing and Sales
Human Resources

Walter Rätsch

Finances and Controlling

The Board of Directors of Chemengineering Holding AG

Dr. Ernst Staehelin

President

Dr. Herbert Matthys

Delegate

Dr. Wolfgang Essig

(till 21.3.2006)

Helmut Knauthé

(from 21.3.2006)

Hans Martin

Jörg Schönewolf

Konrad P. Wirz



A Word of Welcome

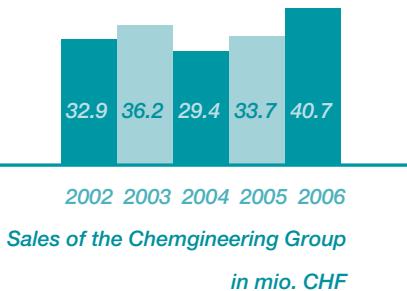


The ascending lines of the new headquarters, located since January 2006 in Pratteln near Basle.

Dear Friends and Shareholders

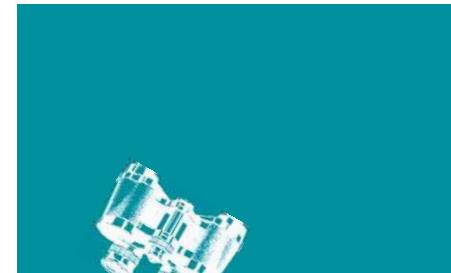
We look back on a very positive period of growth during the financial year 2006. Nevertheless, this year seemed to be one of contradiction. Despite a strong increase in the volume of inquiries in all countries gross margins remained subject to strong pressures. It seems as though society still wants to underline the relatively low standing which technologists and scientists have today.

The labor market has demonstrated all too clearly: There are acute shortages of qualified engineers and consultants throughout the world. Of course, in Asian countries there are millions of qualified specialists, which, compared on a global scale, are much cheaper to employ than our home-grown ones. However, if customers expand their research and development centers inside Europe, then they need that extra on-the-spot know-how that suppliers, consultants, planners and implementation specialists can offer. These local partners form the most important link between the life sciences specialists with their future-oriented ideas and the transformation of these ideas into safe and efficient business processes. Moreover, engineers occupy key positions when transforming crucial investment plans into tangible and well-run centers of research, development and production.



This is exactly what Chemgineering symbolizes: Business Designers and Technology Designers under one roof. As a think tank for new and challenging operational systems, we are the conceptual creators and trailblazers for investment in future technical skills. We design the new and integrate the feasible into existing systems. This makes Chemgineering what it is today: a consulting, planning and implementation specialists' company for the life sciences industry. To enhance this unique duality of our positioning we have decided to give both our business units even more independence in 2007 in both name and legal entity:

»With relatively few specialists who are technically and mentally extremely flexible, we have a wide range of know-how and abilities which makes the work at Chemgineering incredibly interesting.«
Alexander Rinke, trainee assistant commercial manager



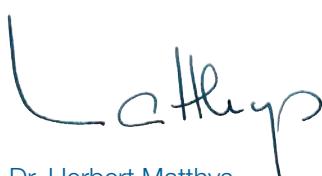
Chemgineering – The Business Designers. These are our consulting experts who combine highly ambitious ideas with realistic business practices and who carefully analyze compliance requirements and validate information systems effectively.

Chemgineering – The Technology Designers. This brand name stands for our engineers whose hallmark is to always think in concepts and convert these into bright solutions.

Both business models are fully within Chemgineering to a group with especially high demands on quality: Viable solutions for life sciences.

One of our stated business aims is to move outside the confines of German-speaking Europe. Along with Uhde in South Africa, we are at present working in the life sciences market at the Cape of Good Hope. We are definitely not underselling ourselves or our services there as our know-how is keenly sought after and highly valued as many invitations to tender continue to indicate. Thus the internationalization in Africa is working well for us just as in south-east Europe where we have particularly gained a strong foothold.

If we still manage to regain the high regard our customers have shown us in the past by granting adequate market prices, 2007 might surpass all previous years. This is what I am striving for and looking forward to together with all employees, the whole management team and the board of directors.


Dr. Herbert Matthys
Chief Executive Officer and Delegate of the Board of Directors

Sales for the Chemgineering Group 2006:

46.7 mio. CHF

(2005: 38.6 mio. CHF);

Total turnover of the Chemgineering Group of Companies 2006:

40.7 mio. CHF

(2005: 33.7 mio. CHF);

Number of personnel as of 31.12.2006: 241

(2005: 215)

»It is precisely those projects of a strategic character – like the ongoing ones from Chemgineering – that are ideal for closely cooperating with companies.« Professor Dr. Tobias Merseburger, Director of Biotechnology at the University of Applied Sciences Waedenswil

Business and Technology Designers

Customer-Oriented Positioning for Consulting and Engineering

In the course of long-standing customer relations and market developments, our customers contact us for advice concerning their widely varying needs and requirements. As the life sciences industries are also spread over a wide range of diverse sectors, Chemgineering has always been expanding the scope of services it has offered. We now bundle this range of services such that the various customers groups can find their specific requirements more easily. This enables our business partners to focus on the specific services our consultants and engineers offer.

