



Full Year 2011 Results

ALTANA AG Annual Press Conference 2012
Wesel, March 21, 2012

Agenda

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Dr. Matthias L. Wolfgruber,
CEO

ALTANA 2011 – Financials

Martin Babilas,
CFO

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Dr. Matthias L. Wolfgruber,
CEO

Welcome Address

Sven Kremser,
Head of External and Internal Relations

ALTANA 2011 – Overview

Presented by
Dr. Matthias L. Wolfgruber
CEO

2011: A Positive Business Year for ALTANA

- Sales surpass €1.6 billion level for the first time
- 5% sales growth despite slowing demand momentum in the 2nd half of the year
- Raw material prices burden margins; however, EBITDA almost at previous year's level
- EBITDA margin at high level of 19.1%
- Further increase in R&D expenditure
- Successful integration of the four new acquisitions
- Headcount rises to 5,313; in particular due to acquisitions

➤ **ALTANA's investments in the future of the company continue unabated!**

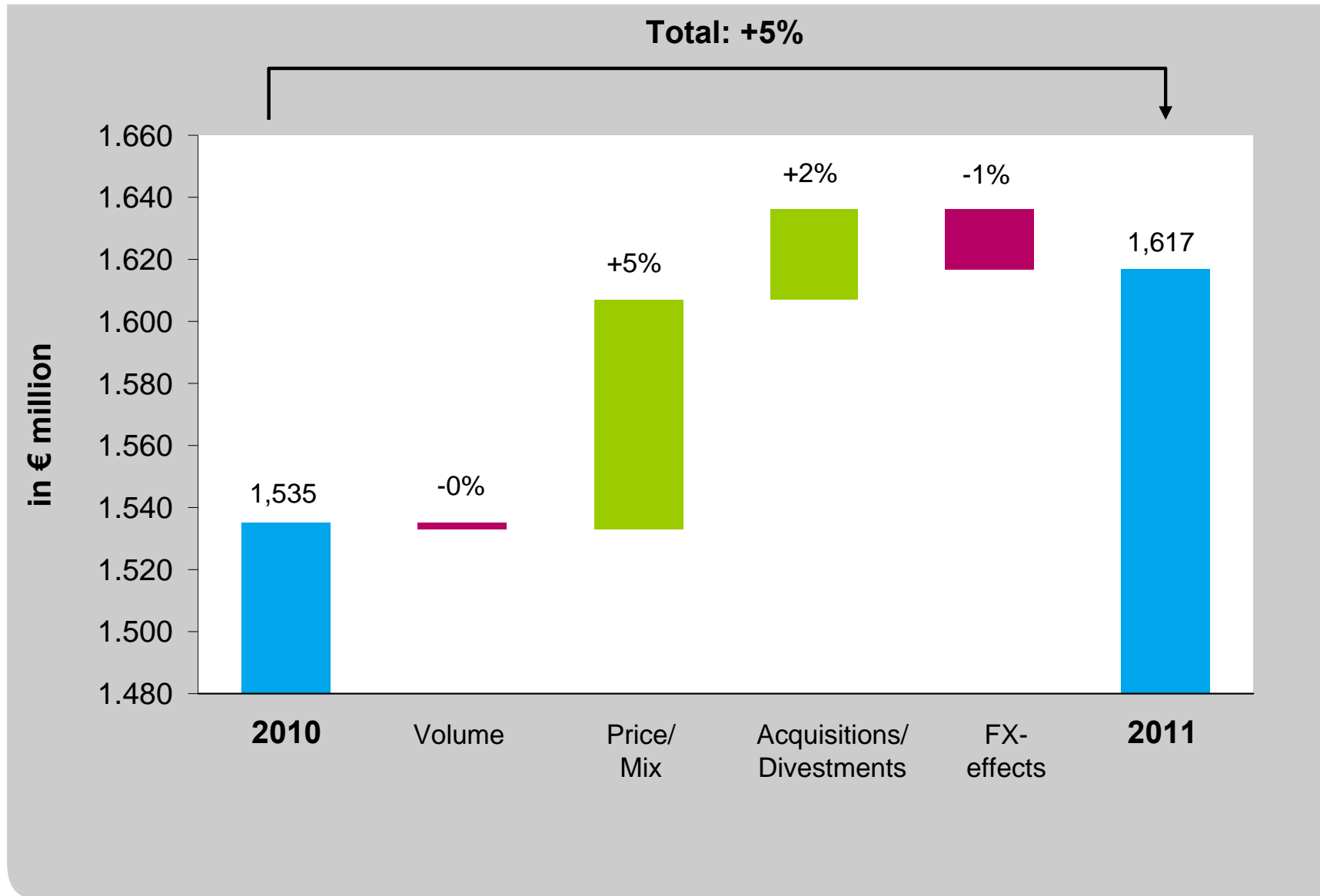
Key Figures

(in € million)	2011	2010	Δ %	Δ % operat. ^(a)
Sales	1,617	1,535	5	5
EBITDA	308	314	-2	-1
<i>EBITDA margin</i>	19.1%	20.5%		
EBIT	217	230	-6	
<i>EBIT margin</i>	13.4%	15.0%		
EBT	208	218	-5	
<i>EBT margin</i>	12.8%	14.2%		
EAT	148	152	-3	
Headcount (Dec. 31)	5,313	4,937	8	






(a) Adjusted for exchange rate as well as acquisition and divestment effects

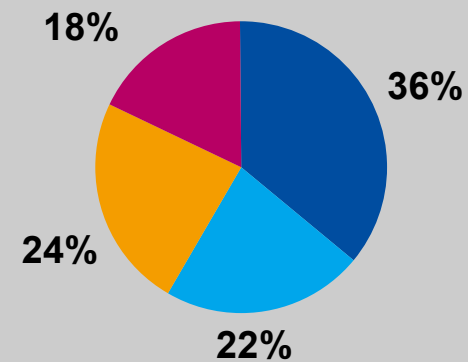
Sales Reconciliation

Growth mainly driven by price/mix



Sales by Division

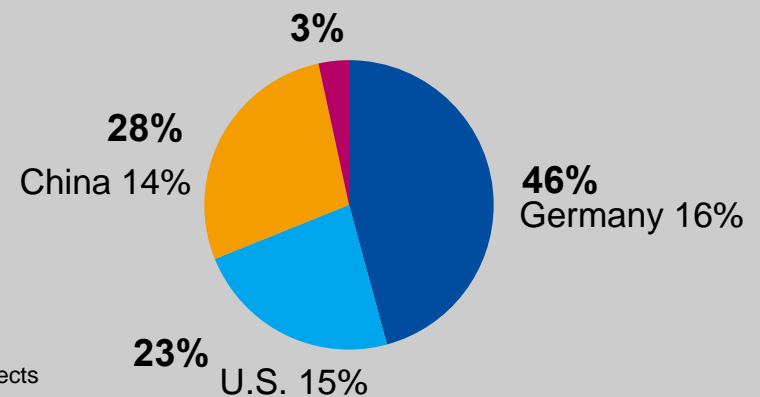
(in € million)	2011	2010	Δ %	Δ % operat. ^(a)
 BYK Additives & Instruments	582	541	8	8
 ECKART Effect Pigments	347	357	-3	-1
 ELANTAS Electrical Insulation	391	377	4	5
 ACTEGA Coatings & Sealants	297	260	14	6
 ALTANA	1,617	1,535	5	5



