TESSENDERLO GROUP

Bringing Chemistry to Life

Brussels, February 16th, 2012

Regulated information*

Press release

2011: Tessenderlo Group delivers major strategic progress and a successful year on all fronts

Significant advancement along the journey to become a specialty company

- Growth projects in Brazil (new Gelatin production), China (new production Compounds and Gelatin), US (two new Tessenderlo Kerley fertilizer capacities) and Europe (Plastic Pipe Systems acquisition)
- Major steps taken through divestment of PVC/Chlor-Alkali, US and Canadian profiles, and some Organic Chlorine Derivatives activities, as well as a partial stake in T-Power

Solid development of operating performance

GROUP KEY FIGURES FROM CONTINUING OPERATIONS - YEAR TO DATE					
Million EUR	**FY10**	**Scope adjustment**	**Underlying change**	**FY11**	**% change at comparable scope**
Revenue	2,024.0	-83.8	185.8	2,126.0	9.6%
REBITDA	162.8	-7.8	32.0	187.0	20.6%
REBIT	73.0	-5.2	37.0	104.9	54.3%
Recurrent profit(+)/loss(-) for the period[1]	27.6	N/A	N/A	56.2	N/A

All comments included in this document, unless otherwise indicated, are based on the group's continuing operations <u>at comparable scope</u> ie adjusted for the impact of businesses which have been purchased or sold during the past 12 months. Further information can be found on page 3.

- **Full Year 2011 revenue** of 2.1 billion EUR grew 9.6% year on year
- **REBIT** rose 54.3% to 104.9 million EUR, and **REBITDA** was up 20.6% to 187.0 million EUR
- **All reported operating segments had higher revenue, REBIT and REBITDA year on year**
- **Recurrent profit from continuing operations** of 56.2 million EUR, more than double the amount of 2010

Strong financial position confirmed

- **Net financial debt** of 219.4 million EUR at year end 2011 remained well under control, with leverage of 1.1x and gearing of 26.8%
- **Notional net debt** was 305.2 million EUR; on this basis, leverage was 1.5x and gearing 33.7%
- **Improved terms** of syndicated credit facility with maturity extended to 2016

- The Board of Directors will propose a dividend of 1.00 euro net per share

[1] Recurrent profit (+)/loss (-) for the period is the profit (+)/loss (-) for the period excluding non-recurring items, net of taxes.

* The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market.

GROUP KEY FIGURES - YEAR TO DATE

FY11 Continuing operations	FY11 Discontinued operations	FY11 Total	Million EUR	FY10 Continuing operations	FY10 Discontinued operations	FY10 Total
2,126.0	352.8	2,478.8	**Revenue**	2,024.0	496.9	2,520.9
187.0	16.5	203.4	**REBITDA**	162.8	12.8	175.6
104.9	4.2	109.0	**REBIT**	73.0	-14.1	58.9
56.2	3.0	59.2	**Recurrent profit(+)/loss(-) for the period**[1]	27.6	-7.2	20.4
57.9	-153.6	-95.6	**Profit(+)/loss(-) for the period**	33.0	-12.8	20.3
1.96	-5.20	-3.23	**Basic earnings per share (EUR)**	1.14	-0.43	0.70
1.96	-5.20	-3.23	**Diluted earnings per share (EUR)**	1.14	-0.43	0.70
-	-	-48.6	**Cash flow from operating activities**	-	-	159.5
-	-	219.4	**Net financial debt**	-	-	162.0

GROUP KEY FIGURES - FOURTH QUARTER

4Q11 Continuing operations	4Q11 Discontinued operations	4Q11 Total	Million EUR	4Q10 Continuing operations	4Q10 Discontinued operations	4Q10 Total
489.3	-	489.3	**Revenue**	500.2	134.2	634.4
22.8	-	22.8	**REBITDA**	29.8	10.8	40.5
1.0	-	1.0	**REBIT**	4.4	3.9	8.3
-5.6	-	-5.6	**Recurrent profit(+)/loss(-) for the period**[1]	-6.4	10.6	4.1
-8.4	-0.2	-8.6	**Profit(+)/loss(-) for the period**	-13.1	5.2	-7.9
-0.28	-0.01	-0.29	**Basic earnings per share (EUR)**	-0.43	0.18	-0.25
-0.28	-0.01	-0.29	**Diluted earnings per share (EUR)**	-0.43	0.18	-0.25
-	-	-31.7	**Cash flow from operating activities**	-	-	15.2

GROUP KEY FIGURES FROM CONTINUING OPERATIONS - FOURTH QUARTER

Million EUR	4Q10	Scope adjustment	Underlying change	4Q11	% change at comparable scope
Revenue	500.2	-32.5	21.6	489.3	4.6%
REBITDA	29.8	-2.5	-4.5	22.8	-16.4%
REBIT	4.4	-1.4	-1.9	1.0	-59.6%
Recurrent profit(+)/loss(-) for the period[1]	-6.4	N/A	N/A	-5.6	N/A

[1] Recurrent profit (+)/loss (-) for the period is the profit (+)/loss (-) for the period excluding non-recurring items, net of taxes.

▶ Group Performance Review

Notes to the reader

- All quarterly information included in the press release is unaudited, as well as non-IFRS accounting information (eg REBITDA).
- Figures may not add up due to rounding.
- The operating segment PVC/Chlor-Alkali is no longer presented as part of the continuing operations of the group. Remaining Chlor-Alkali activities (Water Treatment and Sulphur Derivatives) are included in "Other Businesses", as they do not fulfill the quantitative thresholds to be reported as a separate operating segment. Comparative figures of 2010 are restated.
- Other Businesses: Pharmaceutical Intermediates, Organic Chlorine Derivatives, Compounds and continued Chlor-Alkali (Water Treatment and Sulphur Derivatives).