The Business Designers

Our Business Designers target the decision-makers involved in the key business processes of the life sciences industry.

The centers of attention are the management and change processes as well as current compliance challenges

and the information systems controlling and monitoring all these processes. Because of their impressive track record the Business Designers are able to apply their wide range of project experience from technical Due Diligence right up to validation of Enterprise Resource Planning Systems. Both, big pharma and start-ups profit from this hands-on know-how.

The Technology Designers

Our Technology Designers shape and lead to the conception phase, as well as the planning and the erection of all necessary facilities including laboratories and all infrastructures required for a competitive standing within the life sciences market. Over many years, this Business Unit of Chemgineering has established a fine reputation for being close to the customer, for its know-how and its high level of technology in the challenging and demanding field of investment projects found in the pharmaceutical, medical technology, fine chemicals and biotechnology industries. For the owner of the facility, the business process and compliance know-how are, of course, critically important for a company.



Two sides of the same coin

Chemgineering is a byword for two entities that are inseparable and always working close together: Business and Technology Designers. Although many Chemgineering customers often see just one side of the coin, they always profit from both sides. Chemgineering is the company it is today because of this interactive cooperation between CSV and qualified plant specialists; between process architects and logistics specialists as well as between planners and optimization analysts. This fruitful combination of skills has brought progress to many life science companies as well as to their management.

Counting the Added Value of Consulting and Engineering

The long-term effect. The engineering of a state-of-the-art sterile filling plant is supported by logistics simulation. The final simulation model is then used for other production optimization processes and also as a troubleshooting tool during periods of equipment malfunction.

Commitment. Optimizing the throughput time of complex production processes with regard to quality assurance is an incentive to both consultants and engineers to achieve the best solution possible. Understanding the regulatory conditions under which a system works is thus just as important as the intimate understanding of the technical details that could annihilate the most aspiring dreams.

The strength of reasoning. An FDA audit is threatening a medium-sized pharmaceutical company. The production procedure seemingly fulfills all the requirements, we found discrepancies in both the processes and the documentation. For a suitable audit defense strategy, the assistance of experienced compliance specialists is needed just as much as the know-how to qualify the facility for rectifying errors in the documentation.

Foresight. Any production manager must continuously deal with quality management and compliance questions. The proposal and the justification for investing in new process equipment are rare events. Our assistance in the evaluation and credit appropriation process starts way earlier with Life Cycle Management along with cGMP gap analyses, investment scenarios and a thorough site evaluation.



The Company Profile

Industry Focus

Pharmaceuticals, Biotech

Fine Chemicals, Medical Technology

Cosmetics, Vitamins

Diagnostics, Food

Technology Design:

Everything for secure investments

General Planning/Contracts

Project Management

Conceptual Design

Basic and Detailed Engineering

Construction Management

Commissioning

Validation/Qualification

Business Design:

Three basic areas of Consulting

Management Consulting

Business Process Optimization

Gap Analysis

Technical Due Diligence

Compliance Consulting

e.g. GxP Audits

GMP Risk Analysis

Information Systems Consulting

CSV and ERP (SAP) Validation

Operations and markets

Chemgineering is a technology consultants and engineering company that is active throughout the world and specializes in particularly challenging investment projects in the life sciences. We are both consultants and designers for strategic planning and for efficient production processes – a unique combination in this business sector.

Company structure and subsidiaries

The Chemgineering Group is located in Pratteln near Basel, Switzerland, and currently has 250 employees with a turnover of more than 40 mio. CHF.

Switzerland

- Chemgineering Holding AG, Pratteln, near Basel
- Chemgineering AG, Pratteln, near Basel

Austria

- Chemgineering Planning GmbH, Vienna

Germany

- Chemgineering GmbH, Wiesbaden, Hamburg, Heidelberg, Leipzig and Stuttgart
- Chemgineering Pharmaconsult GmbH, Heidelberg
- ASI GmbH, Wiesbaden, Leipzig

Africa

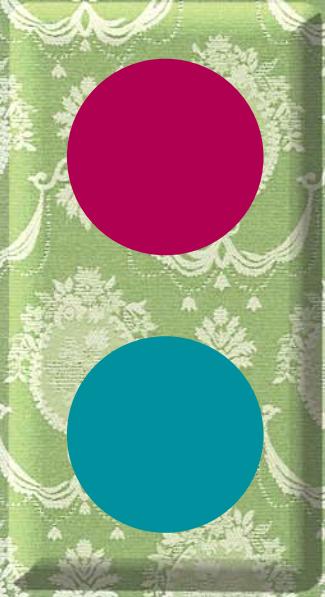
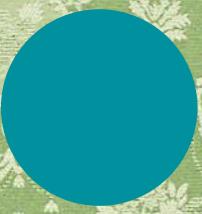
- Uhde plus Chemgineering, Johannesburg, South Africa

Past and future perspectives

The joint venture between Bertrams AG (Switzerland) and Fluor Daniel Inc. (USA) was created in 1996 and has, right from the beginning, concentrated on the life sciences and fine chemicals industries. This has enabled the company to quickly achieve deep market penetration coupled with an excellent reputation.