(a) Adjusted for exchange rate as well as acquisition and divestment effects

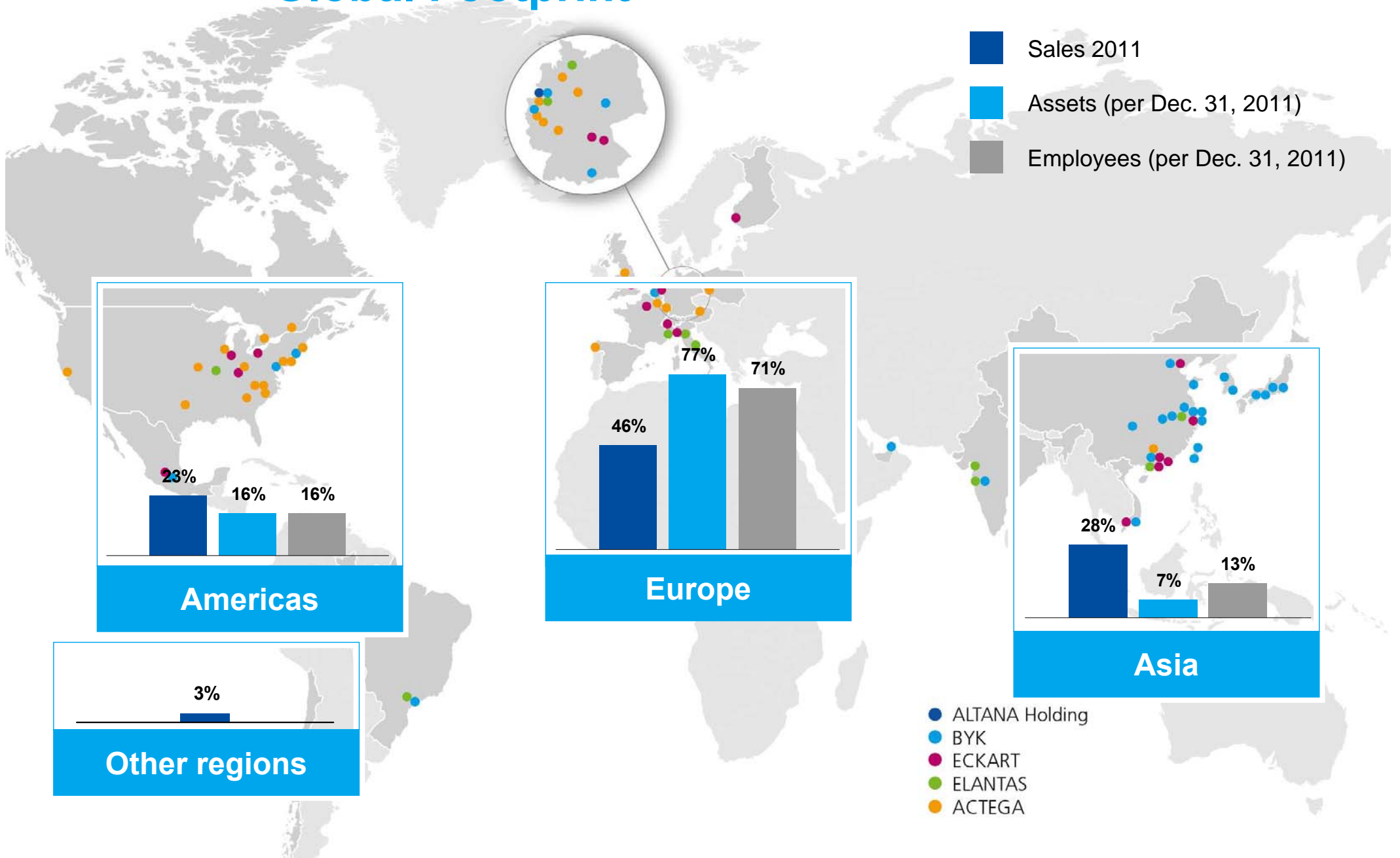
Sales by Region

(in € million)	2011	2010	Δ %	Δ % operat. ^(a)
Europe	741	684	8	4
<i>thereof Germany</i>	259	235	10	2
Americas	373	361	3	8
<i>thereof U.S.</i>	243	242	0	5
Asia	448	439	2	3
<i>thereof China</i>	229	224	2	3
Other regions	55	51	7	8
ALTANA Group	1,617	1,535	5	5



(a) Adjusted for exchange rate as well as acquisition and divestment effects

Global Footprint



- Strong presence in growth regions and balanced geographical profile
- 42 production facilities and 48 service and research laboratories worldwide