Scope Adjustment

Scope indicates the impact of a change in the consolidation scope of the group, related to the purchase or sale of a business or businesses during the last 12 months. For comparison purposes, management presents the evolution of results on the basis of the same consolidation scope.

<u>Details on changes in the consolidation scope for continuing operations:</u>

- End January 2011: sale of Tessenderlo Fine Chemicals UK Ltd (segment Organic Chlorine Derivatives within Other Businesses).
- End July 2011: sale of Organic Chlorine Derivative activities in Tessenderlo and Maastricht (within Other Businesses).
- End July 2011: sale of Chelsea Building Products Inc. (segment Plastic Pipe Systems and Profiles).
- End September 2011: sale of Dynaplast-Extruco (segment Plastic Pipe Systems and Profiles)
- End October 2011: acquisition of BT Bautechnik (segment Plastic Pipe Systems and Profiles)

GROUP KEY FIGURES FROM CONTINUING OPERATIONS - YEAR TO DATE					
Million EUR	**FY10**	**Scope adjustment**	**Underlying change**	**FY11**	**% change at comparable scope**
Revenue	**2,024.0**	**-83.8**	**185.8**	**2,126.0**	**9.6%**
Tessenderlo Kerley	231.4	0.0	39.4	270.8	17.0%
Inorganics	400.7	0.0	27.5	428.1	6.9%
Gelatin and Akiolis	410.8	0.0	64.6	475.4	15.7%
Plastic Pipe Systems and Profiles	562.1	-14.0	21.0	569.1	3.8%
Other Businesses	419.0	-69.7	33.3	382.6	9.5%
Non-allocated	0.0	0.0	0.0	0.0	-
REBITDA	**162.8**	**-7.8**	**32.0**	**187.0**	**20.6%**
Tessenderlo Kerley	47.6	0.0	18.8	66.5	39.6%
Inorganics	20.7	0.0	8.0	28.6	38.6%
Gelatin and Akiolis	61.2	0.0	5.2	66.4	8.5%
Plastic Pipe Systems and Profiles	44.8	-1.6	0.9	44.1	2.0%
Other Businesses	12.9	-6.3	6.3	12.9	94.9%
Non-allocated	-24.4	0.0	-7.2	-31.5	-
REBIT	**73.0**	**-5.2**	**37.0**	**104.9**	**54.3%**
Non-recurring items	3.0	1.8	-3.7	1.0	-78.2%
EBIT	76.0	-3.4	33.2	105.9	45.6%

Bringing Chemistry to Life

GROUP KEY FIGURES FROM CONTINUING OPERATIONS - FOURTH QUARTER					
Million EUR	4Q10	Scope adjustment	Underlying change	4Q11	%change at comparable scope
Revenue	**500.2**	**-32.5**	**21.6**	**489.3**	**4.6%**
Tessenderlo Kerley	48.8	0.0	8.4	57.2	17.2%
Inorganics	106.0	0.0	-2.8	103.2	-2.6%
Gelatin and Akiolis	109.1	0.0	9.8	118.9	9.0%
Plastic Pipe Systems and Profiles	133.0	-7.6	4.2	129.6	3.4%
Other Businesses	103.2	-24.9	2.0	80.4	2.5%
Non-allocated	0.0	0.0	0.0	0.0	-
REBITDA	**29.8**	**-2.5**	**-4.5**	**22.8**	**-16.4%**
Tessenderlo Kerley	7.3	0.0	4.4	11.7	60.8%
Inorganics	5.0	0.0	-1.7	3.3	-33.4%
Gelatin and Akiolis	15.9	0.0	-3.3	12.6	-20.7%
Plastic Pipe Systems and Profiles	6.8	-0.7	1.5	7.7	24.0%
Other Businesses	2.6	-1.8	-3.4	-2.7	-
Non-allocated	-7.8	0.0	-2.1	-9.9	-
REBIT	**4.4**	**-1.4**	**-1.9**	**1.0**	**-59.6%**
Non-recurring items	-9.8	1.8	6.0	-2.0	-
EBIT	-5.4	0.3	4.1	-0.9	-

Revenue

Fourth quarter 2011 revenue from continuing operations increased by 4.6% year on year to 489.3 million EUR. Growth was led by a strong performance from Tessenderlo Kerley, while Gelatin & Akiolis also was well up on a year ago. The segments Plastic Pipe Systems & Profiles and Other Businesses both had modest revenue growth in 4Q11, whereas Inorganics showed a slight decline.

Revenue from continuing operations for the full year 2011 rose 9.6% to end up at 2.1 billion EUR. All five reported operating segments had higher revenue in 2011, with Tessenderlo Kerley and Gelatin & Akiolis increasing by double digits.

REBITDA

4Q11 REBITDA from continuing operations was 22.8 million EUR, down 16.4% compared to a year ago. REBITDA for both Tessenderlo Kerley and Plastic Pipe Systems & Profiles was well above a year ago. However, these gains were more than offset by lower REBITDA for Inorganics, Gelatin & Akiolis and Other Businesses. Taken together, the four largest operating segments had a REBITDA gain of 1.0 million EUR, more than offset by a 5.5 million EUR decrease in Other Businesses and non-allocated costs.

On a full year 2011 basis, REBITDA from continuing operations was up a solid 20.6% to 187.0 million EUR. Each reported operating segments surpassed their 2010 REBITDA total in 2011, with Tessenderlo Kerley and Inorganics both up by nearly 40% year on year.

