

Press Release

ALTANA achieves outstanding business year 2010

- **Sales and earnings significantly above pre-crisis level and prior-year figures**
- **Good business year 2011 expected**

Wesel, March 22, 2011. The specialty chemicals Group ALTANA ended the business year 2010 with excellent sales and earnings figures. Sales climbed to €1,535.4 million, corresponding to an increase of 30% compared to the previous year (€1,181.7 million). Adjusted for exchange rate as well as acquisition effects, the operating sales growth was 24%. As a result, ALTANA did more than compensate for the crisis-related decrease in sales in the business year 2009, and was also able to generate significant growth in sales compared to the pre-crisis level of 2007.

Earnings increase stronger than sales increase

The increase in earnings before interest, taxes, depreciation and amortization (EBITDA) was even more pronounced than in sales revenues. In 2010, EBITDA grew by 51% to €314.1 million, up from €208.4 million. The EBITDA margin was 20.5% and therefore clearly higher than the prior-year figure of 17.6%.

As of December 31, 2010, ALTANA employed 4,937 people worldwide; this is an increase of 3% on the previous year. In the current business year the company will presumably exceed the level of 5,000 employees. In 2010, capital expenditure in intangible assets and property, plant and equipment rose strongly by 37%, amounting to €73.8 million following €54.0 million in 2009. At €82.0 million, the company's research and development expenses were noticeably higher than in the prior year (€70.6 million), underlining the significant importance of innovation for ALTANA's market position and its ongoing success.

Performance of the divisions

For the first time ever, the BYK Additives & Instruments division generated sales of more than half a billion Euros in the past business year. Sales improved by 29%, up from €419.9 million in 2009 to €541.2 million in 2010. Sales of ECKART Effect Pigments also rose noticeably from €282.3 million to €356.6 million; this corresponds to an increase of 26%. The ELANTAS Electrical Insulation division achieved the largest percentage growth, with sales climbing by 38% to €377.4 million, following €272.7 million in 2009. Sales of ACTEGA Coatings & Sealants grew by 26% from €206.8 million to €260.2 million.

Regional sales performance

ALTANA generated the highest sales volume in Europe, with €683.7 million compared to €555.1 million in the previous year; this is an increase of 23%. The second most important region was Asia, where sales amounted to €439.0 million. This corresponds to an increase of 38%, which is the strongest growth in comparison to the previous year (€317.9 million). China accounts for almost half of the company's total sales in Asia. With sales of €224.2 million, this country is the third largest single market, close behind Germany (€234.5 million). In the Americas ALTANA achieved sales of €361.5 million, following €267.7 million in 2009; this also corresponds to a significant sales increase of 35%. The largest single market in the American region is the U.S., with sales amounting to €242.0 million.

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March 22, 2011

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Contact
Corporate Communications

Achim Struchholz
Head of Corporate Communications
Tel +49 281 670-10300

Sven Kremser
Head of External and
Internal Relations
Tel +49 281 670-10303

Heike Dimkos
Corporate Communications
Tel +49 281 670-10302

Fax +49 281 670-10999
press@altana.com
www.altana.com/press

ALTANA AG
Abelstraße 43
46483 Wesel
Germany
Tel +49 281 670-8
Fax +49 281 670-10999
info@altana.com
www.altana.de

Press Release

Return to long-term growth course

“ALTANA looks back on an outstanding business year 2010, in which we have returned to our long-term growth course and achieved excellent sales and earnings results,” stated Dr. Matthias L. Wolfgruber, CEO of ALTANA AG. According to Wolfgruber this success was not only due to the positive overall economic situation: “The strong business year 2010 is the result of our clear and long-term oriented corporate strategy, which focuses on innovation and customer proximity in demanding global markets, even during the worldwide economic crisis,” continued Wolfgruber. The company’s present position, said the CEO, is an excellent foundation from which to further embrace the opportunities in the worldwide specialty chemicals markets and to successfully continue the company’s course of profitable growth with the help of continuing high and further rising investments into the future.

Outlook

For the current business year ALTANA expects further increases in sales, primarily driven by the development of the global economy in the sales markets important for the company. However, due to the fact that general economic risks will continue to exist, we expect an economic environment that is characterized by increased volatility. The development of raw material prices, in particular, might have a significant effect on the profitability of the Group. Overall, we assume that ALTANA will continue its course of profitable growth.

ALTANA Group (in € million)	2010	2009	Change in %
Sales – total	1,535.4	1,181.7	30
Sales by division			
Additives & Instruments	541.2	419.9	29
Effect Pigments	356.6	282.3	26
Electrical Insulation	377.4	272.7	38
Coatings & Sealants	260.2	206.8	26
Sales by region			
Europe	683.7	555.1	23
<i>thereof Germany</i>	234.5	188.0	25
Americas	361.5	267.7	35
<i>thereof U.S.</i>	242.0	178.4	36
Asia	439.0	317.9	38
<i>thereof China</i>	224.2	164.3	36
Other regions	51.2	41.0	25
EBITDA	314.1	208.4	51
EBIT	230.2	53.5	>100
EBT	218.2	39.0	>100
EAT	152.3	11.0	>100
Headcount (Dec. 31)	4,937	4,789	3

Press Release

The Management Board will report in detail on ALTANA's annual financial statements at the press conference today at 11 a.m. (local time, CET) in the headquarters of ALTANA in Wesel. The press conference will be audio webcast at www.altana.com.

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 84% 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 36 production facilities and 47 service and research laboratories worldwide. Throughout the Group about 5,000 people work to ensure the success of ALTANA worldwide. In 2010 ALTANA achieved sales of about 1.5 billion euros. Its impressive earning power and high growth rate make ALTANA one of the most successful and innovative chemical groups worldwide.