



Tessenderlo Chemie Shareholders Meeting on 7 June 2011

President's speech

Ladies and gentlemen,
Dear Shareholders,

In spite of the beginning of last year still being heavily affected by the consequences of the international financial crisis, in 2010 the group has managed to achieve a clearly improved performance.

Turnover stood at 2.4 billion EUR, a historically high level, and an improvement of approximately 16% compared to the previous year. All segments of the company participated in this growth, although this was somewhat less for the plastic materials processing sector, still affected by the weak construction market.

The strong improvement in turnover led to an improvement in operating profits. This was particularly evident in the inorganic chemical sector, which had been severely affected by the crisis.

The net profit of 20.3 million EUR, while still far from pre-crisis profits, marks a spectacular recovery compared to the exceptional loss of 2009.

The cash flow from operations was supported by a strict control of operating expenses, working capital requirements and current investments, and enabled the group to reduce its financial debt to a satisfactory level.

This has at the same time been restructured and its maturity improved which gives more capacity for growth.

Your board proposes to maintain its dividend distribution policy and therefore to distribute a dividend of 1 EUR net per ordinary share as in the previous year.

It has also been decided as in the previous year to offer shareholders the choice between the payment of the dividend in new shares or in cash or opting for a combination of these two payment methods. The price of these new shares has been set at 25.00 EUR.

The extraordinary general meeting which took place this morning has on the other hand decided once again this year, to offer the entire group's staff the possibility of subscribing to an increase in capital which is exclusively reserved for them. This transaction, which we make each year, aims at including all the staff in the group's development and growth. It covers, as in previous years, a maximum number of 150,000 new shares. The subscription price has been set at 23.22 EUR.

In 2010, the group was able to continue its growth strategy with for gelatin, the construction of a new plant in Brazil and a joint-venture in China, for our American subsidiary Tessenderlo Kerley, a major increase in capacity and for special compounds for automobiles, a new investment in China.



Bringing Chemistry to Life

It is in this same direction, which aims to increase the specialties share in the portfolio, that growth will be continued and developed in 2011.

The results published for the first quarter of 2011 show that improvement is continuing at the beginning of this year, and that most of our segments are regaining pre-crisis results.

The second half of the year should confirm this trend, which means for the whole 2011 year further improved results can be expected.

G rard MARCHAND

President