Cash flow from operating activities

Cash flow from operating activities totaled -48.6 million EUR for the full year 2011 (FY10: 159.5 million EUR). This amount includes a one-time working capital adjustment, having a negative impact of 64.0 million EUR, related to the sale of PVC/Chlor-Alkali/part of Organic Chlorine Derivatives to Ineos ChlorVinyls. Excluding this impact, working capital requirements increased, partly linked to full year revenue growth of nearly 10%. At end December 2011, trade working capital as a percentage of revenue was 19.8%, above the very low level at end December 2010, and in the guidance range of 19-20% disclosed at the time of the FY10 results.

Net financial debt

Group net financial debt added up to 219.4 million EUR at the end of December 2011, against 162.0 million EUR at the end of December 2010. At the end of December 2011, leverage amounted to 1.1x (1.5x based on notional net debt), broadly similar to a year ago and confirming the group’s solid financial position. Gearing was 26.8% (33.7% based on notional net debt) at end December 2011, an increase compared to 18.3% (28.1% based on notional net debt) at end December 2010.

▶ Operating segments performance review – Continuing operations

TESSENDERLO KERLEY								
4Q10	Scope adjustment	4Q11	% change at comparable scope	Million EUR	FY10	Scope adjustment	FY11	% change at comparable scope
48.8	-	57.2	17.2%	**Revenue**	231.4	-	270.8	17.0%
7.3	-	11.7	60.8%	**REBITDA**	47.6	-	66.5	39.6%
14.9%	-	20.4%	-	**REBITDA margin**	20.6%	-	24.6%	-
3.8	-	8.2	117.0%	**REBIT**	37.4	-	56.2	50.2%
7.7%	-	14.3%	-	**REBIT margin**	16.2%	-	20.8%	-

The fourth quarter of 2011 was another strong performance for **Tessenderlo Kerley Inc. (TKI).** Traditionally the smallest quarter of the year, 4Q11 **revenue** of 57.2 million EUR was up 17.2%, in line with the average over the first nine months of the year. Fall fill activity in preparation of the upcoming spring planting season continued to drive sales, resulting in solid growth of Thio-Sul® volumes. The balance of TKI's portfolio of specialty liquid sulphur fertilizers showed a good performance, with KTS® potassium thiosulfate volumes benefitting from post-harvest application demand. Prices of fertilizer products were higher than a year ago, taking into account the rise in raw material prices. Revenue growth was also recorded in NovaSource® (TKI's crop protection business), partly due to favourable conditions for vegetable crops which resulted in an extended 2011 season for metam-based product lines, as well as further good development of Linuron. Based on the strong demand for TKI's products and beneficial sulphur economics, segment **REBITDA** rose 60.8% to 11.7 million EUR. In US dollar terms, revenue was up by 14.6% and REBITDA grew 53.3%.

Full year 2011 **revenue** amounted to 270.8 million EUR or 17.0% more than 2010, driven by sustained incentives for growers to meet rising food needs and strong commodities fundamentals. Despite unusual weather patterns exhibited across the year, TKI made sure that its customers had fertilizer product in place to be ready for application when conditions were appropriate. NovaSource® also benefited from the aforementioned favourable market conditions and had higher revenue, year on year. TKI **REBITDA** of 66.5 million EUR was 39.6% more than 2010. In US dollar terms, revenue was 22.9% above a year ago while REBITDA rose 46.5%.

INORGANICS								
4Q10	Scope adjustment	4Q11	% change at comparable scope	Million EUR	FY10	Scope adjustment	FY11	% change at comparable scope
106.0	-	103.2	-2.6%	**Revenue**	400.7	-	428.1	6.9%
5.0	-	3.3	-33.4%	**REBITDA**	20.7	-	28.6	38.6%
4.7%	-	3.2%	-	**REBITDA margin**	5.2%	-	6.7%	-
3.4	-	1.6	-53.0%	**REBIT**	14.3	-	22.9	59.8%
3.2%	-	1.5%	-	**REBIT margin**	3.6%	-	5.3%	-

Inorganics fourth quarter revenue amounted to 103.2 million EUR, representing a limited fall of 2.6% compared to the same period last year. **Potassium sulfate fertilizers** volumes were sharply down compared to a solid quarter a year ago, due mainly to cancelled orders destined for the Mediterranean region. Sales to Latin America continued to be a bright spot. Pricing for sulfates was higher than a year ago as higher potash raw material costs were largely passed on. REBITDA for sulfates was lower mainly due to lower volumes, as well as some pressure on margins due to much higher sulfur raw material costs.

4Q11 revenue for **inorganic feed phosphates** was well ahead of a year ago. Volumes had a limited decrease, linked to less demand in the European meat sector which was partly compensated by higher sales outside of Europe. Average sales prices were up on a year ago, mainly taking phosphate raw material cost increases into account, as well as an increased proportion of volumes into higher priced products. The stronger top line result and overhead costs in line with last year produced an increase of REBITDA.

REBITDA for the Inorganics segment dropped 33.4% to 3.3 million EUR in the fourth quarter, as the improved results of phosphates could not offset the volume-driven decline in sulfates.

Despite being confronted with significant challenges, including a strong fall in sulfates demand in Mediterranean region markets, supply disruptions in the first half year and increased costs of all main raw materials, the Inorganics segment delivered a solid improvement for the full year 2011. Revenue grew 6.9% to 428.1 million EUR in spite of lower volumes, as the business amended prices to reflect the higher raw material cost environment. The excellent results generated by phosphates more than offset the decline in sulfates, resulting in REBITDA up 38.6% to 28.6 million EUR.

