

Press release

NEW STRATEGY FOR BERKEM

Berkem Group located in Gardonne, France sold one of its divisions in 2008 in order to focus on its core business: cosmetics and food industry.

Specializing in chemical formulation and vegetal extraction, Berkem Group develops industrial processes in two areas:

- The **Extraction** division offers tailor-made solutions in vegetal extraction. Berkem owns several patents including a worldwide patent in the cosmetics field (anti-wrinkles)
- The **Formulation** division plays a major role in the wood industry, particularly in design of products for wood preservation.

Objectives

The company plans to focus on its specialized expertise in the food and cosmetics categories with the objective of positioning itself to fulfil the increasing product demands from these markets while aligning the manufacturing plant and laboratory with evolving technical requirements.

Berkem is working on innovative products that need sustainable investments and plans to register **10 new patents within 2009/2010**.

Organization, Vegetal extraction Know-How

- Berkem offers great expertise in tailor-made vegetal extracts for the food industry. The company is committed to instituting the HACCP rules for certification and will invest 100,000€ this year in a new drying and mixing workshop that will comply with food safety standards ISO 22000. This workshop is already in compliance with pharmaceutical Good Manufacturing Practices.

In addition, a technology transfer pilot unit may be operational within the year 2009. Berkem will thus achieve the creation of a polyvalent support platform for industrials and scientists.

- In the **cosmetics** arena, Berkem's vegetal extracts with proven efficacy are well-known for their antioxidant properties.

- For many years, Berkem's original and signature specialty of producing **antioxidants** from maritime Pine bark and Grape seed extracts have sustained the company's development.

«The 2008 sale of our active ingredients division has allowed us to make significant investments in our future and should also reassure our main financial partners. Besides, the Berkem team wishes to support our industrial clients and scientists on more ambitious projects in the future, in spite of the current delicate economical environment» points out its CEO Olivier FAHY.

Berkem, Key Information

- **Established in 1964**. Located on 6 ha in Gardonne in the southwest of France
- A French independently owned family-styled company with **63** employees.
- Plant and equipment are built on 3000m²
- Sales in 2008 : **11.250.000 millions €** from European and International markets - 50% is dedicated to export.
- Vegetal extractions: more than **5,000 tons a year** carefully selected
- Formulation capability for liquid products: 3850 m³
- 200 tons of fine chemicals made per year
- Storage capability : 500 m³ of liquid products

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