Chemgineering Holding AG is a majority holding of the management team and staff with Uhde GmbH becoming a shareholder in 2003. All operating companies are 100-percent-owned subsidiaries of Chemgineering Holding AG.

We are proud to include almost all leading life sciences companies in German-speaking Europe as references. Together with our consultants and engineers, they are in designing and completing an increasing number of investment projects both in local markets as well as in the Americas, Asia, South Africa and eastern Europe.



Engineering and Consulting offer different link-up opportunities to a strong base of shared know-how and expertise.





Consulting



*Head of the Business Unit
Consulting since January 2007:
Dr. Birgitt Scharla*

It is absolutely essential to optimize costs and to conform to the regulations set down by the various authorities responsible. This aspect gets, however, too little attention in the dynamic world of international life sciences.

The driving force must be integrated redesign of the system.

The demand for consulting services continued to increase and grew substantially in 2006. The high level of incoming orders ensured that Chemengineering stayed on course for reaching its growth target. This holds true primarily in Germany and Switzerland where, in 2006, the number of consultants increased by more than 25 percent – this in a competitive market where the right kind of candidate is scarce.

Management Consulting expanded

The general economic upswing last year not only required our customers in many regions to optimize their processes but also to increase the way they redesigned their business right up to implementing totally new strategies for their companies.

Our consultants, as Business Designers, have therefore enlarged the Management Consulting division to cater for implementation of projects to help both small and medium-sized companies as well as large enterprises competing in a constantly changing global market.

Our core competences Information Systems Consulting, Computerized Systems Validation (CSV) and Compliance Consulting, which are in high demand throughout the world, have all shown significant growth.

For the strategic and renewal processes of our customers – whether they be internally generated or triggered by acquisition – we moreover provide information and communication technologies for the qualification, validation and optimization of production processes.

We have traditionally been able to successfully help in the preparation of audits for local authorities or for international certification in what has become an increasingly stricter regulatory environment. Recent demands however, ask for operative improvements in services and for changing the management processes not only to reshape but also to transform them into long-lasting practical applications.

»It doesn't only count at Chemgineering, as I had assumed, just to have technical know-how. Social skills also have a very high priority. And the contact I had with colleagues at Pratteln was simply wonderful.« Rudolf Kühnel, trainee engineer

*With projects such as
the Human Resources
Audit, the development
and coaching of teams,
we help and support
the management to
venture into completely
new directions.*

Validated and fit for approval – all in all more efficient

In many projects the goals were reaching much further than just for the optimization of small-scale processes. All-embracing consulting projects lead to significant value addition throughout the entire organization:

- with operative excellence facing price competition
- with constant innovations facing shorter life-cycles
- with quicker reaction times to discontinuous technology changes
- with being close to the client while customer loyalty is generally waving

Focusing on risk management and leadership

In addition to our two well-established areas of activity, CSV and compliance consulting, we see our commitment more and more in the area of all encompassing risk management. Based on the practical analysis of existing business risks, as Business Designers we give essential support to our partners in the life sciences sectors which include diagnostics, pharmaceuticals, biotechnology, cosmetics and medical technology.

A new focus in consulting with increasing importance for our customers is on leadership processes. This includes Human Resources Audits, the development of organizations and teams, Change Management as well as achieving the best possible employee acceptance in phases of change as well as business model renewals or exploration of new business activities. Recently, succession planning is gaining more and more importance.

Last but not least, sustaining the current dynamism we are alert to the future of our customers and market opportunities. Next to increasing production efficiency and in helping the decision-making process concerning production sites, we are crucial in maintaining the competitive edge for our customers.



Consulting Highlights 2006

Diagnostics: Speeding up registration. With active support during the preparatory work for registration, the customer saved time and money, therefore increased his revenue: In conjunction with the new development of a product and its smooth introduction into the markets of the EU and US, Chemgineering adapted all relevant documents for an international producer of analytical instruments in order to conform to the local regulations in force.

Pharmaceuticals: Optimizing an investment plan. Production, quality assurance, logistics and business processes could all be significantly improved by us while increasing capacities and reducing lead times and working capital. Focused investment plans for information technology and stock control (SAP) led to a more efficient production system and a state-of-the-art supply chain.

