



Bringing Chemistry to Life

Tessenderlo Group

Strong first quarter operational performance confirms exit of the crisis

1Q11 Results presentation
Brussels - May 5th, 2011

A quarter of strong performance

REVENUE

670.9m EUR

+18.3%

REBITDA

65.8m EUR

+102.6%

PROFIT FOR THE PERIOD

1Q11: 30.1m EUR

1Q10: -5.1m EUR

LEVERAGE

1Q11: 0.8x

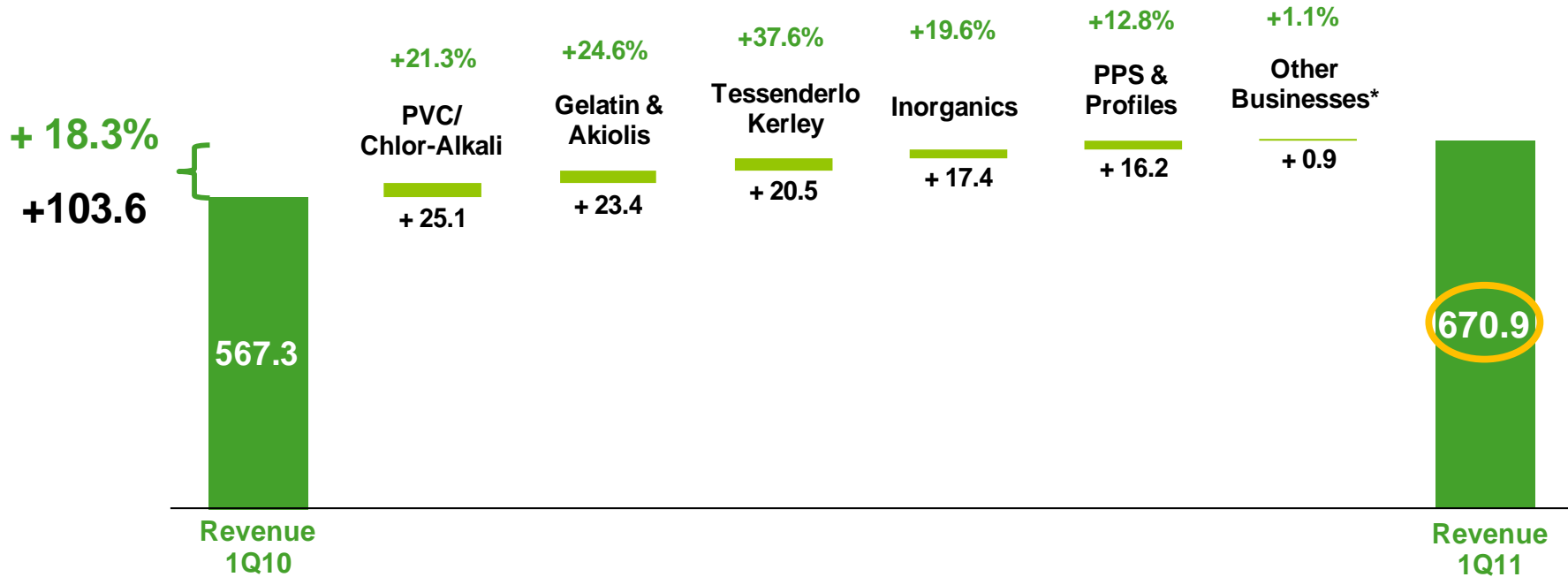
1Q10: 3.2x

Highlights

- ❖ **Sale of Tessenderlo Fine Chemicals (UK), January 2011**
Transaction amounted to 17m GBP on a cash-free, debt-free basis
- ❖ **Expansion of core sulfur activities in the US, March 2011**
Tessenderlo Kerley (TKI) and Gary Williams Energy Corporation entered into a long-term agreement for expanded sulfur processing services and sulfur fertiliser capacity to meet growing demand
- ❖ **Amendment and extension of 2010 syndicated credit facilities with improved terms and conditions, April 2011**