GELATIN AND AKIOLIS								
4Q10	Scope adjustment	4Q11	% change at comparable scope	Million EUR	FY10	Scope adjustment	FY11	% change at comparable scope
109.1	-	118.9	9.0%	Revenue	410.8	-	475.4	15.7%
15.9	-	12.6	-20.7%	REBITDA	61.2	-	66.4	8.5%
14.6%	-	10.6%	-	REBITDA margin	14.9%	-	14.0%	-
8.5	-	5.3	-37.3%	REBIT	31.8	-	37.3	17.1%
7.8%	-	4.5%	-	REBIT margin	7.8%	-	7.8%	-

The underlying business drivers for Gelatin and Akiolis remained in place in 4Q11. Results however were impacted by operating expenses of 2.5 million EUR linked to actions which management view as essential to drive future profitable growth, as well as higher energy costs and a limited decline in activity. **Revenue** moved up 9.0% to 118.9 million EUR, due to higher average prices compared to the same period a year ago, which take the rise of raw material costs into account. While end market demand remains firm, sales volumes were lower year on year impacted by tight raw material availability. 4Q11 segment **REBITDA** declined 20.7% to 12.6 million EUR based on the combination of impacts disclosed above. The fourth quarter also included the first commercial sales of high quality gelatin from the new gelatin site in China following successful customer qualification. In Brazil, production trials took place in preparation for a full start up. These investments represent an important increase in the group's presence in two of the fastest growing gelatin markets worldwide.

On a full year basis, Gelatin and Akiolis revenue rose 15.7% to 475.4 million EUR. Demand remained strong, and pricing showed year on year gains. REBITDA for the segment amounted to 66.4 million EUR, a solid improvement of 8.5% in light of the increased expenses including start up costs of the two new supply locations.

PLASTIC PIPE SYSTEMS AND PROFILES								
4Q10	Scope adjustment	4Q11	% change at comparable scope	Million EUR	FY10	Scope adjustment	FY11	% change at comparable scope
133.0	-7.6	129.6	3.4%	Revenue	562.1	-14.0	569.1	3.8%
6.8	-0.7	7.7	24.0%	REBITDA	44.8	-1.6	44.1	2.0%
5.1%	8.6%	5.9%	-	REBITDA margin	8.0%	11.1%	7.7%	-
-1.2	-0.2	1.6	-	REBIT	15.7	-0.9	17.7	19.1%
-0.9%	2.7%	1.2%	-	REBIT margin	2.8%	6.3%	3.1%	-

Plastic Pipe Systems and Profiles generated 129.6 million EUR **revenue** in 4Q11, 3.4% higher than the same period a year ago. The segment growth was entirely due to higher **revenue** for **Plastic Pipe Systems (PPS)** compared to a weak quarter last year, helped by milder weather conditions in 2011 than the unusually intense winter at the end of 2010. Most markets moved up year on year, notably in France building permits are in line or slightly higher than a year ago. **Profiles** had a revenue decline for the quarter, as activity in continental Europe remained very difficult, while UK revenue was marginally ahead of last year. Pricing for both PPS and Profiles was at a higher level year on year in order to offset the substantial increase of raw material costs the businesses have faced during 2011. Segment **REBITDA** rose to 7.7 million EUR, or 24.0% more than 4Q10, due mainly to higher volumes and slight margin recovery, and included a one-off expense for a productivity project.

Full year 2011 revenue for PPS and Profiles rose 3.8% to 569.1 million EUR. PPS had higher revenue mainly as selling prices increased to compensate the sharp growth in raw material costs, while there was a limited recovery of volumes given fragile end markets. 2011 revenue for Profiles showed a small decline, primarily explained by the weaker revenue in the North American businesses which were sold by the end of 3Q11. Segment REBITDA amounted to 44.1 million EUR or 2.0% above 2010.

During the fourth quarter of 2011, PPS completed the acquisition of BT Bautechnik Group, a manufacturer of specialty fittings, and started integrating these activities into the business unit. As BT was only consolidated since November 1st, 2011, its contribution was very limited, and this limited contribution is not included in the comparison at comparable scope.

OTHER BUSINESSES								
4Q10	Scope adjustment	4Q11	%change at comparable scope	Million EUR	FY10	Scope adjustment	FY11	%change at comparable scope
103.2	-24.9	80.4	2.5%	**Revenue**	419.0	-69.7	382.6	9.5%
2.6	-1.8	-2.7	-	**REBITDA**	12.9	-6.3	12.9	94.9%
2.5%	7.4%	-3.3%	-	**REBITDA margin**	3.1%	9.0%	3.4%	-
-1.3	-1.2	-5.7	-	**REBIT**	-0.4	-4.3	2.2	-
-1.3%	5.0%	-7.1%	-	**REBIT margin**	-0.1%	6.1%	0.6%	-

The reporting segment **Other Businesses** had a weaker performance overall in the fourth quarter of 2011. Revenue for the segment climbed 2.5% year on year (+2.0 million EUR at comparable scope) to 80.4 million EUR. Revenue was higher for Compounds, driven by the growth of Marvyflo® - the compounds used for dashboards and interior surfaces – and more generally solid level of sales into the automotive sector. Organic Chlorine Derivatives had a limited rise compared to last year, Water Treatment and Sulfur Derivatives revenue was at a similar level to 4Q10, while, in line with previous quarters of 2011, Pharma was lower following the exit from glycine activities at the end of 2010.