Biotechnology: CSV costs brought under control. By using Solution Managers and through consistent risk analysis procedures, the validation costs for Enterprise Resource Planning were significantly reduced. A timely Computerized System Validation (CSV) training program at the beginning of the project focused attention on the essentials. Designers learned to document processes and users were trained to properly adopt these procedures. The deadline for production start was thus assured.

Cosmetics: Increasing consciousness. A number of Asian manufacturers of active ingredients were audited within the framework of »shared audits« with regard to their ability to maintain quality standards according to Q7A. The reason: Manufacturers of pharmaceutical and cosmetics also receive Active Pharmaceutical Ingredients (APIs) or other active agents from suppliers whose production facilities range from »clean« to »not controllable«.

Medical technology: Quality documentation improved. With business process analysis for international restructuring, we have been able to introduce newly created quality process systems to the company. This includes using software tools for documenting quality-relevant systems such as the Complaints Management, Corrective Action Preventive Action (CAPA) and Change Control. The restructuring of the quality processes required on-site consultants from Chemgineering to deal with the quality control tasks.

Engineering



The Business Unit Engineering also profited from the dynamism of investments in the pharmaceutical industry in 2006. The trend towards increased demand in all areas of the pharmaceutical production continued unabated. A high volume of orders for projects with sterile and non-sterile liquid and solid preparations were won and resulted in high workloads over the entire year in all disciplines and left a considerable back-log for the new year.

Problem-solving in demand

Several ambitious and, for our customers, strategically important projects reached their conclusion in the detail and implementation phases. This included the completion of pilot plants for the manufacture and filling of highly active compounds by two globally active pharmaceutical companies based in Germany. We added more

*As general planners,
we guarantee the quality
standards required
by our customers
concerning the suppliers
of equipment and
facilities. In order to
maintain cGMP require-
ments, these support
services are considered
by us to be an essential
part of our mandate.*

excellent references to our list of purified water projects which we have successfully carried out in the US and also with a Swiss customer for which we planned and carried out the expansion of a purified water plant. Chemgineering ended the year in 2006 with a challenging order for Construction Management with a large biotechnology plant – with the hand-over well before the agreed deadline.

There has been renewed interest recently in facilities for the chemical and biotechnological manufacture of pharmaceutically active products. Chemgineering won an order to construct a chromatographic facility whose integration into the existing complex was a particular challenge. Another interesting project was planning and building the infrastructure of a biotechnological production plant for which we also designed the areas for media preparation, the CIP system and the laboratory. Along with maintaining GMP regulations, for many of these projects, works hygiene and the health and safety of workers play a very important role. The technical solutions for working with highly active substances are to be designed with a highly experienced and responsible partner.



Engineering Highlights 2006

Opening up the market

Our wide spectrum of planning activities goes far beyond the actual limits of pharmaceutical production. In 2006, for instance, we received an order to plan and construct a storage tank depot for solvents based on a conceptual study: A successful medium-sized company had to work out new logistics because of increasing industrial capacities.

Opening further branch offices is also part of our strategy for expanding into both regional and international markets – whether they be in the immediate vicinity of the western regions of Switzerland or in the more distant parts of South Africa. With a prestige project, we are taking advantage of the booming biotech and biopharmaceutical markets to establish ourselves in the French-speaking part of Switzerland. We are involved in pioneering work in compliance projects at the Cape of Good Hope and, in southeastern Europe we have already established many close contacts and won attractive projects.

Multilevel chromatographic purification. Chemgineering recently won an order for basic and detailed engineering involved in the purification of a recombinant protein. The product characteristics required an especially careful process design and asked for chemically high resistant materials. Chemgineering took on the responsibility for creating the process layouts, ensuring the purity of the media, the right CIP/SIP concepts as well as optimizing the process with the help of simulation programs.

Biotech production center. Our responsibility in the new construction of a high-tech production center for biotechnology was the construction management phase. The building is 40 m high with two floors below and eight floors above ground. The exact sequence for delivering equipment for the building and the plant as well as the restricted storage space and an ambitious delivery schedule demanded that the project management was highly efficient. Thanks to the close cooperation of the project team, the process equipment was completely installed four weeks before the deadline.

Parenteral filling. Chemgineering received the general planning mandate from a medium-sized pharmaceutical company for erecting a new production center for parenteral filling: This started with the concept study and ranged through all further project phases including implementation, commissioning and qualifying all technical installations along with state-of-the-art production technologies such as isolators. For our customers, implementing the cGMP requirements of the FDA and EU is as much a part of the system as keeping to a very demanding schedule.

