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PRESS RELEASE

Tessenderlo Group expands gelatin activities to China

PB Gelatins, the gelatin activity of Tessenderlo Group, is setting up a joint venture to be known as PB Gelatins (Pingyang) Co., Ltd near Wenzhou in south-eastern China together with the Chinese company Zhejiang Feipeng Gelatin Industry Co., Ltd., with a view to producing high-quality gelatin.

Tessenderlo Group is acquiring an 80 % stake in the capital of PB Gelatins (Pingyang) Co., Ltd. and the Chinese partner is to take the remaining 20 %. The amount of the investment is not disclosed.

This cooperation is in line with the strategy adopted by Tessenderlo Group, which aims to strengthen the position of PB Gelatins as a world player on the gelatin market by ensuring a presence on the three most important gelatin markets: Europe, America and now Asia, as well.

With this joint venture, Tessenderlo Group is taking a major step towards the Chinese market, which offers interesting growth prospects for the production of high-quality gelatin in China, thanks to the constant increase in exports of consumer goods and pharmaceutical products, as well as the growing local market.

***PB Gelatins** is part of the Specialities business group of Tessenderlo Group and produces mainly high-quality gelatin for the food, pharmaceutical and photographic industries. PB Gelatins is the third largest gelatin producer in the world, with facilities already in Europe and in South and North America. The gelatin business unit employs around 770 people.*

***Zhejiang Feipeng Gelatin Industry Co., Ltd.** was established in the year 2000 and specialises in the production of gelatin for the food and pharmaceutical industries. The company has a workforce of 200. Zhejiang Feipeng Gelatin Industry Co., Ltd. is located in the Wenzhou region in south-eastern China.*

Tessenderlo Group is an international chemicals group with more than 100 branches in 21 countries. Around 8,100 people work for the group. The group's revenue totalled 2,150 million EUR in 2005 from its three business groups (Chemicals, Specialities and Plastics Converting). The group is a world and European leader in most of its product areas. Tessenderlo Chemie NV is listed on Eurolist by Euronext Brussels and is part of Next 150, NextPrime and BEL Mid.

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