Segment REBITDA was -2.7 million EUR, or 3.4 million EUR lower than a year ago at comparable scope. Water Treatment and Organic Chlorine Derivatives had in-line to slightly improved results versus 4Q10. Compounds was impacted by start up costs for the new production site in China. Pharma's results included a one-time reduction of inventory value, and Sulfur Derivatives could not pass on much higher raw material prices.

Despite the fourth quarter performance, on a full year basis the segment delivered much better results. Revenue grew 9.5%, led by Compounds which benefited from its initiatives to provide high performing, lighter weight products to its automotive customers. Organic Chlorine Derivatives, and Water Treament and Sulfur Derivatives also recorded year on year gains, while Pharma was lower only due to the exit of glycine activities by the end of 2010. REBITDA nearly doubled, driven mainly by a strong recovery for Organic Chlorine Derivatives and an improved result for Pharma.

▶ Discontinued operations

DISCONTINUED OPERATIONS PVC/CHLOR-ALKALI				
4Q10	4Q11	Million EUR	FY10	FY11
134.2	-	**Revenue**	496.9	352.8
10.8	-	**REBITDA**	12.8	16.5
8.0%	-	**REBITDA margin**	2.6%	4.7%
3.9	-	**REBIT**	-14.1	4.2
2.9%	-	**REBIT margin**	-2.8%	1.2%

Additional Financial information

Non-recurring items

NON-RECURRING ITEMS - CONTINUING OPERATIONS				
Million EUR	**4Q11**	**4Q10**	**FY11**	**FY10**
Gain/(loss) on disposals	2.3	19.2	11.2	22.2
Restructuring	-2.0	-9.2	-5.6	-11.6
Impairment losses	-0.7	-14.4	-0.7	-14.8
Provisions and claims	2.0	-0.4	2.1	13.4
Other income and expenses	-3.6	-5.1	-6.0	-6.2
Total	**-2.0**	**-9.8**	**1.0**	**3.0**

Fourth Quarter 2011

For the fourth quarter of 2011, the group recorded a non-recurring loss of -2.0 million EUR, compared to -9.8 million EUR for the comparable quarter last year.

In 4Q11, the gain on disposals arises mainly from the sale of land and buildings within the operating segment “Plastic Pipe Systems and Profiles”. Restructuring expenses are mainly recognized within several subsidiaries in the operating segment “Plastic Pipe Systems and Profiles” and are related to further operational efficiency improvements. The gain on “provisions and claims” is mainly a consequence of an amortization of unrecognized gains of pension plans which lead to a decrease of the liabilities recorded. The net other expense is mainly related to the realized and unrealized losses on electricity contracts which have become without substance following the sale of the PVC/Chlor-Alkali activities, partially offset by a reversal of a write-off on trade receivables which was no longer necessary and by an obtained insurance reimbursement.

Full Year 2011 (in addition to 4Q11 details provided above)

The gains on disposal recognized during the first three quarters of 2011 were mainly related to the sale of the subsidiaries Tessenderlo Fine Chemicals Ltd. (“Other Businesses”), Chelsea Building Products Inc. and Dynaplast-Extruco Inc. (both within the operating segment “Plastic Pipe Systems and Profiles”).

The restructuring expenses were mainly recognized in the operating segments “Plastic Pipe Systems and Profiles” and “Inorganics”, and related respectively to further operational efficiency improvements, and to the closing of the phosphate production unit in Italy.

Net finance costs

In 4Q11, net finance costs from continuing operations amounted to -6.8 million EUR (4Q10: -11.4 million EUR). In 4Q10 amortization charges on bank transaction costs were higher due to the reimbursement of a credit line; furthermore, additional charges were incurred due to the sale of cross currency interest rate swaps, which were acquired in 1Q10 to fix the floating interest rate of the initial syndicated credit facility.

For the full year, net finance costs from continuing operations were -25.6 million EUR (FY10: -28.8 million EUR). These mainly include net interest expenses for -14.9 million EUR, factoring expenses for -3.8 million EUR and other finance charges for -5.0 million EUR. The other charges mainly include the commitment fees on the unused portion of the group’s syndicated credit facility for -2.2 million EUR.

Unfavorable foreign exchange fluctuations and the fair value changes of financial instruments led to a loss of -1.9 million EUR, mainly on the revaluation of the foreign exchange swaps as per December 31st 2011.

Income tax expense

In 4Q11, tax expenses from continuing operations amounted to 2.0 million EUR, versus a tax income of 4.9 million EUR in 4Q10.

The tax expense from continuing operations for the full year 2011 was 28.3 million EUR (FY10: 15.7 million EUR). These tax expenses are mainly related to operations in the United States. The effective tax rate amounts to 35.2% for FY11 compared to 33.4% for FY10.

Profit/loss for the period

The result from continuing operations for the fourth quarter amounted to -8.4 million EUR, compared to -13.1 million EUR in 4Q10. The decrease in the net loss is mainly explained by a decrease of the non-recurring expenses and of the net finance expenses in 4Q11 when compared to 4Q10.

Group profit from continuing operations amounted to 57.9 million EUR for the full year, as compared to 33.0 million EUR for FY10.

The continuing and discontinued operations combined reported a loss of 8.6 million EUR for the fourth quarter (4Q10: loss of 7.9 million EUR). The combined result for the full year of 2011 amounts to a loss of 95.6 million EUR (FY10: profit of 20.3 million EUR), entirely impacted by the non-recurring loss of 157.4 million EUR realized on the sale of the majority of the PVC/Chlor-Alkali activities and part of the OCD activities to Ineos ChlorVinyls, recognized in the second quarter of 2011.