1Q11 Revenue increased in all segments

Million EUR and % increase versus 1Q10



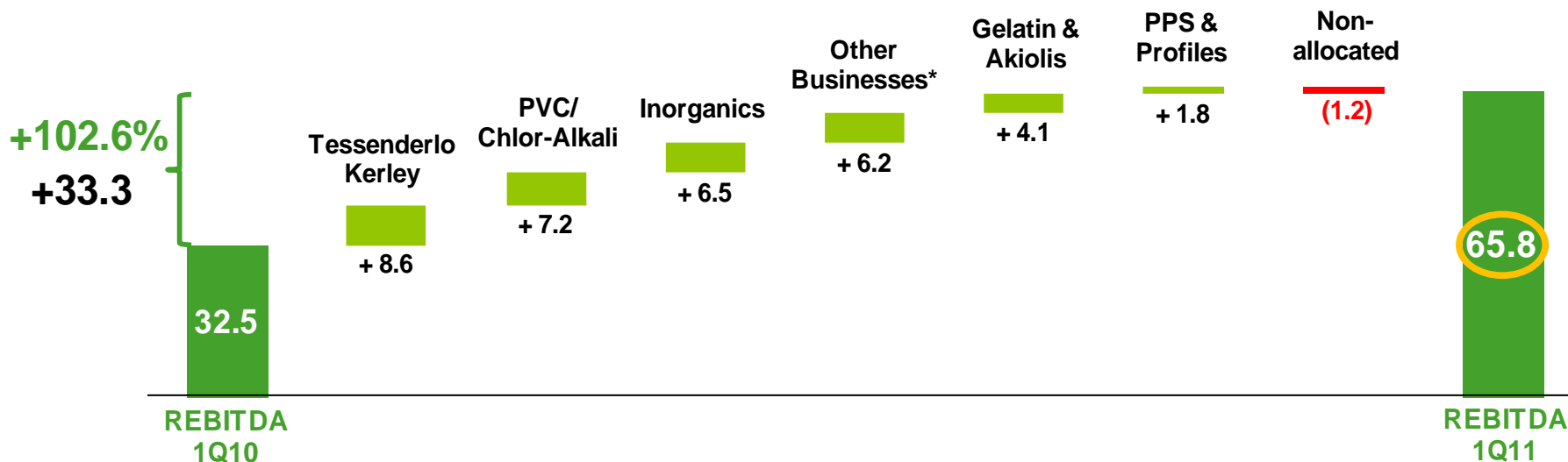
* Includes disposal of Tessenderlo Fine Chemicals (UK)

- Broad-based contribution from all segments, including double-digit growth in 5 of 6 reported segments, resulted in 18.3% increase in Group revenue
- Highest 1Q revenue of the last 7 years

Strong REBITDA growth

All operating segments higher than a year ago

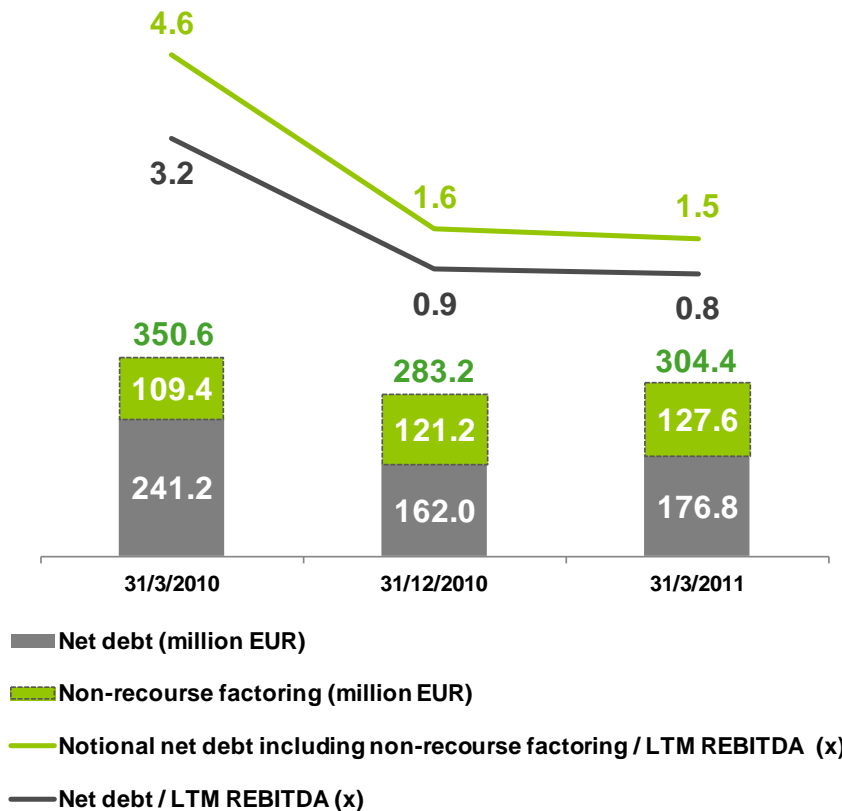
Million EUR and % increase versus 1Q10



* Includes disposal of Tessenderlo Fine Chemicals (UK)

- All operating segments registered positive REBITDA in 1Q11 and outperformed 1Q10
- Tessenderlo Kerley and Gelatin & Akiolis contributed together more than 50% to Group REBITDA
- Strong recovery of REBITDA for Other Businesses, PVC/Chlor-Alkali and Inorganics vs 1Q10

