

Press Release

ALTANA AG

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ALTANA delivers excellent 1st Quarter 2006

- **Significant double-digit growth: Sales +28%, Net Income +25%**
- **Optimistic outlook for 2006 confirmed**

Bad Homburg, April 27, 2006 – ALTANA AG (NYSE: AAA, FSE: ALT) increased consolidated sales by 28% to €948 million in the first quarter of 2006. This growth was generated by, in particular, the acquisition of the ECKART Group in the previous year, and encouragingly strong development in the pharmaceuticals and chemicals businesses. Adjusted for acquisition/divestment and currency effects, operating sales increased by 12%. “Our first-quarter performance provides impressive confirmation that ALTANA is on the way to another record year in 2006, our eleventh in succession,” commented Dr. Nikolaus Schweickart, President and CEO of ALTANA AG.

€789 million of the total sales were generated outside Germany, which is equivalent to a foreign business share of 83%. Domestic sales amounted to €159 million, up 14% on the same period of the previous year. European sales outside Germany climbed by 16% to €306 million. Double-digit sales growth (+43%) to €278 million was also recorded in North America. The good performance in Asia continued with growth of 37% to €92 million.

At €229 million (2005: €180 million), the operating profit figure EBITDA, was substantially higher than in the previous year. EBIT rose by 23% to €185 million (2005: €150 million). Earnings before taxes (EBT) also totaled €185 million, +22% more than in 2005 (€152 million). First-quarter net income amounted to €118 million (2005: €94 million), up 25% on the previous year's figure.

The operating return (EBITDA) was 24.2% in the first quarter of 2006. The return on sales before taxes (EBT) was 19.5%. Earnings per share rose by 24% to €0.87.

As of March 31, 2006, ALTANA employed about 13,400 people worldwide, an increase of 25% on the same period in the previous year. Disregarding exceptional effects, some 500 new jobs were created worldwide.

ALTANA Pharma: Dynamic development

ALTANA Pharma AG, Constance, increased its sales by 17% to €624 million in the first quarter of 2006. The core Therapeutics business reported growth in sales of 18% to €539 million. Despite higher investment in R&D and the high costs associated with the market launch of Alvesco[®], ALTANA Pharma succeeded in increasing first-quarter earnings before taxes (EBT) by 19% to €156 million. At 25%, the return on sales before taxes (EBT) reached another record value. The operating return (EBITDA) was 29%.

Gastro franchise

Pantoprazole (Pantozol®/Protonix®), the innovative gastrointestinal drug, continues to deliver strong growth. ALTANA Pharma's own sales of Pantoprazole totaled €361 million, which translates as an increase of 18%. Worldwide market sales, all sales partners included, were up 22% to €765 million in the first three months of 2006. Europe (excluding Germany) saw continued growth with Pantoprazole (+19%). Sales in Germany fell 13% below last year's level due to the strong first-quarter results achieved in 2005 and the initial impact of the government-imposed cost-cutting measures. Market sales of US\$482 million (+18%) were achieved in the U.S. market. Pantoprazole's share in total prescriptions in the proton pump inhibitor market in the U.S. was about 20% at the end of March 2006.

Respiratory franchise

ALTANA Pharma achieved a total sales volume of €19 million with respiratory drugs in the first quarter of 2006. Sales of Alvesco® (Ciclesonide) totaled €3.4 million. This innovative corticosteroid inhaler for the treatment of asthma is now approved in 37 markets and has been launched in 18. Further market launches are planned this year.

In February 2006, the indication of Alvesco® was extended to treat persistent asthma in adolescent patients aged 12 years and older. National marketing licenses will follow on the basis of the European Mutual Recognition Variation Procedure. New Drug Applications for OMNAIR™, a nasal spray with Ciclesonide for treating Allergic Rhinitis, were filed in the USA and Canada.

ALTANA Chemie: Strong growth in sales in every division

ALTANA Chemie AG, Wesel, achieved sales of €324 million in the first quarter of 2006. This represents a 56% increase on the previous year, mainly due to acquisitions. Even when adjusted for exchange rate as well as acquisition and divestment effects, ALTANA Chemie achieved an operating growth of 10% driven by a substantial revival in worldwide demand.