Capital expenditures

Capital expenditures for the fourth quarter 2011 were 41.7 million EUR (4Q10: 48.4 million EUR) and 113.6 million EUR for the year-end 2011 (FY10: 120.8 million EUR).

Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Million EUR	**2011**	**2010**
Balance at 01.01	**724.8**	**705.2**
Profit (+) / loss (-) for the period attributable to equity holders of the company	-95.5	20.7
Other comprehensive income for the period, net of income tax	-12.7	14.8
Warrants and capital increase	1.7	3.0
Issued capital	20.2	18.2
Dividends paid to shareholders	-38.3	-37.1
Balance at 31.12	**600.3**	**724.8**

The equity attributable to equity holders of the company decreased by 124.5 million EUR. This is mainly a consequence of the loss for the year (-95.5 million EUR), negative translation differences of -9.0 million EUR, and the net change in fair value of derivative financial instruments, net of taxes for -3.8 million EUR.

The dividend paid to shareholders of the company had an impact of -38.3 million EUR on equity, but the shares created following the successful optional stock dividend led to an increase of equity by 18.1 million EUR.

The capital increase for the group's employees, and the ordinary shares issued at the time of the conversion of warrants, led to an increase of issued capital by 2.2 million EUR. The costs of issuing warrants and the capital increase in favor of the employees was 1.7 million EUR.

▶ Outlook

Tessenderlo Group sees 2012 as a year of transition.

Demand for the majority of the group's businesses is anticipated to remain resilient, in spite of the uncertain European economic climate.

The group expects to move further along its strategic journey. It will keep on optimizing its portfolio and grow its core businesses, and at the same time, will implement new operational excellence programs, both of which will lead to a growth of investments.

Tessenderlo Group's view on this year of transition is cautious.

Bringing Chemistry to Life

Consolidated financial information at 31 December 2011

CONSOLIDATED INCOME STATEMENT				
Million EUR	**FY11**	**FY10**	**4Q11**	**4Q10**
Continuing operations				
Revenue	**2,126.0**	**2,024.0**	**489.3**	**500.2**
Cost of sales	-1,690.1	-1,632.1	-399.6	-411.4
Gross profit	**435.9**	**391.9**	**89.8**	**88.9**
Distribution expenses	-98.9	-104.6	-23.4	-26.0
Sales and marketing expenses	-69.2	-64.2	-19.3	-18.3
Administrative expenses	-152.8	-134.7	-43.5	-35.9
Other operating income and expenses	-10.1	-15.4	-2.5	-4.3
Profit (+) / Loss (-) from operations before non-recurring items (REBIT)	**104.9**	**73.0**	**1.0**	**4.4**
Gain/(loss) on disposals	11.2	22.2	2.3	19.2
Restructuring	-5.6	-11.6	-2.0	-9.2
Impairment losses	-0.7	-14.8	-0.7	-14.4
Provisions and claims	2.1	13.4	2.0	-0.4
Other income and expenses	-6.0	-6.2	-3.6	-5.1
Profit (+) / Loss (-) from operations (EBIT)	**105.9**	**76.0**	**-0.9**	**-5.4**
Finance costs	-45.9	-40.2	-16.7	-13.5
Finance income	20.4	11.3	9.9	2.1
Finance costs - net	**-25.6**	**-28.8**	**-6.8**	**-11.4**
Share of result of equity accounted investees, net of income tax	5.9	1.6	1.4	-1.2
Profit (+) / Loss (-) before tax	**86.2**	**48.8**	**-6.4**	**-18.0**
Income tax expense	-28.3	-15.7	-2.0	4.9
Profit (+) / Loss (-) for the period from continuing operations	**57.9**	**33.0**	**-8.4**	**-13.1**
Discontinued operations				
Profit (+) / Loss (-) for the period from discontinued operations, net of income tax	-153.6	-12.8	-0.2	5.2
Profit (+) / Loss (-) for the period	**-95.6**	**20.3**	**-8.6**	**-7.9**
Attributable to:				
- Equity holders of the company	**-95.5**	**20.7**	**-8.5**	**-7.3**
- Non-controlling interest	**-0.1**	**-0.4**	**-0.1**	**-0.6**
Basic earnings per share (EUR)	-3.23	0.70	-0.29	-0.25
Diluted earnings per share (EUR)	-3.23	0.70	-0.29	-0.25
Basic earnings per share (EUR) - continuing operations	1.96	1.14	-0.28	-0.43
Diluted earnings per share (EUR) - continuing operations	1.96	1.14	-0.28	-0.43

DISCONTINUED OPERATIONS		
Million EUR	**FY11**	**FY10**
Results of discontinued operations		
Revenue	352.8	496.9
Expenses	-348.6	-511.0
Profit (+) / Loss (-) from operations before non-recurring items (REBIT)	**4.2**	**-14.1**
Non-recurring items	1.0	-4.6
Non-recurring items related to the sales transaction	-157.4	-
Profit (+) / Loss (-) from operations (EBIT)	**-152.3**	**-18.6**
Finance costs - net	-0.7	0.2
Profit (+) / Loss (-) before tax	**-152.9**	**-18.4**
Income tax expense	-0.6	5.6
Profit (+) / Loss (-) for the period from discontinued operations	**-153.6**	**-12.8**
Cash flows from (used in) discontinued operations		
Net cash from (used in) operating activities	-80.5	20.8
Net cash from (used in) investing activities	102.8	-9.3
Net cash from (used in) financing activities	-22.3	-11.5
Effect on cash flows	-	-