Group net debt and leverage remain well under control



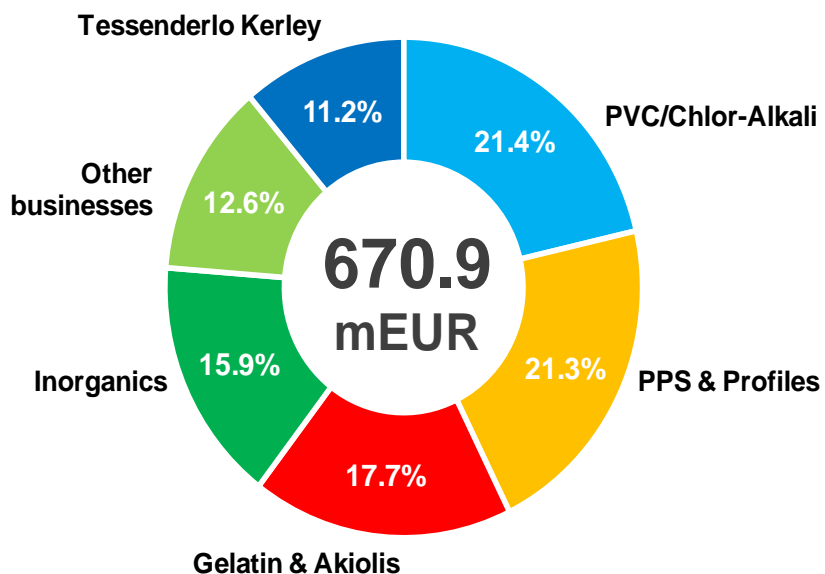
- Improved working capital/revenue year on year
- Gain from the disposal of Tessenderlo Fine Chemicals (UK)
- Higher capex due to investments in Gelatin and Tessenderlo Kerley

Significantly improved revenue and profitability

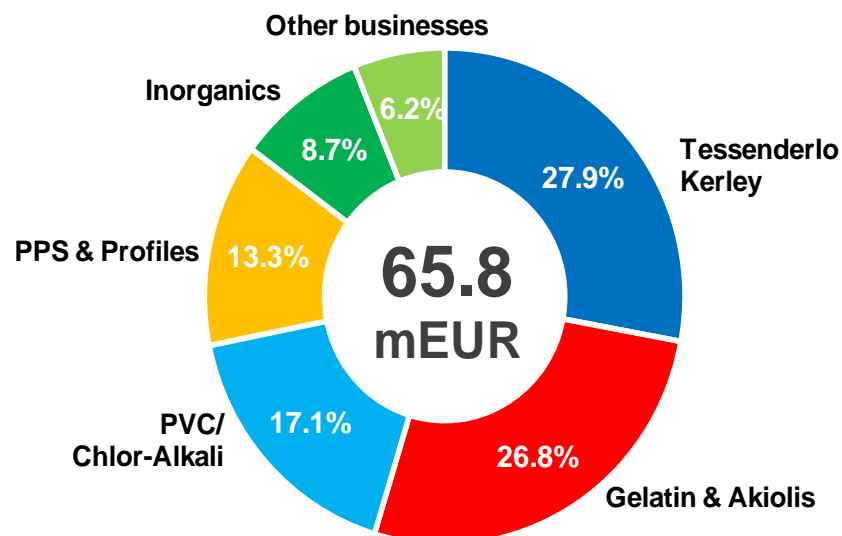
GROUP KEY FIGURES			
Million EUR	1Q11	1Q10	% Change
Revenue	670.9	567.3	18.3%
REBITDA	65.8	32.5	102.6%
<i>REBITDA margin</i>	9.8%	5.7%	408 bps
REBIT	39.4	4.2	8.5x
<i>REBIT margin</i>	5.9%	0.7%	515 bps
Non-recurring items	4.9	1.9	1.6x
EBIT	44.3	6.1	6.3x
Profit (+)/loss (-) for the period	30.1	-5.1	-
Basic earnings per share (EUR)	1.05	-0.18	-
Diluted earnings per share (EUR)	1.05	-0.18	-

1Q11 Group Revenue and REBITDA per segment

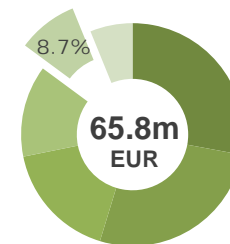
Revenue (% of total)



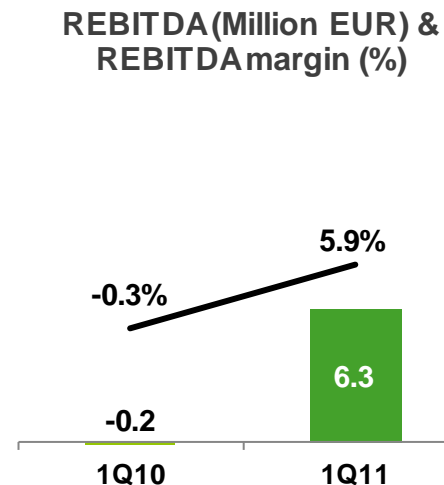
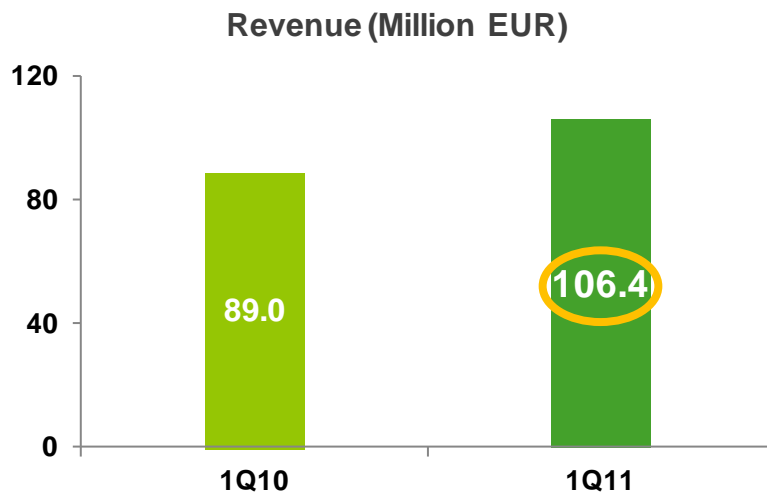
REBITDA (% of total*)