Active Portfolio Management in 2011

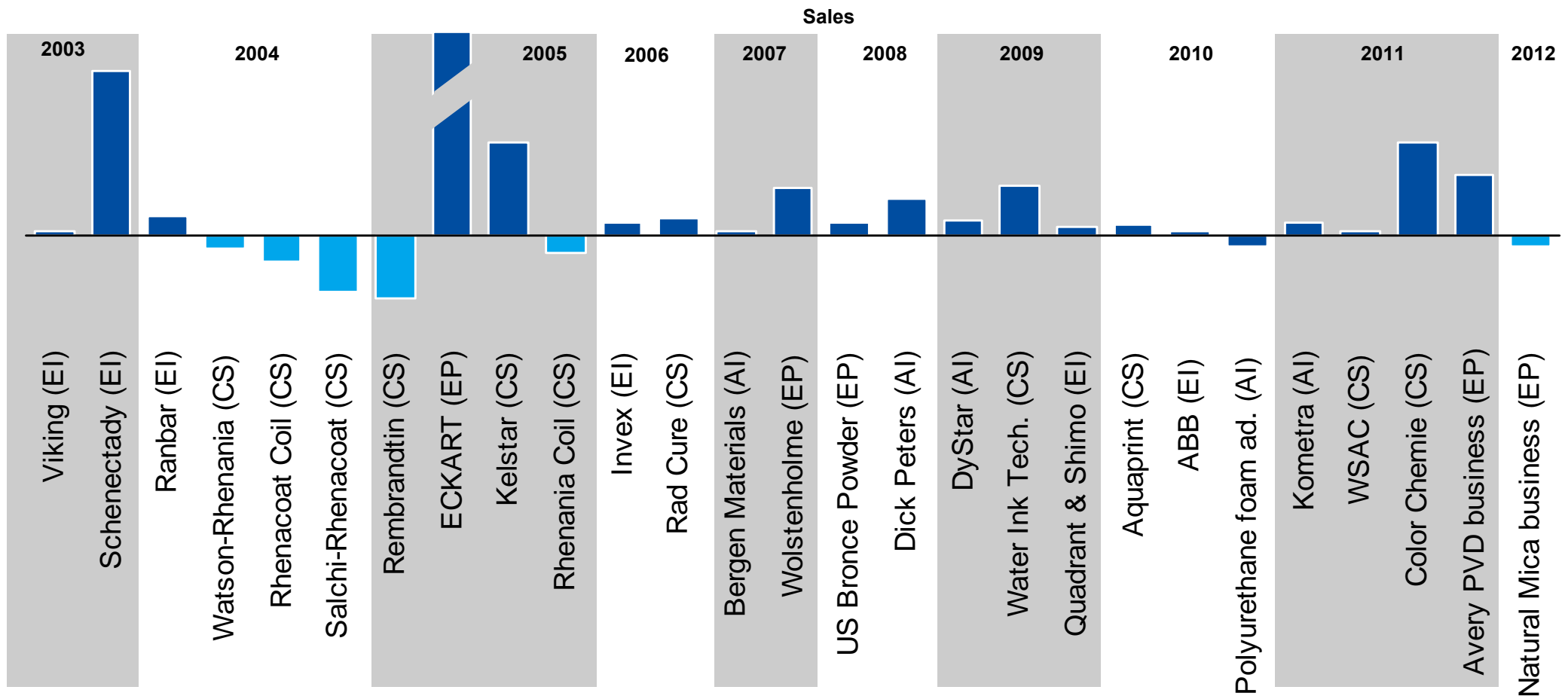
Acquisitions

- Acquisition of Kometra GmbH by the Additives & Instruments division as of February 28, 2011 (sales in 2010: €7 million)
- Acquisition of Watson Standard's can end sealants business by ACTEGA Artistica as of March 18, 2011 (sales in 2010: €1 million)
- Acquisition of the Color Chemie Group by the Coatings & Sealants division as of July 1, 2011 (sales in 2010: €46 million)
- Acquisition of Avery Dennison's production of PVD aluminum pigments by ECKART America as of October 28, 2011