The total loss on the sale of the discontinued operation amounts to 157.4 million EUR, and includes mainly, besides the impairment loss of 151.0 million EUR, the recognition of the unrecognized actuarial losses on the defined benefit pension plan within the sold entities, contract cancellation fees and consultancy fees.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
Million EUR	**FY11**	**FY10**	**4Q11**	**4Q10**
Profit (+) / Loss (-) for the period	**-95.6**	**20.3**	**-8.6**	**-7.9**
Translation differences	-8.6	15.7	3.7	3.7
Net change in fair value of derivative financial instruments	-5.7	-1.4	3.3	11.8
Income tax on other comprehensive income	1.9	0.5	-1.2	-4.0
Other comprehensive income for the period, net of income tax	**-12.4**	**14.8**	**5.8**	**11.5**
Total comprehensive income (+) and expense (-) for the period	**-108.0**	**35.1**	**-2.8**	**3.7**
Attributable to:				
- Equity holders of the company	-108.2	35.5	-2.8	4.2
- Non-controlling interest	0.2	-0.4	0.0	-0.5
Total comprehensive income (+) and expense (-) for the period	**-108.0**	**35.1**	**-2.8**	**3.7**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
Million EUR	**31.12.2011**	**31.12.2010**
ASSETS		
Total non-current assets	**695.3**	**877.9**
Property, plant and equipment	518.8	682.2
Goodwill	55.0	53.4
Other intangible assets	58.1	61.2
Investments accounted for using the equity method	20.8	27.7
Other investments	5.7	6.7
Deferred tax assets	7.4	23.7
Trade and other receivables	29.5	22.9
Total current assets	**676.6**	**800.4**
Inventories	350.8	349.7
Trade and other receivables	290.9	299.5
Derivative financial instruments	0.0	0.7
Cash and cash equivalents	34.9	150.5
Non-current assets classified as held for sale	**7.8**	**18.1**
Total assets	**1,379.7**	**1,696.5**
EQUITY & LIABILITIES		
Total equity	**604.6**	**728.6**
Equity attributable to equity holders of the company	**600.3**	**724.8**
Issued capital	147.9	143.7
Share premium	73.5	57.5
Reserves and retained earnings	378.9	523.6
Non-controlling interest	**4.3**	**3.7**
Total liabilities	**775.1**	**967.9**
Total non-current liabilities	**309.0**	**362.2**
Financial liabilities	180.5	195.4
Employee benefits	30.6	38.2
Provisions	56.1	65.9
Trade and other payables	2.4	30.2
Derivative financial instruments	8.8	0.8
Deferred tax liabilities	30.6	31.6
Total current liabilities	**466.1**	**599.2**
Bank overdrafts	0.7	5.8
Financial liabilities	73.2	111.3
Trade and other payables	379.3	469.6
Derivative financial instruments	1.6	0.2
Current tax liabilities	3.0	0.4
Provisions	8.4	11.9
Liabilities associated with assets classified as held for sale	**-**	**6.5**
Total equity and liabilities	**1,379.7**	**1,696.5**

CONSOLIDATED STATEMENT OF CASH FLOWS - CONTINUING AND DISCONTINUED OPERATIONS		
Million EUR	**FY11**	**FY10**
OPERATING ACTIVITIES		
Profit (+) / Loss (-) for the period	**-95.6**	**20.3**
Depreciation, amortisation and impairment losses on property, plant and equipment, goodwill and other intangible assets	247.7	131.3
Changes in provisions	-3.8	-46.3
Finance costs	47.2	40.2
Finance income	-20.9	-11.6
Loss / (profit) on sale of non-current assets	-9.5	-24.9
Share of result of equity accounted investees, net of income tax	-5.9	-1.6
Income tax expense	28.9	10.1
Other non-cash items	-4.9	-0.5
Changes in inventories	-58.2	13.9
Changes in trade and other receivables	-96.1	-17.1
Changes in trade and other payables	-39.1	79.3
Cash generated from operations	*-10.3*	*193.1*
Interest paid	-12.6	-11.9
Interest received	1.2	1.4
Other finance costs paid	-8.0	-9.5
Income tax paid	-27.7	-18.6
Dividends received from investments accounted for using the equity method	8.8	5.0
Cash flow from operating activities	**-48.6**	**159.5**
INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-106.5	-117.1
Acquisition of other intangible assets	-7.1	-3.7
Acquisitions of investments accounted for using the equity method	-3.0	-9.3
Acquisition of businesses, net of cash acquired	-7.6	-
Acquisition of investments	-	-1.6
Proceeds from the sale of property, plant and equipment	6.1	11.0
Proceeds from the sale of other intangible assets	0.1	2.2
Proceeds from the sale of subsidiaries, net of cash disposed of	143.7	24.2
Proceeds from the sale of other investments	-	3.6
Cash flow from investing activities	**25.7**	**-90.7**
FINANCING ACTIVITIES		
Increase / (decrease) of issued capital	2.2	1.3
Increase / (decrease) of financial liabilities	-58.1	64.9
Payment of transaction costs related to financial liabilities	-3.7	-11.1
(Increase) / decrease of long term receivables	-6.5	1.2
Dividends paid to shareholders	-20.2	-20.2
Cash flow from financing activities	**-86.4**	**36.1**
Net increase / (decrease) in cash and cash equivalents	**-109.3**	**104.9**
Effect of exchange rate differences	0.1	1.3
Cash and cash equivalents less bank overdrafts at the beginning of the period	143.4	44.3
Cash and cash equivalents less bank overdrafts at the end of the period	34.2	150.5

Notes to the condensed consolidated financial information

Basis of preparation

The consolidated financial information in this press release has been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted for use by the European Union. This press release does not include all of the information required for publication and should be read in conjunction with the consolidated financial statements of the group as at and for the year ended 31 December 2011.