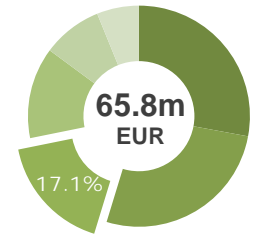
*Percentage of total REBITDA before non-allocated costs



Inorganics

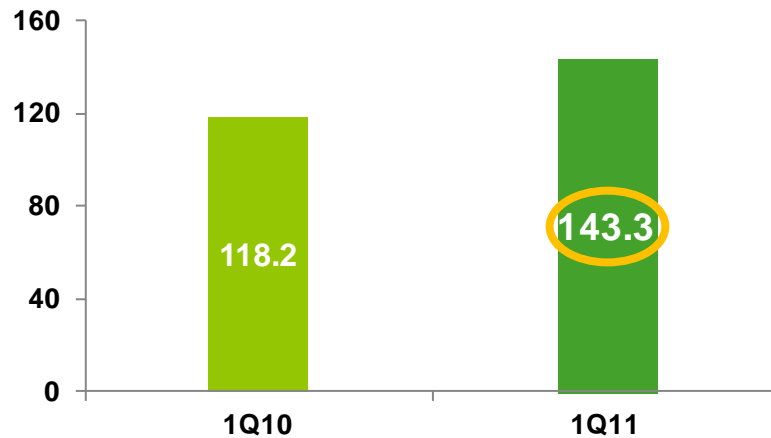


- Revenue +19.6% due to higher volumes of both sulfates and phosphates; prices for sulfates were in line with 1Q10, while prices for phosphates were much higher versus a year ago
- Better gross margins in both sulfates and phosphates businesses led to a significant increase in REBITDA and REBITDA margin

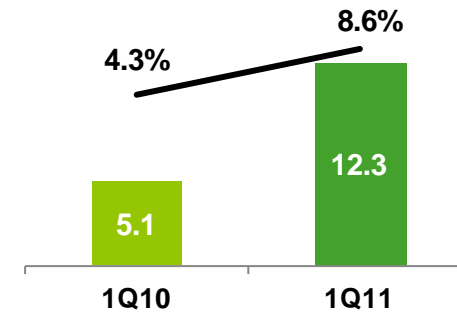


PVC/Chlor-Alkali

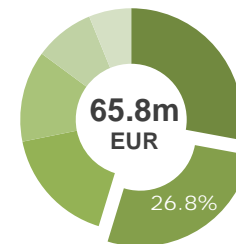
Revenue (Million EUR)



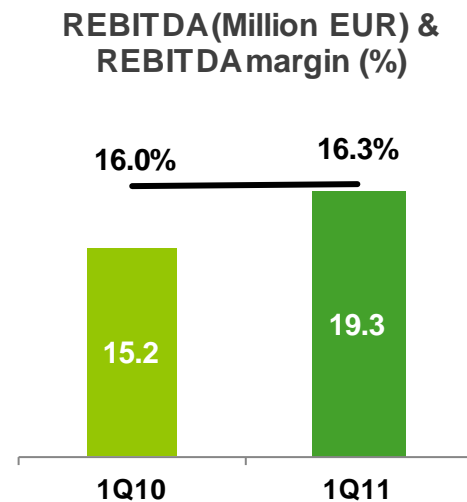
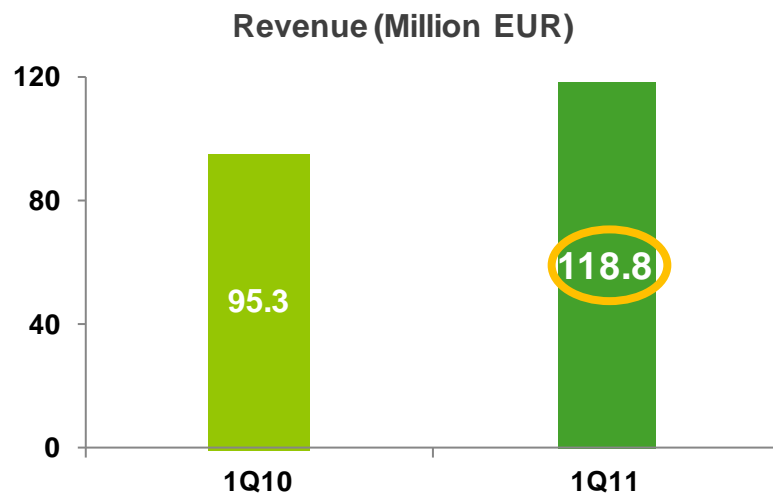
REBITDA (Million EUR) & REBITDA margin (%)



