Ciba Specialty Chemicals

Improving Performance
Q1 2007

Juerg Fedier

Q1'07 Supplemental Information for Conference Call
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Results Q1 2007

MCHF	Q1 2007	Q1 2006	Δ% CHF	Δ% l.c.	Incl. restructuring Q1 2007	Incl. restructuring Q1 2006	Incl. restructuring Δ% CHF
Sales cont. operations	**1659**	**1 619**	+ 3	+ 3			
EBIT cont. operations	**134**	**108**	+ 23		**131**	**82**	+ 59
as % of sales	8.1	6.7			7.9	5.1	
Income cont. operations	**79**	**53**	+ 50		**77**	**36**	+ 118
as % of sales	4.8	3.2			4.6	2.2	
Income/loss discont. operat.					(1)	1	
Net income					**76**	**37**	+ 106
Earnings per share					**1.14**	**0.53**	

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Segment sales first quarter 2007

MCHF	Q1'07 CHF	Δ%[1] CHF	Δ%[1] l.c.	Curr.	Vol.	Price
Plastic Additives	553	+3	+4	-1%	+5%	-1%
Coating Effects	469	+2	+3	-1%	+4%	-1%
Water & Paper T.	637	+2	+2	0%	+2%	0%
Group[2]	1 659	+3	+3	0%	+4%	-1%

Continuing growth in Plastic Add. and Coating Effects

(1) compared to Q1 2006
(2) Sales in MCHF, continuing operations

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Segment EBIT[1] Q1 2007

MCHF	2007	2006	Δ%
Plastic Additives	87	75	+ 16
as % of sales	15.7	13.9	
Coating Effects	61	52	+ 17
as % of sales	13.0	11.4	
Water & Paper Treatment	15	12	+ 30
as % of sales	2.4	1.9	
Corporate	-29	-31	
Group	134	108	+ 23
as % of sales	8.1	6.7	

All segments improved EBIT

(1) continuing operations, excluding restructuring

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Outlook 2007

Assumptions:

- Business conditions to remain similar to those in 2006
- Utility and raw material costs at high levels

Outlook 2007:

- Sales in local currencies expected to be higher than 2006
- EBIT margin[1]: + 1% compared to 2006 levels
- Net income[1] in CHF above previous year
- Free cash flow[1] above previous year

Improving performance further in 2007

(1) excluding restructuring, impairment and other charges

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Forward-Looking Statements

Forward-looking statements and information contained in this Report are qualified in their entirety as there are certain important factors that could cause results to differ materially from those anticipated. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believe”, “expect”, “may”, “are expected to”, “will”, “will continue”, “should”, “would be”, “seek” or “anticipate” or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions. Such statements reflect the current views and estimates of the Company with respect to market conditions and future events and are subject to certain risks, uncertainties and assumptions. Investors are cautioned that all forward-looking statements involve risks and uncertainty. In addition to the factors discussed above, among the factors that could cause actual results to differ materially are the following: the timing and strength of new product offerings, pricing strategies of competitors, introduction of competing products by other companies, lack of acceptance of new products and services by the Company’s targeted customers, changes in the Company’s business strategy, the Company’s ability to continue to receive adequate raw materials from its suppliers on acceptable terms, or at all, and to continue to obtain sufficient financing to meet its liquidity needs, and changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including currency fluctuations, inflation and consumer confidence, on a global, regional or national basis and various other factors. Furthermore, the Company does not assume any obligation to update these forward-looking statements.

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Non-U.S. GAAP Measures

The presentation today includes the display of some company financial indicators that do not directly conform to United States Generally Accepted Accounting Principles ("U.S. GAAP"). Management is of the opinion that these financial indicators are an important measure of comparative operating performance and financial stability of the businesses of the Company, and provide investors with additional insight into the ongoing operations of the business. However, these supplementary financial indicators should be considered in addition to, and not as a substitute for U.S. GAAP measures of operating performance and financial stability. Furthermore, these financial indicators may not be consistent with similar measures provided by other companies.

Information regarding the reconciliation between the U.S. GAAP and non-U.S. GAAP measures are available, with today's presentation, on the Investor Relations section of our website at http://www.cibasc.com and definitions are provided in the "Glossary of Financial Terms" in the Financial Review of the Annual Report.

Q1'07 Performance: Sales & EBIT per segment

Sales

%Change Q1'06	Total in CHF	Curr.	Vol./ Mix	Price	DA[4] Q1'07	DA[4] Q1'06
Plastic Additives	3%	-1%	5%	-1%	23	24
Coating Effects	2%	-1%	4%	-1%	26	27
Water & Paper T.	2%	0%	2%	0%	37	38
Group[1]	3%	0%	4%	-1%		

EBIT[2]	EBIT Q1'07 MCHF	EBIT Q1'06 MCHF	EBIT Margin[3] Q1'07	EBIT Margin[3] Q1'06
Plastic Additives	87	75	15.7	13.9
Coating Effects	61	52	13.0	11.4
Water & Paper T.	15	12	2.4	1.9
Corporate	(29)	(31)		
Group[1]	134	108	8.1	6.7

(1) continuing operations
(2) EBIT before restructuring, impairment and other charges
(3) in % of sales, before restructuring, impairment and other charges
(4) Depreciation and Amortization in MCHF

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