

Ciba Specialty Chemicals Holding Inc.



To the shareholders of Ciba Specialty Chemicals Holding Inc.

Invitation to the Annual Shareholder Meeting

March 8, 2007, at 10.30 a.m. in the Congress Center, Messe Basel

Agenda

1. Introduction of electronic voting with amendment of article 17 paragraphs 2 and 3 of the Articles of Association
2. Approval of the Annual Report, the Annual Financial Statements, the Consolidated Statements for 2006; acknowledgement of the Reports of the Auditors and the independent Group Auditors
3. Allocation of profit
4. Discharge of the Board of Directors and the Executive Committee
5. Re-election of members of the Board of Directors
6. Election of a member of the Board of Directors
7. Amendments to the Articles of Association
 - a) Amendment of article 19 lit. h of the Articles of Association
 - b) Deletion of article 33 of the Articles of Association
8. Re-election of the Auditors and Group Auditors

A buffet lunch will be served in the Congress Center Basel after the Meeting.

Agenda, motions and explanations

(Translation: The German text is legally binding)

1. Introduction of electronic voting with amendment of article 17 paragraphs 2 and 3 of the Articles of Association

Motion

The Board of Directors proposes to amend article 17 paragraphs 2 and 3 of the Articles of Association as follows:

Paragraph 2

To the extent that an electronic voting and election system is provided at a General Meeting of Shareholders any and all voting and elections will be conducted in this manner. If no such system is provided, resolutions or elections will be taken on a show of hands unless the presiding officer orders a secret ballot or election to be held or the General Meeting so decides.

Paragraph 3

The presiding officer may at any time order to repeat a resolution or election taken on a show of hands with an electronic or secret ballot, if he doubts the results of the vote. In this case, the preceding resolution or election taken on a show of hands is deemed not to have occurred.

Explanations

The use of electronic voting and elections at Annual Shareholder Meetings shall be stated in the Articles of Association. This method allows a quick and precise recording of all votes cast.

2. Approval of the Annual Report, the Annual Financial Statements, the Consolidated Statements for 2006; acknowledgement of the Reports of the Auditors and the independent Group Auditors

Motion

The Board of Directors proposes to approve the Annual Report, the Annual Financial Statements and the Consolidated Statements for 2006.

3. Allocation of profit

Motion

The Board of Directors proposes to pay a dividend of CHF 3.00 gross (CHF 1.95 net) per share and to carry forward the remaining balance sheet profit in the amount of CHF 360'730'324.

Explanations

The performance of the business allows for the payment of a dividend of CHF 3 per share.

As the retained earnings amount to CHF 498'268'158 and the profit for 2006 to CHF 64'964'065, the available balance sheet profit amounts to CHF 563'232'223. The Board of Directors proposes to pay CHF 202'501'899 as dividends (67'500'633 shares times CHF 3) while carrying forward the balance amount of CHF 360'730'324.

If approved by the shareholders, the dividend will be paid on March 13, 2007.

4. Discharge of the Board of Directors and the Executive Committee

Motion

The Board of Directors proposes to discharge the Board of Directors and the Executive Committee with respect to their activities in the business year 2006.

5. Re-election of members of the Board of Directors

Motion

The Board of Directors proposes to re-elect

- Prof. Dr. Erwin W. Heri for a period of four years and
- Dr. Uli Sigg for a period of four years

as members of the Board of Directors.

Explanations

The terms of office of Mr. Heri and Mr. Sigg expire at the Annual Shareholder Meeting 2007. Mr. Heri has been a member of the Board of Directors since 1997 and Mr. Sigg since 1999. Both stand for re-election for a term of four years. Detailed CVs are available from the Company's website at www.cibasc.com/bod-cv. The elections at the Annual Shareholder Meeting will be taken individually for each member.

6. Election of a member of the Board of Directors

Motion

The Board of Directors proposes to elect

- Prof. Dr. Utz-Hellmuth Felcht for a period of three years

as a member of the Board of Directors.

Explanations

Having served as a member of the Board of Directors for eight years, Kurt Feller will not present himself for re-election. The Board of Directors proposes to elect Utz-Hellmuth Felcht for a period of three years.

Until May 2006, Utz-Hellmuth Felcht chaired the Board of Management of Degussa AG. Since then he has been an independent consultant and he became a partner of OEP (One Equity Partners Europe GmbH), Germany, in 2007. From October 2004 until May 2006, he served as Vice President and member of the Cefic Executive Committee, Brussels (European Chemical Industry Council). He is Honorary Professor of Chemistry at the Technical University Munich, Germany, and at Jilin University, Changchung, China. With his sound knowledge of the chemical industry, especially in the area of specialty chemicals, Utz-Hellmuth Felcht complements the Board of Directors ideally. A detailed CV is available from the Company's website at www.cibasc.com/agm.