Purification of precious metals in South Africa. We successfully completed the erection of a new production center for the purification of platinum-type metals. Our remit also involved both the actual reserves on site and helping to award contracts and technical inspections that were partly carried out in South Africa. Typical equipment were the enameled reactors with distillation towers; glazing and reaction furnaces; a tank farm to store the media and gas scrubbers.



Uhde plus Chemgineering in South Africa

Working together with Uhde, Chemgineering has successfully completed a special chemicals project for a German pharmaceutical enterprise in South Africa. We have a local presence since August 2006 and are studying developments in the local market with the close support of Uhde.

Siegbert Weber, our Sales Manager reporting from Johannesburg:

»In the past fifteen years, many pharmaceutical companies have closed while only one new and important production center has been created and another one is being built at the moment. The government is trying to fight this trend. This is because more and more generic drugs especially should be produced within the country to protect local supplies.«

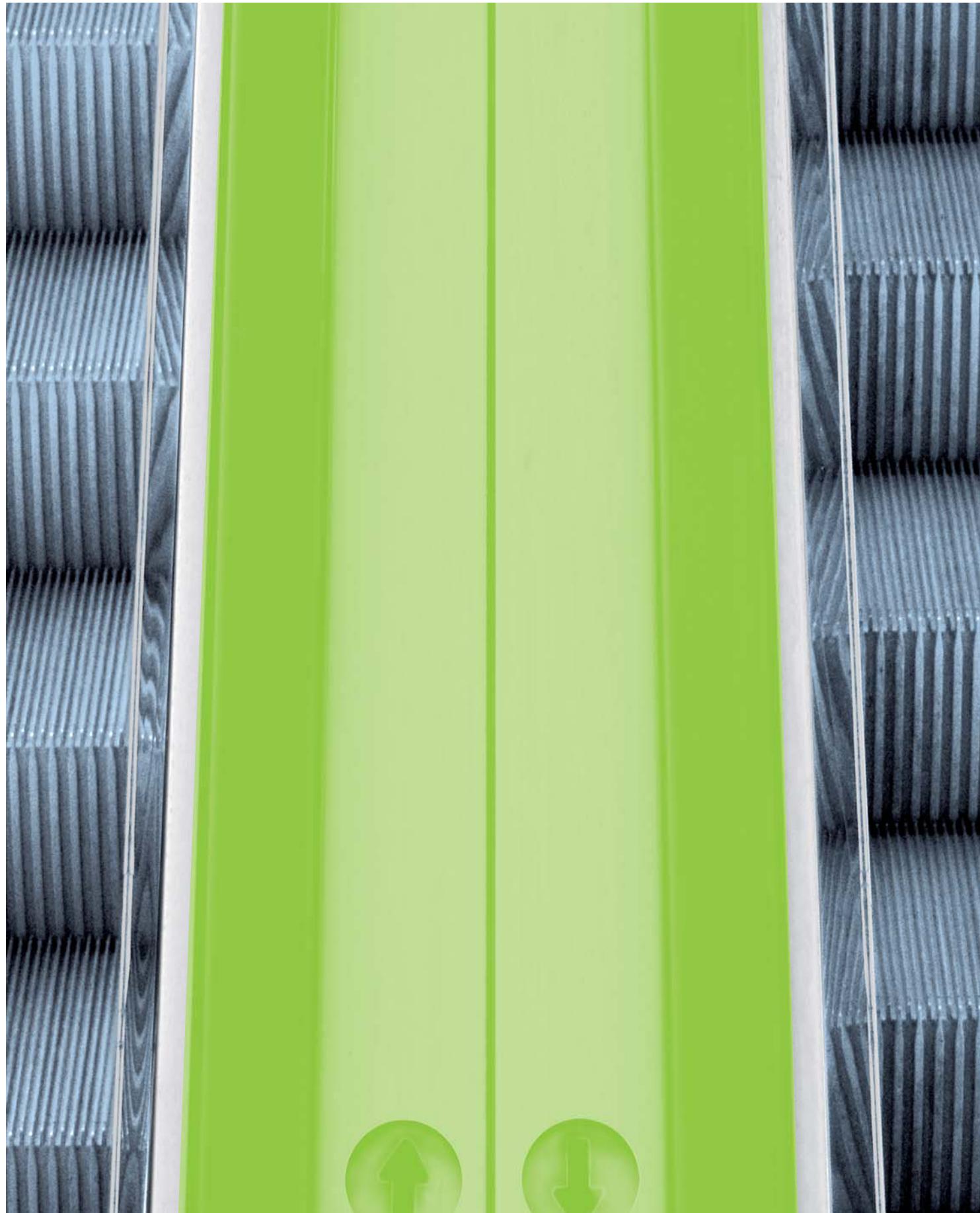
In South Africa, pharmaceutical production is confined to galenic manufacturing processes as well as to primary and secondary packaging. Active ingredients and other compounds are generally imported and there is only one manufacturer of active pharmaceutical compounds (APIs) worth mentioning.