The consolidated financial statements will be authorized for issuance by the Board of Directors on March 28th, 2012.

Significant accounting policies

The accounting policies used by the group in the present consolidated financial information are consistent with those used in the preparation of the consolidated financial statements as at and for the year ended 31 December 2010.

Segment reporting

Please see annexes 1 and 2.

Business combinations and disposals

The group announced the sale of PVC, Chlor-Alkali and part of its OCD activities for 110.0 million EUR on a cash-free, debt-free basis to Ineos ChlorVinyls on June 14th 2011, and on August 1st the transaction was closed.

On July 25th 2011, the group announced that it had sold its subsidiary Chelsea Building Products Inc. (US), reported in the segment “Plastic Pipe Systems and Profiles”, to Graham Partners, a US-based, privately held investment company.
At the end of September 2011, the group sold its subsidiary Dynaplast-Extruco Inc. (Canada), reported in the segment “Plastic Pipe Systems and Profiles”, to a private investor.

In August 2011, Tessenderlo Kerley Inc. (USA) acquired the Purshade product line from Purfresh.

On September 9th 2011, the group announced the acquisition of BT Bautechnik Group. Dyka Gmbh, a German subsidiary within the operating segment “Plastic Pipe Systems and Profiles”, acquired 100% of the shares and voting rights of BT Bautechnik Group, which includes BT Impex Gmbh and BTH Fitting KFT. The results of BT Bautechnik Group, which were consolidated for as from November 1st, 2011 onwards, were very limited.

Subsequent events

On January 31st 2012, the group announced the purchase of the crop protection assets of the global carbaryl business from Bayer CropScience, by Tessenderlo Kerley Inc. (TKI), a US subsidiary within the operating segment “Tessenderlo Kerley”. The acquisition is projected to add an estimated 15 million EUR to the annual revenue of TKI. TKI will acquire global crop protection assets including trade names, knowhow, registrations and registration data.

Statement of the statutory auditor

The statutory auditor, KPMG Bedrijfsrevisoren – Réviseurs d’Entreprises, represented by Ludo Ruysen, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material adjustments which would have to be made to the financial information as at and for the year ended 31 December 2011 included in the Company's annual announcement.

▶ Financial calendar

Full Year 2011 results	February 16th, 2012
Annual Report available on line (English)	March 31st, 2012
First quarter 2012 results	May 10th, 2012
Capital Markets Day	June 7th, 2012
Second quarter 2012 results	August 29th, 2012
Third quarter 2012 results	November 15th, 2012
Annual general meeting of shareholders	June 5th, 2012

Agenda for February 16th 2012
10.00 am CET/9.00 am UK - conference call and webcast for analysts and investors
Registration details are available at: http://www.tessenderlo.com/investors/

1.30 pm CET/ press meeting at the group's headquarters (Brussels)

Tessenderlo Group *is a worldwide specialty company, focused on food, agriculture, water management and on valorizing bio-residuals. The group employs over 7,000 people and is a leader in most of its markets, with a consolidated revenue of 2.1 billion EUR in 2011. Tessenderlo Chemie NV is listed on NYSE Eurolist by Euronext Brussels and is part of Next 150 and BEL Mid indices. Financial News wires: Bloomberg: TESB BB – Reuters: TesBt.BR – Datastream: B:Tes*

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This **press release** is available in **Dutch, French and English** on the corporate website www.tessenderlogroup.com - under 'News & Media'

Annex 1

SEGMENT REPORTING YEAR TO DATE - CONTINUING OPERATIONS		
Million EUR	**FY11**	**FY10**
Tessenderlo Group		
Revenue	2,126.0	2,024.0
REBITDA	187.0	162.8
REBIT	104.9	73.0
Tessenderlo Kerley		
Revenue	270.8	231.4
REBITDA	66.5	47.6
REBIT	56.2	37.4
Inorganics		
Revenue	428.1	400.7
REBITDA	28.6	20.7
REBIT	22.9	14.3
Gelatin and Akiolis		
Revenue	475.4	410.8
REBITDA	66.4	61.2
REBIT	37.3	31.8
Plastic Pipe Systems and Profiles		
Revenue	569.1	562.1
REBITDA	44.1	44.8
REBIT	17.7	15.7
Other Businesses		
Revenue	382.6	419.0
REBITDA	12.9	12.9
REBIT	2.2	-0.4
Non-allocated		
Revenue	-	-
REBITDA	-31.5	-24.4
REBIT	-31.4	-25.9

Annex 2

SEGMENT REPORTING FOURTH QUARTER - CONTINUING OPERATIONS		
Million EUR	**4Q11**	**4Q10**
Tessenderlo Group		
Revenue	489.3	500.2
REBITDA	22.8	29.8
REBIT	1.0	4.4
Tessenderlo Kerley		
Revenue	57.2	48.8
REBITDA	11.7	7.3
REBIT	8.2	3.8
Inorganics		
Revenue	103.2	106.0
REBITDA	3.3	5.0
REBIT	1.6	3.4
Gelatin and Akiolis		
Revenue	118.9	109.1
REBITDA	12.6	15.9
REBIT	5.3	8.5
Plastic Pipe Systems and Profiles		
Revenue	129.6	133.0
REBITDA	7.7	6.8
REBIT	1.6	-1.2
Other Businesses		
Revenue	80.4	103.2
REBITDA	-2.7	2.6
REBIT	-5.7	-1.3
Non-allocated		
Revenue	-	-
REBITDA	-9.9	-7.8
REBIT	-9.9	-8.7