

## Press Release

ALTANA reports sales and earnings growth in the first half of 2008

- Sales: up 2 percent (4 percent operating growth)
- EBITDA: up 13 percent; EBITDA margin at high level
- Burdens due to exchange rate effects

**Wesel, Germany, August 7, 2008.** The specialty chemicals Group ALTANA AG increased sales and earnings in the first half of 2008 in comparison to the prior year's period. The Group achieved sales of €716.8 million in the first six months of the current business year, corresponding to an increase of about €11 million or 2% on the prior year. Adjusted for negative exchange rate effects of 4% and positive acquisition effects of 2%, the operating sales growth was 4%. Earnings before interest, taxes, depreciation and amortization (EBITDA) rose disproportionately from €125.2 million to €141.4 million, an increase of 13%. At 19.7%, the EBITDA margin is in the upper region of ALTANA's medium-term target range of 18% to 20%. In the prior year, the margin was 17.7%; it had been burdened by the two-tier holding structure which was maintained until mid-2007. Earnings before taxes (EBT) for the first six months of 2008 totaled €103.6 million, following €138.6 million in the prior year. However, the EBT for the first half of 2007 included the income from the investment of the purchase price for ALTANA Pharma, which was distributed to the shareholders in May 2007.

### Development of the divisions

All four divisions of ALTANA AG posted operating growth in sales and earnings in the first six months of 2008. At the same time, business development was influenced group-wide by negative exchange rate effects (in particular the U.S. Dollar).

The BYK Additives & Instruments division was able to increase sales by 3% (operating growth: 6%), with sales growing from €229.6 million to €236.6 million. At €70.9 million, EBITDA remained almost unchanged following €70.5 million in the corresponding prior year's period.

Sales in the ECKART Effect Pigments division grew clearly from €178.9 million in the prior year to €189.9 million. This corresponds to a nominal increase of 6%; the operating growth was 5%. EBITDA rose by 1%, from €43.9 million to €44.3 million.

Nominal sales in the ELANTAS Electrical Insulation division declined slightly by 2% to €178.6 million (prior year: €182.9 million). The operating sales growth was 2%. EBITDA declined slightly from €28.2 million to €27.5 million, a decrease of 3%.

The ACTEGA Coatings & Sealants division achieved sales of €111.7 million, following €114.3 million in the prior year's period. In nominal terms this corresponds to a decrease of 2%; in operating terms the division achieved an increase of 1%. At €13.0 million, EBITDA were just over the prior year's figure (€12.9 million).

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“We can look back at a positive first half-year 2008, in which we were able, in particular, to increase earnings disproportionately,” stated Dr. Matthias L. Wolfgruber, CEO of ALTANA AG. “In a difficult market environment and despite significant burdens due to the weak U.S. Dollar as well as increasing raw material costs, we have demonstrated that ALTANA is robustly positioned and able to successfully further develop its operating business. We therefore assume to achieve our earnings goals for the business year despite the weakening economic climate.”

### **Positive earnings outlook for 2008**

In the course of the continuing worldwide financial crisis, the general economic outlook has become cloudy. This is especially true for the U.S., but softening business development is now also anticipated in Europe. Consequently, the economic setting has also changed for the ALTANA Group. Nevertheless, for the full business year we still expect an increasing demand for our specialty chemicals products. Due to the current developments we have revised our exchange rate expectations and adjusted them to a U.S. Dollar rate of 1.55 per Euro on an annual average.

In particular against the background of the adjusted exchange rate expectations, we update our previously given outlook as follows: For 2008, we expect a single-digit growth in sales to a level between €1.41 billion and €1.45 billion and an EBITDA growth to a level between €260 million and €280 million. Earnings before taxes (EBT) for the current business year should be lower than in 2007. The reason for this decrease is the absence of the income from the investment of the purchase price for ALTANA Pharma which was recorded until the distribution to the shareholders in May 2007 (€55 million).

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**Key Figures H1, 2008**

ALTANA Group	January to June 2008	January to June 2007	Change
	in € million	in € million	in %
Sales	716.8	705.7	+ 2%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	141.4	125.2	+ 13%
Operating income (EBIT)	106.3	81.4	+ 31%
Earnings before taxes (EBT)	103.6	138.6	-25%
Net income (EAT) <sup>1</sup>	69.4	87.5	-21%
Earnings per share (EPS) <sup>1</sup> in €	0.51	0.64	- 21%
Research and development expenses	36.0	34.6	+ 4%
Capital expenditure on intangible assets and property, plant and equipment	44.3	29.6	+ 50%
Headcount (June 30)	4,688	4,543	+ 3%

<sup>1</sup>The figures refer to the continuing operations.

A telephone press conference will take place today, **August 7, 2008, at 10:00 a.m. local time (CEST)**.

At **2:00 p.m. local time (CEST)** there will be a conference call for analysts.

More information on the relevant audio webcasts, this press release, and the half-year report is available at **[www.altana.com](http://www.altana.com)**.

**This press release is also available digitally at [www.altana.com/press](http://www.altana.com/press).**

This press release contains forward-looking statements, i.e. current estimates or expectations of future events or future results. These statements are based on beliefs of ALTANA as well as assumptions made by and information currently available to ALTANA. 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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### About ALTANA:

ALTANA develops and produces high-quality innovative products in the specialty chemicals business. The ALTANA Group, with headquarters in Wesel/Germany, is a genuine "global player" with 83% of its sales generated by international activities. The ALTANA Group has four divisions: **BYK** Additives & Instruments, **ECKART** Effect Pigments, **ELANTAS** Electrical Insulation, and **ACTEGA** Coatings & Sealants. All of these divisions occupy a leading position in their target markets with respect to quality, product solution expertise, innovation and service.

ALTANA offers innovative, environmentally compatible solutions with the matching specialty products for coating manufactures, paint and plastic processors, the printing and cosmetic industries, and the electrical and electronic industry. The product range includes additives, special coatings and adhesives, effect pigments, sealants and compounds, impregnating resins & varnishes, and testing and measuring instruments.

At present, the ALTANA Group has 32 production facilities and 46 service and research laboratories worldwide. Throughout the group about 4,700 people work to ensure the success of ALTANA worldwide. In 2007, ALTANA achieved sales of about 1.4 billion euros. Its impressive earning power and high growth rate make ALTANA one of the most successful and innovative chemical groups worldwide.