

Press Release

ALTANA further expands its business in 2011

- **Sales 5% up on the previous year**
- **EBITDA margin at high level of 19.1%**
- **Positive outlook even in an uncertain environment**

Wesel, March 21, 2012 – The specialty chemicals group ALTANA was able to further increase sales in the business year 2011 compared to the record year 2010, despite an increasingly challenging environment. Sales climbed to €1,617 million, corresponding to an increase of 5% compared to the previous year (€1,535 million). Adjusted for exchange rate as well as acquisition effects, the operating sales growth was also 5%. The development during the year, however, was rather heterogeneous. While sales in the first months of 2011 increased in the double-digit percentage area, ALTANA was confronted with declining sales momentum in the second half of the year.

Raw material prices burden margins

Despite the growth in sales the Group's 2011 earnings figures remained slightly below the figures achieved in the previous year. This is mainly attributable to the costs of raw materials that increased significantly throughout the business year. Despite the implemented sales price increases and countermeasures relating to the company's fixed costs, it was not possible to fully offset the rise in the prices of materials for the year as a whole. As a result, earnings before interest, taxes, depreciation and amortization (EBITDA) in 2011 decreased slightly by 2% to €308 million, compared to €314 million in the previous year. At 19.1%, the EBITDA margin, however, remained at a high level and within the company's strategic target range of 18% to 20%.

Performance of the divisions

The BYK Additives & Instruments division generated sales of €582 million in 2011 (previous year: €541 million), which corresponds to a significant increase of 8%. ECKART Effect Pigments was the only division that was not able to achieve a sales increase in 2011. At €347 million, the division's sales were 3% down on the previous year (€357 million). Sales in the ELANTAS Electrical Insulation division grew by 4% to €391 million (previous year: €377 million). The highest percentage growth in sales was achieved by the ACTEGA Coatings & Sealants division, where sales climbed by 14% to €297 million (previous year: €260 million). This growth resulted primarily from ACTEGA's acquisition of the Color Chemie Group as of July 1, 2011.

Regional sales performance

In 2011, ALTANA generated the largest share of sales in Europe, where sales amounted to €741 million, following €684 million in 2010. This translates into an increase of 8%. It includes sales of €259 million in Germany, which increased by 10%, decisively influenced by company acquisitions. Sales in Asia grew by 2% to €448 million. China accounts for more than half of the total sales in Asia. With sales of €229 million, China is the third largest individual market of the Group. ALTANA's sales in the Americas amounted to €373 million, following €361 million in 2010. This is an increase of 3%, which was negatively impacted by changed exchange rate relations. In the Americas region, the U.S. is the largest individual market with sales of €243 million.

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Page
1/3

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Press Release

Significant increase in headcount and high capital expenditure

As of December 31, 2011, ALTANA employed 5,313 people worldwide. This is an increase of 376 people or 8% on the previous year. This increase in the company's workforce is mainly attributable to the acquisitions completed in 2011. Adjusted for this effect the number of employees rose by 3%.

The Group's capital expenditure on intangible assets and property, plant and equipment in 2011 rose significantly by about €20 million to €94 million.

At €88 million, research and development expenses also surpassed the figure of the previous year (€82 million), underpinning the great importance that is attributed to innovation for the market position and the ongoing success of ALTANA.

Outlook

"The present overall economic situation remains to be characterized by an unchanged high degree of uncertainty, thus representing quite a challenging environment for ALTANA in the short-term," stated Dr. Matthias L. Wolfgruber, CEO of ALTANA AG. According to the company's forecast demand is more likely to pick up in the second half of the business year 2012. For the current business year ALTANA anticipates an operating increase in sales in the low single-digit percentage area. The company expects raw material prices to stabilize at the current high level. As a result, the EBITDA margin should remain within the target range of 18% to 20%.

"With our clear, strategic focus on innovative and technically demanding growth markets we are optimally positioned in the current environment," said Wolfgruber.

"Due to the flexibility we have achieved over the past several years we are confident that we will be able to act prudently and successfully even in a continuing volatile market environment."

ALTANA AG's Annual Press Conference will take place today. The Management Board will report in detail on the company's annual financial statements 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.

The press conference presentation is available [here](#).

Today, ALTANA also publishes its Annual Report 2011. Please click the following to either [download](#) the report in PDF format, to view the [document online](#), or to [order](#) your personal copy.



Press Release

Key figures at a glance

ALTANA Group (in € million)	2011	2010	Change in %
Sales – total	1,617	1,535	5
Sales by division			
BYK Additives & Instruments	582	541	8
ECKART Effect Pigments	347	357	-3
ELANTAS Electrical Insulation	391	377	4
ACTEGA Coatings & Sealants	297	260	14
Sales by region			
Europe	741	684	8
<i>thereof Germany</i>	259	235	10
Americas	373	361	3
<i>thereof U.S.</i>	243	242	0
Asia	448	439	2
<i>thereof China</i>	229	224	2
Other	55	51	7
EBITDA	308	314	-2
EBIT	217	230	-6
EBT	208	218	-5
EAT	148	152	-3
Headcount (Dec. 31)	5,313	4,937	8

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 about 85% 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 manufacturers, paint and plastics processors, the printing and cosmetic industries, and the electrical and electronics industry. The product range includes additives, special coatings and adhesives, effect pigments, sealants and compounds, impregnating resins and varnishes, and testing and measuring instruments.

At present, the ALTANA Group has 42 production facilities and 48 service and research laboratories worldwide. Throughout the Group about 5,300 people work to ensure the success of ALTANA worldwide. In 2011, ALTANA achieved sales of more than 1.6 billion euros. Its impressive earning power and high growth rate make ALTANA one of the most successful and innovative chemical groups worldwide.