



Quaker Chemical Announces Settlement of Environmental Litigation in California

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CONSHOHOCKEN, Pa., Oct. 23 /PRNewswire-FirstCall/ -- AC Products, Inc. ("ACP"), a subsidiary of Quaker Chemical Corporation (NYSE: KWR) has entered into a settlement agreement with Orange County Water District ("OCWD"), effective October 17, 2007, relating to environmental litigation initiated in late 2004. OCWD sued ACP and other unrelated parties seeking damages arising from water contamination.

In the third quarter, Quaker will take a charge of \$3.3 million to cover a payment of \$2.0 million in settlement of the litigation, plus it will increase its reserve for its soil and water remediation program by \$1.3 million, bringing the total reserved to \$2.75 million.

Ronald J. Naples, Chairman and Chief Executive Officer, commented, "It's great to get this situation behind us and to see it resolved so favorably. This settlement removes significant uncertainty and financial exposure for us and recognizes the remediation work we've been doing voluntarily over the past 12 years at considerable cost to the Company. Further, the litigation itself, which relates in large part to events from a long time ago, has been costly and time consuming. Indeed, the remediation and litigation expenses absorbed into our income statement were approximately \$2.9 million through third quarter of this year, and approximately \$2.5 million in 2006. Now with this matter settled, ACP's management can focus on its business and the completion of the soil and water remediation program without the ongoing distractions of litigation."

Quaker Chemical Corporation is a leading global provider of process chemicals, chemical specialties, services, and technical expertise to a wide range of industries -- including steel, automotive, mining, aerospace, tube and pipe, coatings, and construction materials. Our products, technical solutions, and chemical management services enhance our customers' processes, improve their product quality, and lower their costs. Quaker's headquarters is located near Philadelphia in Conshohocken, Pennsylvania.

SOURCE Quaker Chemical Corporation

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CO: Quaker Chemical Corporation; AC Products, Inc.; ACP; Orange County Water
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ST: Pennsylvania, California

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