

Press Release

Business year 2009: ALTANA noticeably affected by the crisis despite strong rebound in the second half of the year

- **Sales: €1,182 million (-12%)**
- **EBITDA: €204 million (-16%); EBITDA margin: 17.3%**
- **Impairments of €77 million at ECKART Effect Pigments**
- **Earnings before taxes (EBT): €39 million; net income (EAT): €11 million**

(Note: All figures mentioned in this press release are provisional and unaudited.)

Wesel, February 4, 2010. The specialty chemicals Group ALTANA AG concluded the business year 2009 with noticeably lower sales and earnings figures compared to the prior year due to the effects of the economic crisis. Despite a pronounced upturn in business in the second half of the year, sales declined to €1,182 million, following €1,342 million in 2008, which is a decrease of 12%. Adjusted for positive exchange rate as well as acquisition effects, the operating sales decrease was 15%. On account of the worldwide economic crisis, sales in all regions remained below the figures of the previous year; in some regions the losses were quite pronounced. At 17%, the highest decline was recorded in Europe, followed by North and South America with a drop of 12%. The Asian region was comparatively stable, with a sales decrease of only 2% for the full year. Here, ALTANA was able to achieve significant growth rates in the second half of 2009, particularly in China.

Sales development by division

The BYK Additives & Instruments division achieved sales of €420 million in 2009, corresponding to a decrease of about 7% on the prior year. In the ECKART Effect Pigments division, sales dropped by 20% from €351 million in 2008 to €282 million in 2009. Sales in the ELANTAS Electrical Insulation division in 2009 amounted to €273 million; this is a decrease of 16% compared to 2008 (€327 million). ACTEGA Coatings & Sealants achieved sales of €207 million in 2009, which is only slightly below the 2008 figure (€214 million).

EBITDA margin just under the prior year due to resolute countermeasures

On account of the decline in sales, preliminary earnings before interest, taxes, depreciation and amortization (EBITDA) in the business year 2009 decreased by 16% to €204 million. At 17.3% (prior year: 18.1%), the EBITDA margin was down by only about 1 percentage point. This was mainly due to the immediate and comprehensively taken countermeasures to reduce costs and increase efficiency, which led to savings of about €55 million in the past business year.

Extraordinary impairments at ECKART Effect Pigments

Compared to the other divisions, the worldwide economic crisis caused the highest sales decrease in the Effect Pigments division. Here the recovery in the second half of 2009 also started at a later point in time and was less dynamic. The sluggish development in the division's important target markets, particularly the automotive industry, had a negative effect. This is why ALTANA revised its earnings forecast for Effect Pigments downwards in the course of 2009.

Within the framework of impairment tests in accordance with the rules of IFRS, this adjustment leads to extraordinary impairments of property, plant and equipment and goodwill, totaling €77 million. This does not affect the cash flow and has no

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significant effect on the balance sheet structure of the Group with an unchanged high equity ratio of 69%. Irrespective of this accounting measure, the business model and the long-term prospects for Effect Pigments remain intact.

Mainly due to the impairments in the Effect Pigments division, preliminary earnings before taxes (EBT) for the ALTANA Group declined by 75% from €159 million in the previous year to €39 million in 2009. Consequently, net income (EAT) was down to €11 million, following €103 million in the business year 2008.

Business year 2010 marked by uncertainties

“ALTANA has managed the worldwide economic crisis comparatively well, thanks to resolute countermeasures and the joint efforts and commitment of all those involved,” stated Dr. Matthias L. Wolfgruber, CEO of ALTANA AG. Now there is reason to hope for a further recovery of the world economy, which would also increasingly improve the business environment for ALTANA. Even with a further positive development, however, ALTANA would need at least until 2011 to reach the same business level as before the crisis. “For 2010, we expect an improvement over the previous year. However, we anticipate a business year with great uncertainties,” said Wolfgruber, adding that ALTANA would continue to emphasize and focus on cost efficiency and, at the same time, to increase investments in growth drivers such as innovation and customer orientation.

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ALTANA Group in € million	2009 ¹⁾	2008	Change in %
Sales – total	1,182	1,342	-12
Sales by division			
BYK Additives & Instruments	420	450	-7
ECKART Effect Pigments	282	351	-20
ELANTAS Electrical Insulation	273	327	-16
ACTEGA Coatings & Sealants	207	214	-3
Sales by region			
Europe	555	665	-17
<i>thereof Germany</i>	188	231	-19
North and South America	268	306	-12
<i>thereof U.S.</i>	178	204	-12
Asia	318	326	-2
<i>thereof China</i>	164	153	7
Other regions	41	45	-10
EBITDA	204	243	-16
EBT	39	159	-75
EAT	11	103	-89
Headcount (Dec. 31)			
BYK Additives & Instruments	1,189	1,214	-2
ECKART Effect Pigments	1,878	1,943	-3
ELANTAS Electrical Insulation	886	920	-4
ACTEGA Coatings & Sealants	770	652	18
Holding	66	62	6
ALTANA total	4,789	4,791	0

¹⁾ Preliminary data

This press release is also available on 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.

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 35 production facilities and 47 service and research laboratories worldwide. Throughout the group 4,800 people work to ensure the success of ALTANA worldwide. In 2009 ALTANA achieved sales of about 1.2 billion euros. Its impressive earning power and high growth rate make ALTANA one of the most successful and innovative chemical groups worldwide.

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