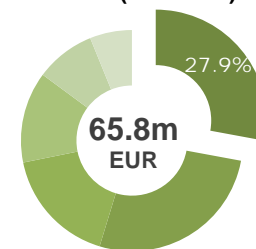
- Revenue +21.3% thanks to the positive impact of volume growth and increased selling prices
- REBITDA more than doubled, almost entirely driven by better gross margins



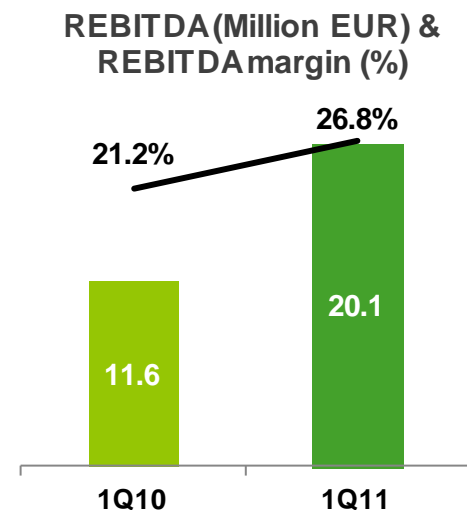
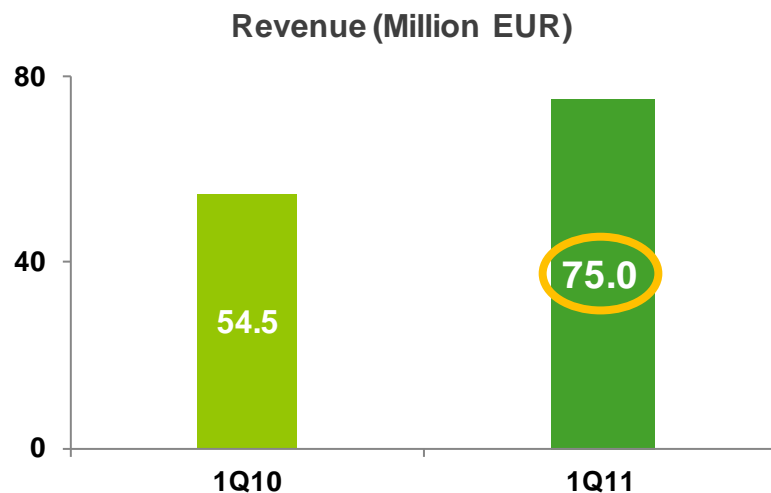
Gelatin & Akiolis



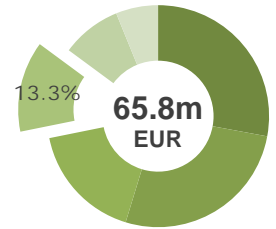
- Firm demand and pricing resulted in revenue increase of 24.6%
- Top line growth and tight cost management drove REBITDA 26.9% higher than last year



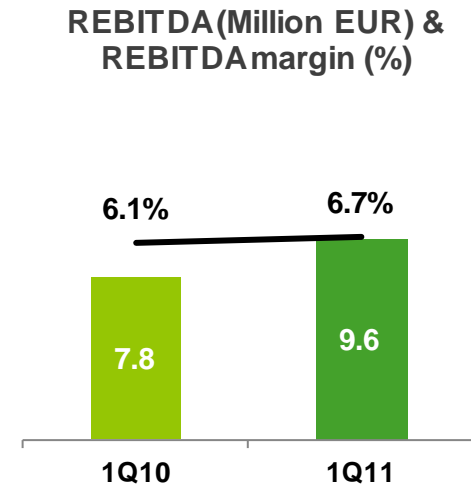
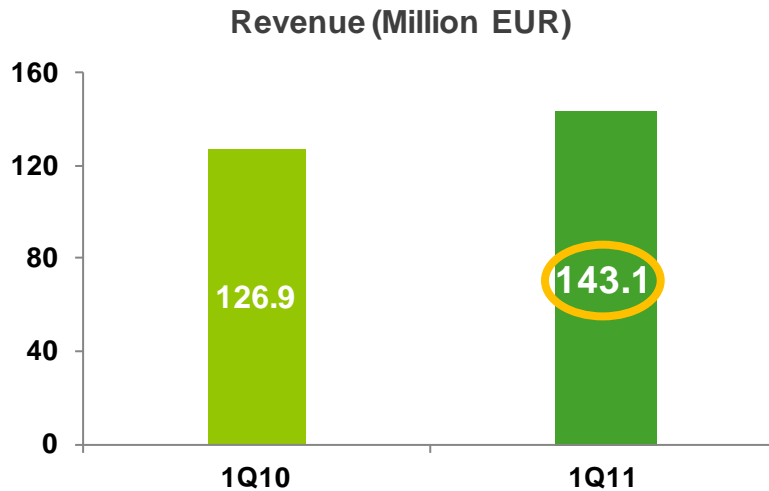
Tessenderlo Kerley