The challenge of cGMP compliance

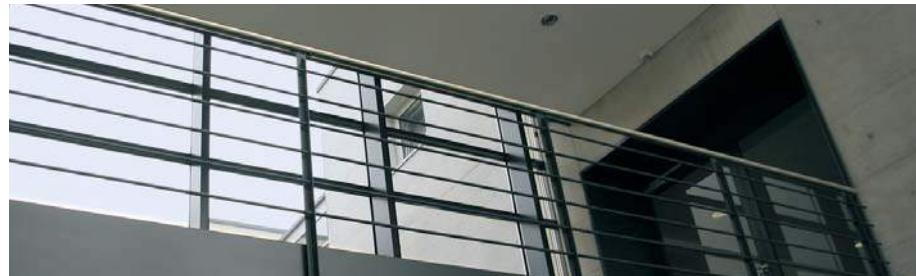
The country has applied for membership to the Pharmaceutical Inspection Cooperation Scheme (PIC/S) and to fulfill its requirements, the European cGMP Guidelines were incorporated into local guidelines in January 2006. This means that many pharmaceutical manufacturers are now confronted with hitherto unknown challenges forcing them to seek external cGMP know-how. Not surprising, the regulated market is showing keen interest in the know-how that Uhde plus Chemgineering can offer. At present, we are intensifying our contacts as plans to compete with the contemporary international pharma industry are now taking more concrete shape for South African companies.



Engineering and Consulting interconnect many levels of commercial processes within a company.



Active Client Contacts in 2006



www.abbott.com • www.actelion.com • www.agilent.com • www.altana.com •
www.aqura.de • www.armeeapotheke.ch • www.assist-pharma.com • www.braun.de •
www.bachem.com • www.barbe.de • www.berlin-chemie.de • www.bernabiotech.com
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www.valeant.com • www.voco.de • www.vetter-pharma.com • www.wc-heraeus.com
• www.westpharma.com