7. Amendments to the Articles of Association

a) Amendment of article 19 lit. h of the Articles of Association

Motion

The Board of Directors proposes to amend article 19 lit. h of the Articles of Association as follows:

- h) resolutions on merger, demerger and conversion if such quorum is necessary pursuant to the Merger Act.

Explanations

With the introduction of the Merger Act (Fusionsgesetz) per July 1, 2004, resolutions on mergers, demergers and conversions generally need approval of at least two-thirds of the votes represented in the Annual Shareholder Meeting and a majority of the represented capital. With the proposed amendment, the Articles of Association will be adapted to the new legal situation.

b) Deletion of article 33 of the Articles of Association

Motion

The Board of Directors proposes to delete article 33 of the Articles of Association.

Explanations

Upon formation of Ciba Specialty Chemicals Holding Inc., the article concerning contributions in kind was introduced into the Articles of Association. After more than ten years this article has become obsolete and may be deleted according to article 628 paragraph 4 of the Swiss Code of Obligations.

8. Re-election of the Auditors and Group Auditors

Motion

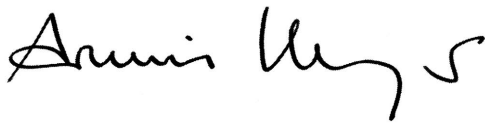
The Board of Directors proposes to re-elect Ernst & Young AG, Zurich, as Auditors and Group Auditors for a further period of one year until the 2008 Annual Shareholder Meeting.

Explanations

Upon a proposal made by the Company's Audit Committee to the full Board of Directors, Ernst & Young are proposed for re-election.

Basel, February 13, 2007

For the Board of Directors

A handwritten signature in black ink, appearing to read "Armin Meyer". The signature is written in a cursive style with a large, sweeping flourish at the end.

Dr. Armin Meyer
Chairman of the Board

Enclosures: Order form, return envelope

Organizational Remarks

Agenda items

As of January 8, 2007, Ciba Specialty Chemicals has not received any requests for agenda items or any motions.

Available documents

The Business Report (Annual Financial Statements and Consolidated Statements), including the Auditors' Report for 2006, are available for inspection at the Company's Headquarters (Ciba Specialty Chemicals Holding Inc., Secretary to the Board of Directors, Klybeckstrasse 141, CH-4002 Basel) from February 13, 2007. A shareholder may also require that these documents be sent to her/him. These documents can be downloaded from www.cibasc.com/agm, while printed copies of the Company's Reports will also be available at the Annual Shareholder Meeting.

Admission cards

After returning the enclosed application form, the registered shareholders will receive the admission card, which will be posted between February 28 and March 6, 2007. An early return will ease the preparatory work for the Meeting.

Voting rights

Shareholders of the Company registered with voting rights in the shareholders' register on March 6, 2007, are entitled to vote.

If additional shares with voting rights are registered in the share register or such shares are sold after the admission card is distributed, shareholders are kindly requested to have the admission card corrected at the share register desk at the Annual Shareholder Meeting. Shareholders who sell shares reflected on the admission card no longer have voting rights for these shares.

Proxies

According to the Articles of Association of the Company, a shareholder may give proxy for the Annual Shareholder Meeting to

- her/his legal representative
- another shareholder who is entitled to vote
- the Company (Ciba Specialty Chemicals Holding Inc.)
- a depositary
- Mr. Fred M. Wagner, Attorney, Steinenvorstadt 51, CH-4051 Basel, the independent proxy.

In order to grant power of attorney to the Company (Ciba Specialty Chemicals Holding Inc.) or the independent proxy, please use the proxy form. For instructions to the independent proxy, please use the form on the reverse side of the attached application form. Without specific instructions to the contrary, the voting rights will be exercised in accordance with the proposals of the Board of Directors. Instructions shall apply also to shares registered with voting rights in the share register after the proxy has been given.

Should you wish to grant a proxy to another shareholder who is entitled to vote or to a depositary, please request an admission card in your name and then transfer it, with a duly executed power of attorney on the reverse side, to your representative.

Depositaries

Banks which are subject to the Swiss Federal Act on Banks and Saving Banks and professional asset managers are requested to indicate to the Share Register (fax +41 44 809 58 59) the number of shares they represent as early as possible, at the latest on the day preceding the Shareholder Meeting.

Early departure

To allow the correct counting of the number of shares represented, any shareholders leaving before the end of the Shareholder Meeting are requested to return the electronic voting device at the exit.

Buffet lunch

After the Shareholder Meeting, shareholders are invited to a buffet lunch to be served at the Congress Center Basel.

Transportation

The ticket sent with the admission card entitles shareholders to a free ride within the network of the Basler Verkehrsbetriebe (BVB) and Baselland Transport (BLT) to and from the Congress Center Basel. The ticket must be presented on request. Car parking is available in the parking Messe Basel. At the access gates of the Shareholder Meeting, we offer to exchange the parking ticket for a free exit ticket.