Divestments

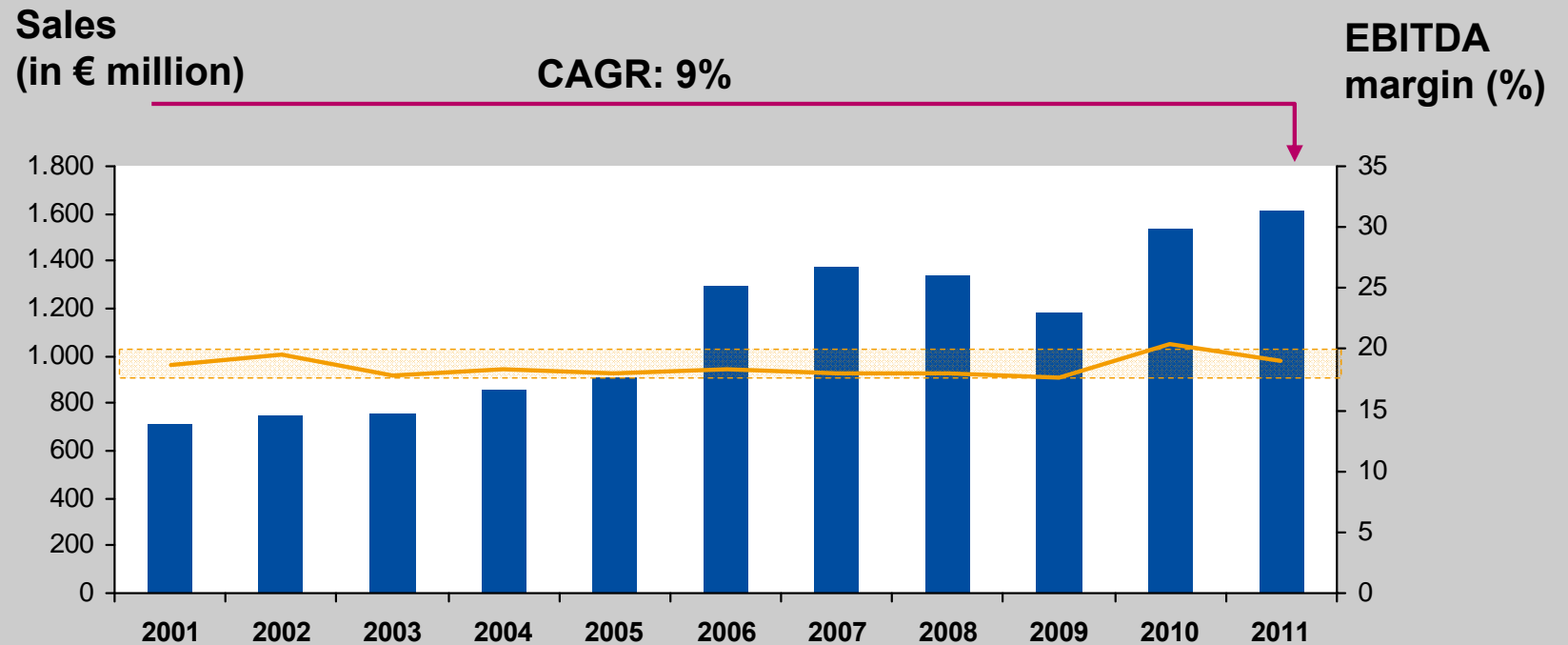
- Effect Pigments sells natural mica pearlescent pigment business to Sudarshan (closing in January 2012) and initiates restructuring process of its location in Finland

Acquisitions and Divestments



Disciplined procedures and consistent application of acquisition criteria

Long-term Track Record Remains Intact Despite Economic Crisis



Figures refer to the specialty chemicals business only.