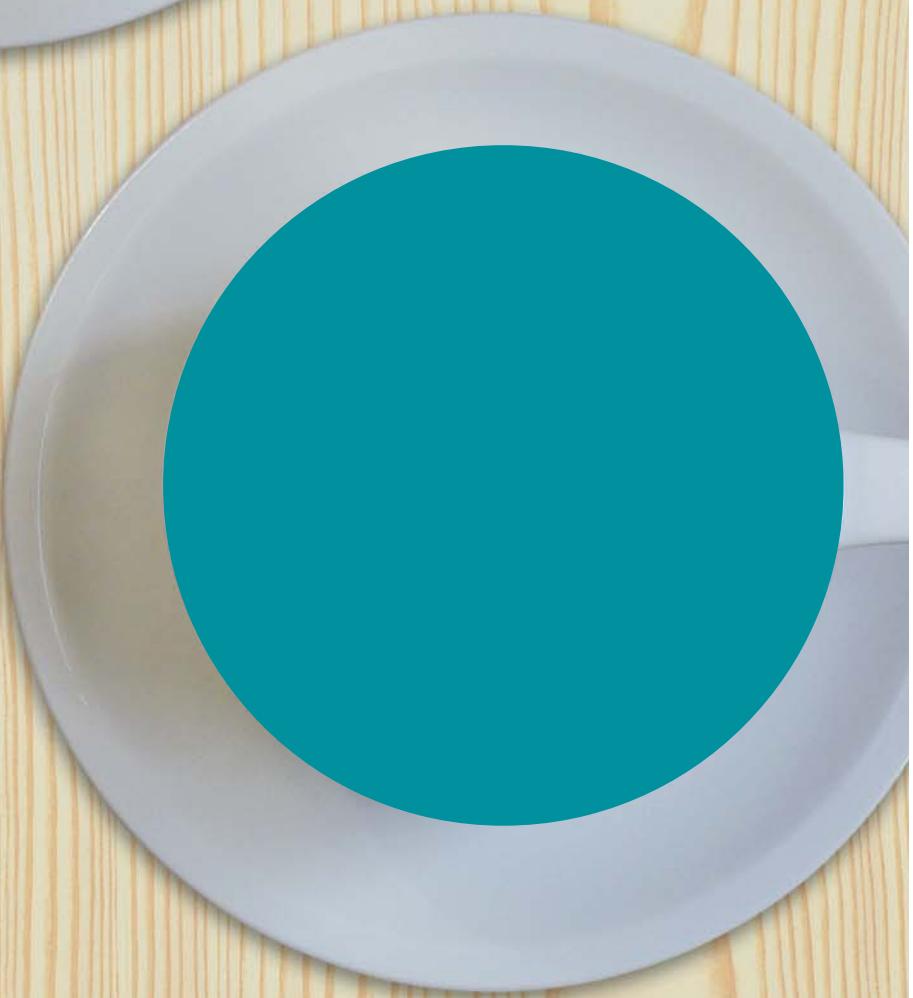
Papers and Seminars

Papers published in 2006

Dr. J. C. Hempel, W. Schilling, Dr. W. Küng: Design Challenge in Eastern Europe: A Product- and Processflexible Biotech Plant, in: Bio World Europe 01/2006 • Dr. H.-G. Scheurell, Dr. G. Bauer: Adaptive Supply Chain in der Produktionslogistik, in: CHEManager 06/2006 • M. Geissler: Standortübergreifende Anlagenplanung, in: CHEManager 08/2006 • J.-P. Jung: Handling von hochaktiven Pharma-Wirkstoffen, in: CHEManager 03/2006 • Dr. H.-G. Scheurell: The Key To Survival, in: CHEManager Europe 03/2006 • Chemgineering Grows and Moves to Pratteln, in: CHEManager 03/2006 • Dr. J. C. Hempel: Dynamische Entwicklung der Biotechnologie, in: P&A 05/2006 • Dr. H. Matthys, J. Wengerowski: Novartis Stein-PHAD Sterile Pilot Plant, in: Swiss Pharma 4a/2006 • Focus on Engineering Services, in: Bio World Europe 02/2006 • M. Meier: Chemgineering auf der Achema, in: CHEManager 09/2006 • F. Gottschalk: Erweiterung des Inspektionsfokus, in: CIT Plus 06/2006 • Dr. H.-G. Scheurell: Übersicht über die Validität der Computersysteme, in: CHEManager 19/2006 • Dr. H.-G. Scheurell: Adaptive Supply Chain in der Produktionslogistik, in: P&A 10/2006 • Tim Walter: Auf den Leib geschneidert: Neue Solida-Produktion bei Temmler Pharma, in: Pharma + Food, 10/2006 • Dr. M. Bodenteich: Technologieberatung von der Idee bis zum Produkt, in: Austria Export Herbst 2006 • Dr. A. Wenng: PDA Welcomes New President of Central Europe Chapter, in: PDA Letter 11/12 2006 • T. Karlewski: SOA beschleunigt die Geschäftsprozesse, in: CHEManager 23/2006 • Dr. H. Matthys, J. Wengerowski: Flexibilität gefordert, in: Chemie Technik 12/2006 • Dr. H.-G. Scheurell: Mit der Expansion Schritt halten, in: P&A 12/2006 • G. Canzoneri: Construction Management fürs Biotech-Zentrum, in: CHEManager 24/2006 • F. Studt: Product Quality Review bei Pharmaherstellern, in: CHEManager 24/2006 • H.-P. Zeiter: Instandhaltung von Produktionsanlagen, in: Lebensmittelindustrie 12/2006

Seminars in 2006

Validierung computergestützter Systeme, S. Wagner, S. Reuter • GAMP 4, Good Automated Manufacturing Practice, F. Gottschalk • Einsatz von Dampf in der pharmazeutischen Industrie, Thema: Technische Ausrüstung/GMP-Designkriterien, S. Reuter • GMP-gerechte Risikoanalyse bei der Computervalidierung, S. Wagner • Cinnovation Roadshow, Vortrag: Ganzheitliche Konzeptplanung – der Weg zu einem erfolgreichen Ausführungsprojekt, F. Studt, Dr. J. C. Hempel • Current GMP Issues and Financing Options, Dr. A. Mayer, T. Friedemann, Dr. C. Jann-Gröllert • Das 1 x 1 der Pharmatechnik, S. Reuter • Zweites Treffen der »Pharmawasser und -dampf«-SIG der ISPE Affiliate D/A/CH, M. Nägelin • Electronic Records/Electronic Signatures, F. Gottschalk, S. Wagner • GMP in der Qualitätskontrolle, Dr. H. Lenke, Dr. Ch. Heberlein • Pharmawasser FDA- und GMP-konform, S. Reuter • GMP-/FDA-Anforderungen an das Anlagendesign, S. Reuter • GAMP 4, Computervalidierung, F. Gottschalk





Bundling up the broad scope of services offered by Engineering and Consulting reflects the widely varying needs of our customers.

»Chemgineering has a wonderful reputation as an engineering company in the life sciences cooperating intensively at university level as well.«
Professor Rolf F. Jung, Albstadt-Sigmaringen University

Encouraging the Next Generation

Well trained young people are becoming scarce. Technological companies are already having difficulties to fill junior positions. In 2006, Chemgineering redoubled its efforts to recruit personnel who are still studying, either as trainees or temporary staff or else as graduates. On the one hand we offer young academics a platform to acquire their first professional experience while, on the other hand, at Chemgineering, we see ourselves as the potential employers of the next generation.