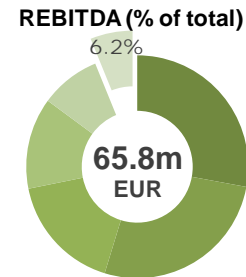
- **+37.6% segment revenue as both specialty fertilisers and crop protection products increased due to solid demand and higher pricing**
- **REBITDA up thanks mainly to higher revenue, with costs under control**



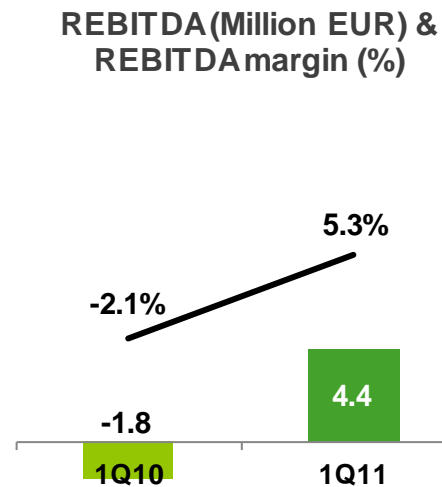
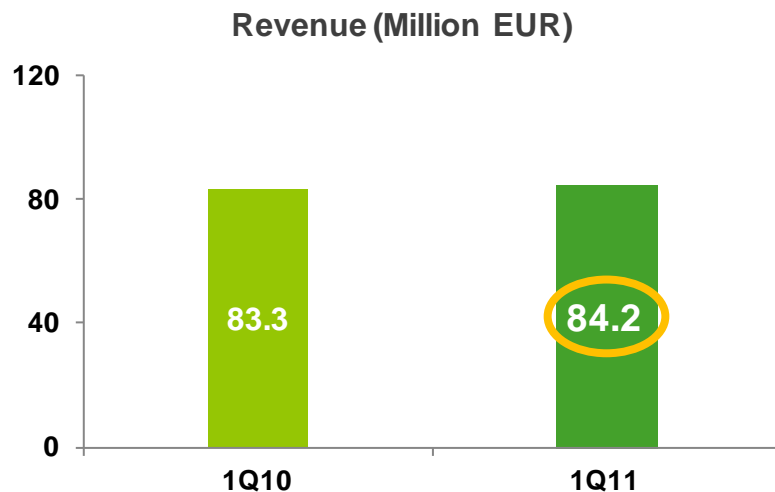
Plastic Pipe Systems & Profiles



- Segment revenue +12.8% with Plastic Pipe Systems (PPS) and Profiles higher; PPS returned to more normal volume levels after low 1Q10
- Strong top line growth led to REBITDA growth of 23.6%, all attributable to Plastic Pipe Systems



Other Businesses

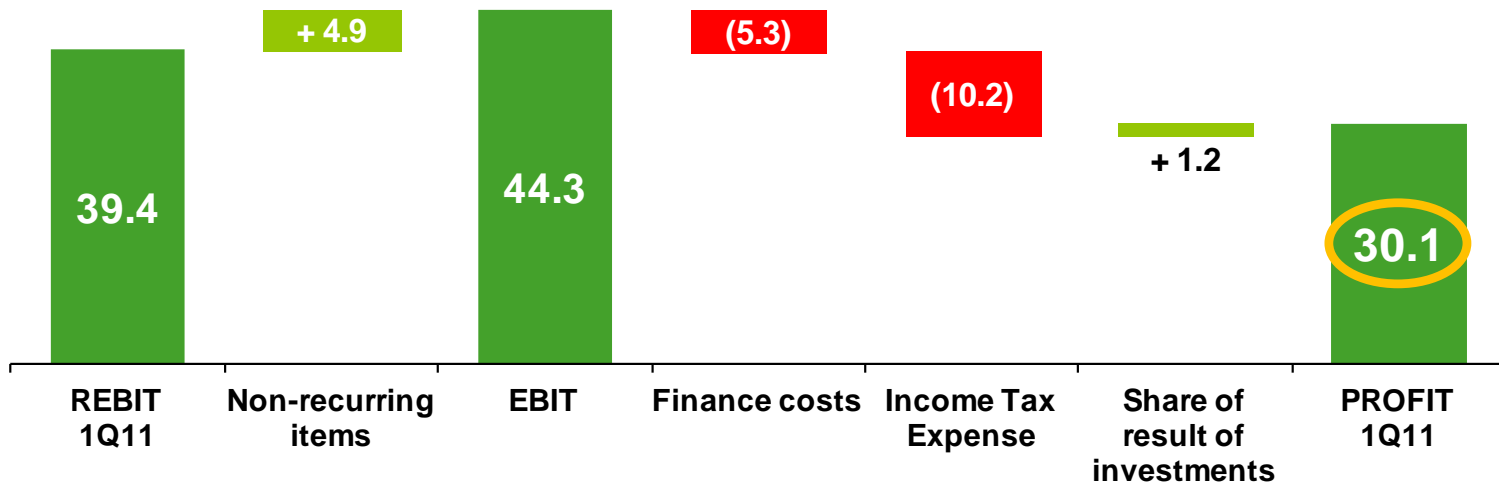


* Includes disposal of Tessenderlo Fine Chemicals (UK)