All four divisions of ALTANA Chemie contributed to the good first-quarter results. Sales in the largest division, Additives & Instruments, climbed by 14% to €103 million. Electrical Insulation reported sales of just under €84 million, up 15% on the previous year. The Coatings & Sealants division achieved an acquisition-driven 26% increase in sales, which reached €55 million, with a 7% increase in operating growth. Effect Pigments (ECKART), the new fourth division consolidated as of October 1, 2005, contributed €82 million to total first-quarter sales, which is equivalent to a double-digit increase in operating sales on last year.

In the first quarter of 2006 ALTANA Chemie improved operating profit (EBITDA) by 57%, which was slightly higher than the growth in sales. This growth in earnings, which was achieved in spite of exceptional expenditure associated with restructuring measures, was mainly fuelled by the earnings contribution from the new division, Effect Pigments, and the improvement in profitability generated by the portfolio measures implemented in Coatings & Sealants. At €37 million, earnings before taxes (EBT) were 39% up on the past year in spite of high acquisition-related depreciation; the return on sales was 11.6%. The operating return measured in terms of EBITDA was 18.5%, an excellent figure in an international comparison of the specialty chemicals sector.

ALTANA Chemie's product portfolio is focused on high-value international specialty businesses and provides an excellent basis for further growth. The continuing successful integration of ECKART will yield a positive contribution to earnings in 2006, despite all the acquisition-related costs. With last year's completion of the portfolio adjustments in the Coatings & Sealants division started two years ago, ALTANA Chemie is now in a position to further expand its flexible packaging business, including paper coatings in particular.

ALTANA: Outlook for record year 2006 confirmed

We expect our dynamic business performance to continue in 2006. At Group level, we anticipate growth in sales of about 20% with a business volume of just under €4 billion. Earnings (EBT) are expected to be some 8–10% higher than last year in spite of high expenditure on Research & Development, as well as on Marketing & Sales.

Both divisions expect double-digit growth in sales – ALTANA Pharma should achieve sales growth in the range of 12–14% whilst the acquisition-influenced figure for ALTANA Chemie should be substantially in excess of 30%. Earnings before taxes (EBT) are expected to grow between 8–10% thanks to good business development at ALTANA Pharma. Pantoprazole looks set to provide growth in own sales in the clear double-digit percent range whilst worldwide market sales, all sales partners included, are expected to be in the high single-digit percent range. Growth in operating profit (EBITDA) at ALTANA Chemie will develop in line with sales.

The process on the long-term development of the two divisions is underway. We strive to implement both processes this year, and will provide information in due course.

Key figures 1st Quarter 2006

ALTANA Group	January to March 2006	January to March 2005	Change
	in € million	in € million	in %
Sales	948	741	+ 28
Earnings before interest, taxes, depreciation and amortization (EBITDA)	229	180	+ 27
Earnings before interest and taxes (EBIT)	185	150	+ 23
Earnings before taxes (EBT)	185	152	+ 22
Return on sales (EBT) in %	19.5	20.5	
Net income (EAT)	118	94	+ 25
Earnings per share in €	0.87	0.70	+ 24
Number of employees (March 31)	13,436	10,759	+ 25

There will be a conference call for analysts today, **April 27, at 2 p.m.** More information about the audio webcast, this press release and the Quarterly Report is available at **www.altana.com**.

This press release contains forward-looking statements. The forward-looking statements appearing in this press release include revenue and earnings projections for the ALTANA Group, the ALTANA Pharma and ALTANA Chemie Divisions, the drug Pantoprazole and information about ALTANA's plans regarding further market launches of Alvesco® as well as the aimed implementation of processes for the long-term development of both divisions. These statements are based on beliefs of ALTANA's management as well as assumptions made by and information currently available to ALTANA. Many factors that ALTANA is unable to predict with accuracy could cause ALTANA's actual results, performance or achievements to be materially different from those that may be expressed or implied by such forward-looking statements. These factors include ALTANA's ability to develop and launch new and innovative pharmaceutical and chemical products, price regulations for pharmaceuticals and budgeting decisions of local governments and health care providers, the level of ALTANA's investment in pharmaceuticals related R&D, the sales and marketing methods used by ALTANA to distribute its pharmaceuticals, the composition of ALTANA's pharmaceuticals portfolio, ALTANA's ability to maintain close ties with its chemicals customers, the business cycles experienced by ALTANA's chemicals customers and the prices of the raw materials used in ALTANA's chemicals business.

Forward-looking statements speak only as of the date they are made. ALTANA does not intend, and does not assume any obligation, to update forward-looking statements to reflect facts, circumstances or events that have occurred or changed after such statements have been made.

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