The close contact with various universities in Switzerland, Germany and Austria has certainly paid off. As a medium-sized company on the world stage and with the potential for developing a wide range of opportunities, we can continue to be a successful enterprise while helping to bring forward the next generation even under difficult competitive conditions.

We are delighted with the success of our two graduates from the three we originally helped train since the

summer of 2006 and to now have them as our new colleagues. Both studied at the Albstadt-Sigmaringen University under Professor Rolf F. Jung, who has been involved with our company for many years:
»We are keen on using cutting-edge subjects and seminar paper topics from the industry as degree projects. At Chemgineering, it is often the case that trainee students are taken on at the end of their studies which is ideal for everyone involved.«

In association with the University of Applied Sciences Waedenswil, Chemgineering carried out a recent study of factory planning. The annex in Waedenswil is part of the Zurich Association of Universities of Applied Sciences and specializes in the life sciences and facility management.
»Eighty percent of our graduate work started out from external projects«, reports Professor Tobias Merseburger, Head of the Department of Biotechnology. In the latest study commissioned by Chemgineering, the young engineer is active at the interface between Engineering and Consulting – this is typical in face of the changing requirements demanded by the university and the need for specialist experience for the next generation of engineers.

Mareike Lang and Linda Richter were both graduating when they joined Chemgineering in 2006. They are now full-time employees. Their experience in brief: »Chemgineering gives trainees the chance to have a detailed overview of the many areas of the pharmaceutical sector within a very short time.«



The Outlook for 2007

Leaving the confines of Europe

Dealing with the high global demand for consultancy services

Our job as technology and business designers is to keep tackling the costs

To enthuse even more people for our company

Chemengineering has made a commitment for 2007 to expand strongly, especially in the area of consultancy services. With a background of rising costs and an increasing number of regulations in the GxP sector of life sciences, there is an increasing need for the production processes to adapt these requirements. This involves striving for even higher standards, shifting of partial processes to lower cost locations and successfully integrating all these locations into the control systems running the business processes. We are specialists in providing the help our customers need when facing these challenges to develop both their business and technology systems – with vision and ambition for tomorrow's markets.

The Business and Technology Designers

The clearer positioning and greater independence of both Business Units, namely Technology Designers and Business Designers, and the use of different implementation strategies for both areas of competence, ensure they have differing profiles to be enhanced as required. We thus place an emphasis on organic development within our organization.

Advice is very welcome

The high demand for consultancy services in those countries recently welcomed into the EU or else wanting to export to the EU or US for the first time is opportunity enough to offer our experience and proven know-how to ever more countries. With such positive response – knowledge is worth its weight in gold.

Close to our remotest customers

The need to reduce costs in the life sciences industry is naturally passed on to Chemengineering. Unfortunately, this is usually without being able to make a true comparison of its performance. For Technology Designers, expanding into low-cost countries means establishing a local presence. We are a deep-rooted engineering company in the home market and for more than a decade have built up a reputation among our customers because of our effective software tools and consistently high quality. Now we work towards the same efficiency and customer intimacy in our new markets.

»The outstanding potential of young professionals – and our empathy for them – all reflected in the project work we carry out with universities.« Markus Meier, Head of Human Resources



Trailblazing in South Africa

In South Africa, we serve the pharmaceutical market together with Uhde. The demand is high. But competition is fierce, especially from India. Indian pharmaceutical companies are becoming more established and bring Indian consultants and engineers along. We are rising to this challenge and are prepared to stay well in front with the know-how we possess. The South African authorities value the knowledge we provide and therefore we have already been able to acquire our first customers. We are now beating the proverbial jungle drums.

Shared Audits

One way to increase efficiency within the industry is to procure raw materials or intermediates and active agents from Asia. All Western companies need to experience their own learning curve until quality and supply times are met – an exercise which is ultimately futile. With Shared Audits, however, we are able to offer buyers of APIs the benefit of our findings based on our visits to companies in China, India and Korea and to provide the after-sales monitoring required. This concept that we have been offering for some time now seems to have slowly dawned on the industry.

Company Quick Check

External generalists and specialists, in a ratio of 20:80, provide a simpler, more efficient and better balanced organization than any internal professional could conceive. In addition, the Company Quick Check program aims to provide a swift assessment of a company regarding its compliance, technical standards and efficiency of the business processes. Investors, life sciences companies and leading consultancy firms are now taking advantage of our proven know-how.

More growth, more savvy

All these initiatives require more bright minds and we are naturally devoting more time than ever to recruit more staff and to spur on further growth. We want to expand but not at the expense of quality. Furthermore, we want to convert effectiveness and creativity into realistic and realizable goals – such that Chemengineering anywhere in the world will be synonymous to »Viable solutions for life sciences«.

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»The size of the company enables it to tackle large projects,
while the personal touch of Chemgineering is never lost.«
Sebastian Beck, trainee engineer

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