- **Compounds reported higher revenue, thanks to higher volumes from automotive sector, and similar REBITDA to last year**
- **Organic Chlorine Derivatives and Pharmaceutical Intermediates decreased in terms of revenue, but posted better REBITDA year on year**
- **Pharmaceutical Intermediates REBITDA benefited from improved product mix**

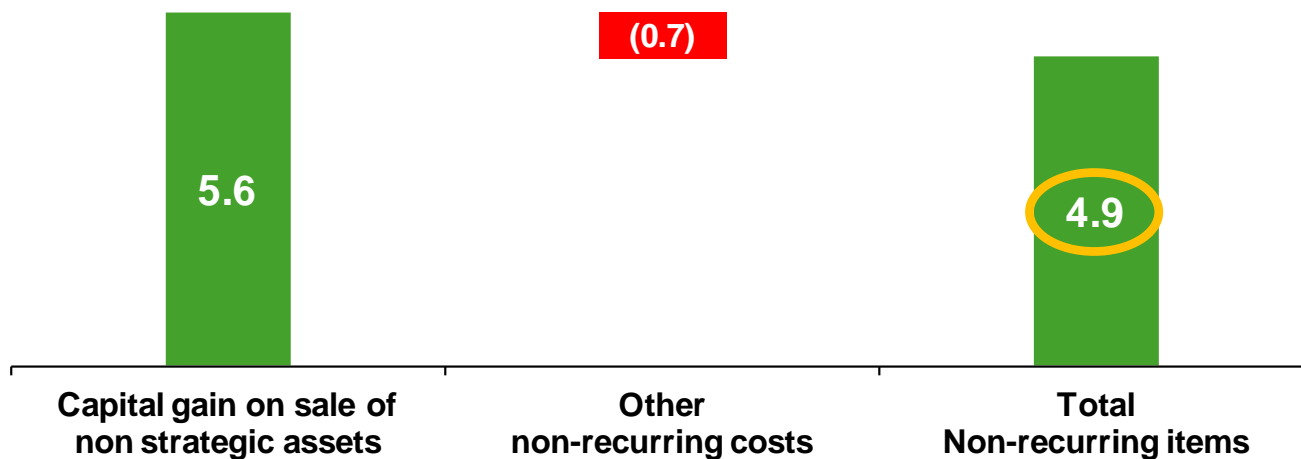
Net result driven primarily by strong operational performance

Million EUR



Non-recurring items 1Q11

Million EUR



- **Capital gains consist of sale of**
 - the subsidiary Tessenderlo Fine Chemicals Ltd. (UK)
 - land owned by Tessenderlo Kerley

Net debt

Million EUR

**Net debt
31/12/2010**

**Net debt
31/03/2011**

(162.0)

(176.8)

Capex & other
investments

(18.4)

Cash flow from
operating
activities

(15.3)

Net other
movements

(0.4)