ALTANA 2011 – Financials

Presented by
Martin Babilas
CFO

Income Statement

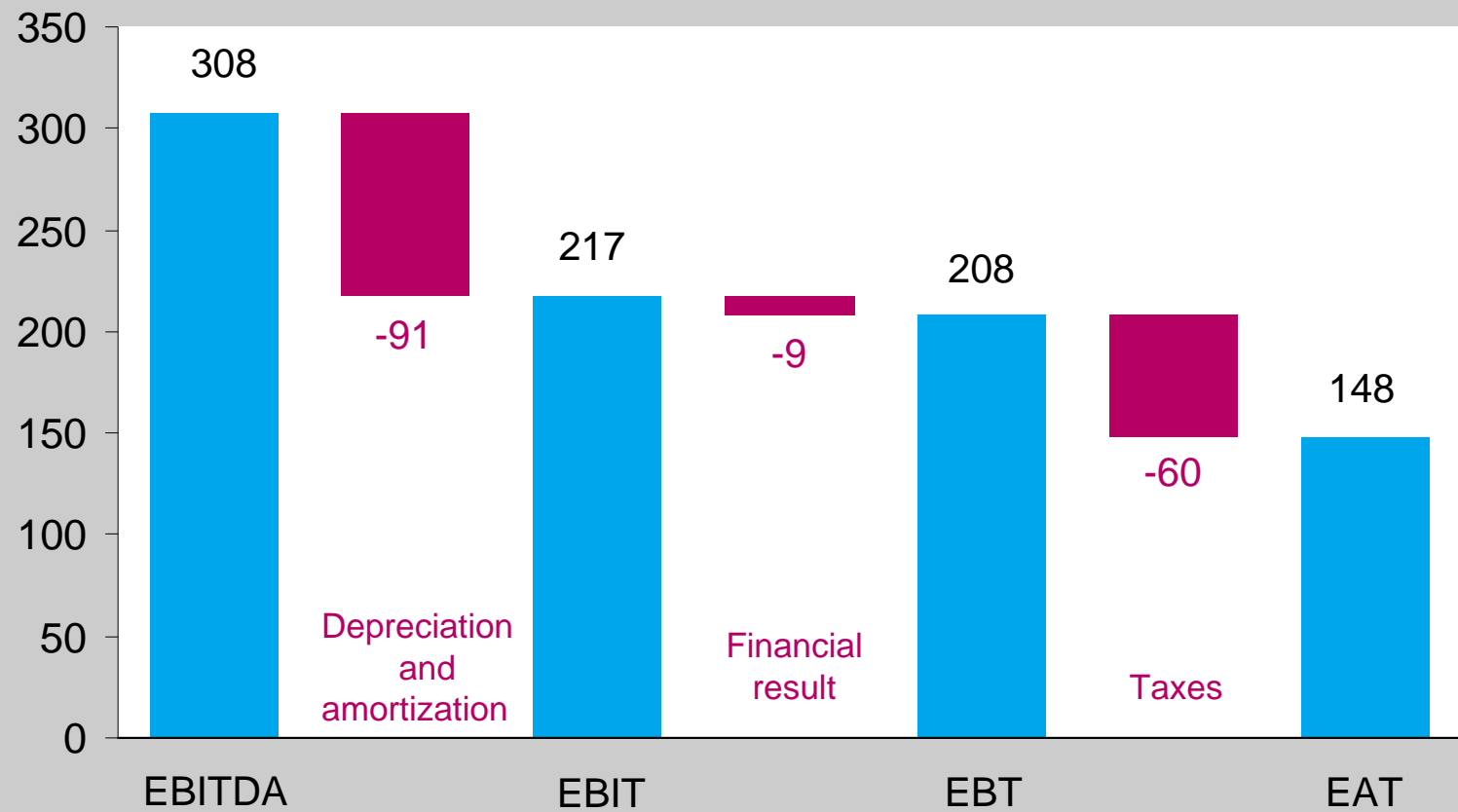
(in € million)	2011	Sales in %	2010	Sales in %	Δ %
Sales	1,617	100.0	1,535	100.0	5.3
Material expenses	(741)	-45.8	(673)	-43.8	-10.0
Production expenses	(275)	-17.0	(265)	-17.2	-3.9
Gross profit	601	37.2	598	38.9	0.6
Selling & distribution expenses	(210)	-13.0	(199)	-13.0	-5.3
Research & development expenses	(88)	-5.4	(82)	-5.3	-7.0
General administrative expenses	(85)	-5.3	(88)	-5.7	3.6
Other operating income/expenses	(2)	-0.1	2	0.1	<-100
Operating income (EBIT)	217	13.4	230	15.0	-5.7
Financial result ^(a)	(9)	-0.6	(12)	-0.8	22.9
Earnings before taxes (EBT)	208	12.8	218	14.2	-4.8
Income tax ^(b)	(60)	-29.0	(66)	-30.2	8.7
Net income (EAT)	148	9.1	152	9.9	-3.1

(a) incl. income from associated companies

(b) rate as % of EBT (tax rate)

Details on 2011 Earnings

in € million



Cash Flow Statement 2011

(in € million)	2011	2010
Net income	148	152
Amortization, depreciation, and impairment on intangible and tangible assets	91	84
Change in net working capital	(14)	(19)
Change in provisions and other	(28)	22
Cash flow from operating activities^(a)	197	239
Investments in intangible and tangible assets	(94)	(74)
Other	2	6
Cash flow from ordinary investing activities	(91)	(68)
Ordinary free cash flow	106	171
Acquisitions	(74)	(11)
Payments from the sale of ALTANA Pharma	0	(12)
Reclassification of notes receivable (China)	(27)	-
Free cash flow	4	148