Proceeds from sale
of non-strategic
assets

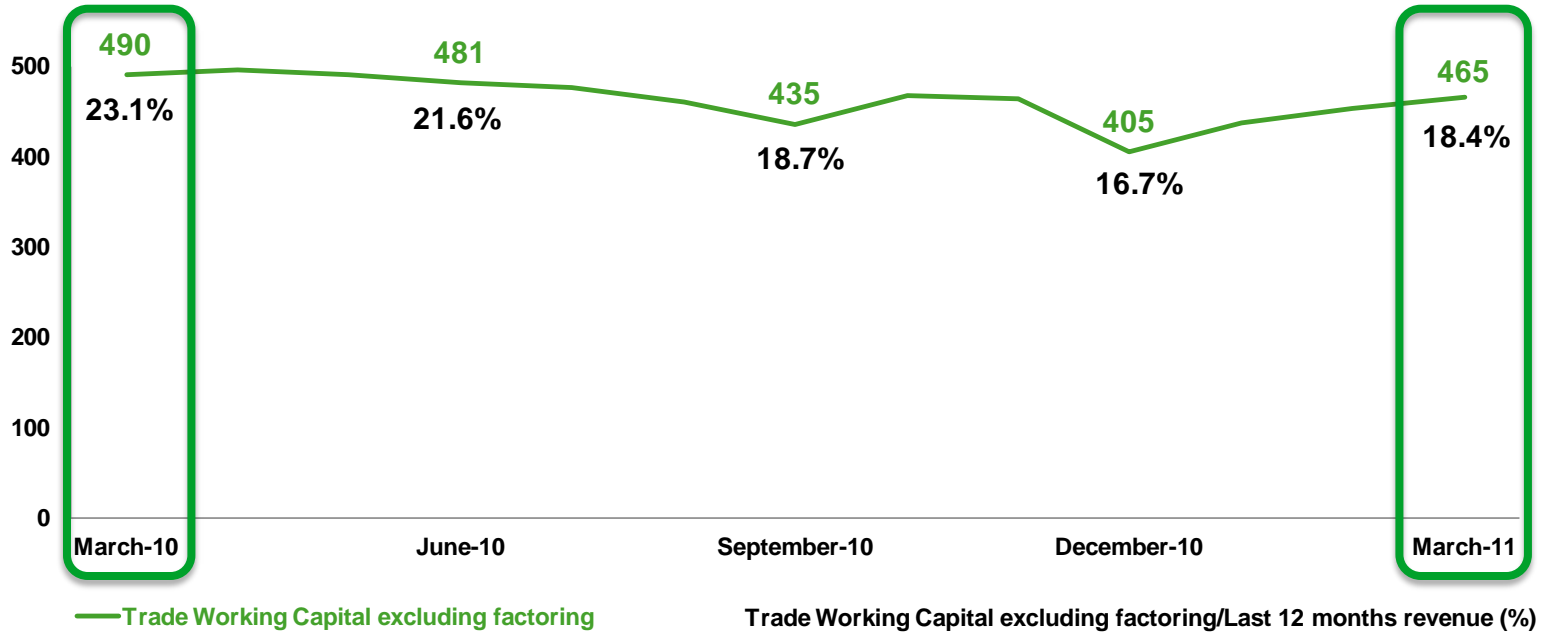
+ 19.4

Increase of 2.9 million EUR in capex compared to March 2010

Mainly impacted by working capital requirements linked to revenue growth

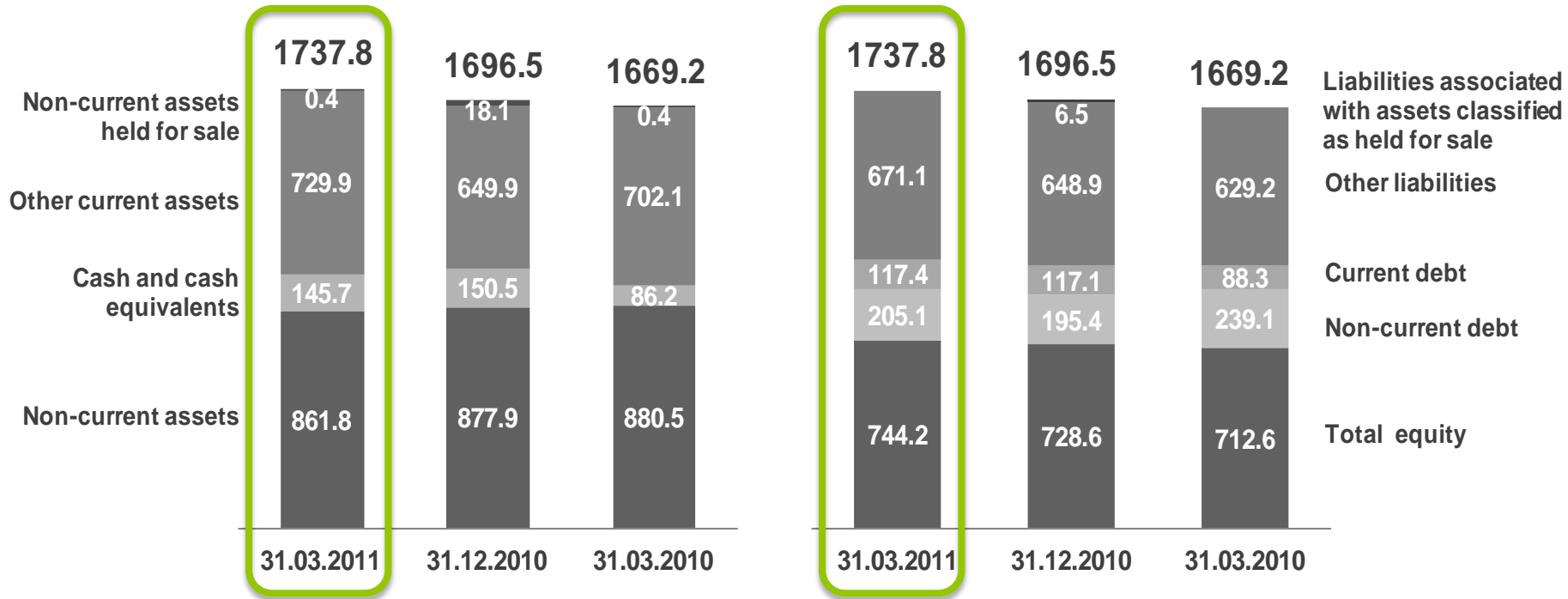
Group Trade Working Capital Evolution

Million EUR



Solid balance sheet maintained

Million EUR



Group gearing declined from 25.4% (33.1% based on net debt taking into account non-recourse factoring) to 19.3% (29.1% based on net debt taking into account non-recourse factoring)

Outlook

- ❖ **2011 expectations of a year of further progress confirmed by first quarter results**
- ❖ **Market conditions such as increasing demand in the agricultural sector, but also higher raw material costs, are expected to remain in place in coming months**
- ❖ **Anticipate year on year growth of revenue and profitability in the second quarter, traditionally highest contributor to full year results**
- ❖ **Overall, expectations are for further improvement in revenue and profitability for full year 2011 compared to 2010**



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Q & A





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