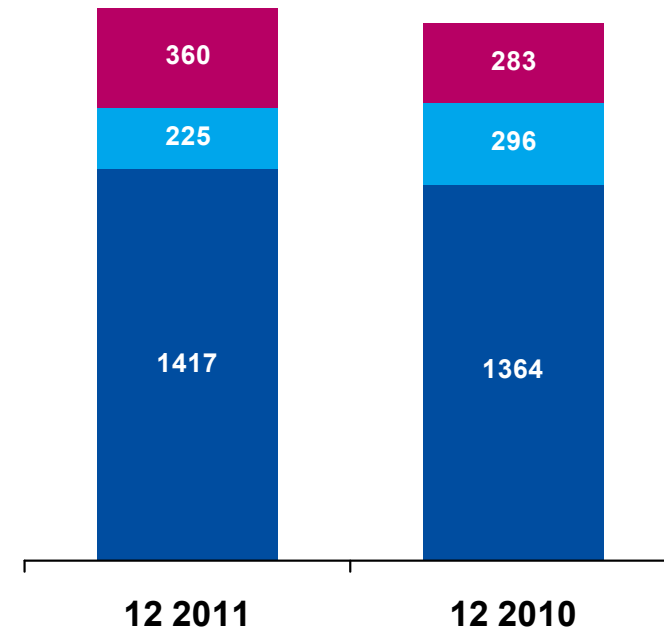
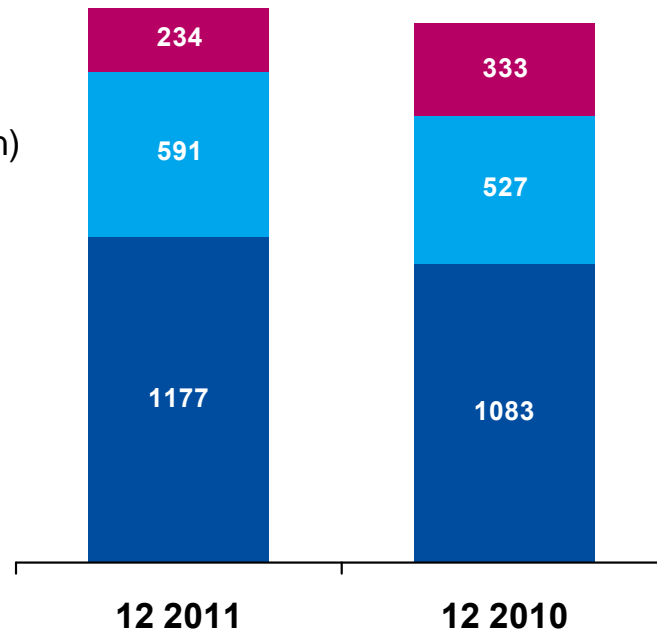
ALTANA Group Consolidated Statement of Financial Position as of December 31, 2011

Assets (in € million)

Shareholders' Equity and Liabilities (in € million)

Total Assets (in € million)
 12 2011: 2,002
 12 2010: 1,944
 Change: +3%

Equity ratio
 12 2011: 71%
 12 2010: 70%



- Cash and cash equivalents (incl. marketable securities)
- Other current assets
- Non-current assets

- Current liabilities
- Non-current liabilities
- Shareholders' equity

Value Management

(in € million)	2011	2010
Operating capital (annual average)	1,654	1,544
Operating performance (after tax)	185	188
Return on capital employed (ROCE)	11.2%	12.2%
Cost of capital	8.0%	8.0%
ALTANA Value Added (%)	3.2%	4.2%
ALTANA Value Added (abs.)	53	64

Strong Balance Sheet Structure

- Equity ratio of 71%
- Net debt position, including employee benefit obligations, of €27 million (previous year: net financial assets of €80 million)
- Long-term financing capability strengthened through a successfully issued German Schuldschein with a volume of €150 million

➤ **Financial flexibility for future growth**

ALTANA 2012 – Outlook

Presented by
Dr. Matthias L. Wolfgruber
CEO

Outlook 2012

- High degree of uncertainty with regard to the economic development prevails
- Difficult overall economic environment, in particular in Europe and Asia
- Stabilization of raw material costs at high level expected
- Sales should show operating growth within the low single-digit percentage area
- EBITDA margin expected to remain within the target range of between 18% and 20%
- R&D expenses and capital expenditure predicted to be in the region of €100 million each

 **Strong position of the company provides a good basis to continue on profitable growth course**



Thank you very much
for your attention.

Disclaimer

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

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