Bringing Chemistry to Life

Brussels, 12 February 2010

Regulated information* | Press release

QUARTERLY REPORT – DECEMBER 2009

Tessenderlo Group 2009 results: significant net loss confirmed but solid cash flow from operations despite very challenging economic environment

- Revenue dropped by 24% to 2.1 billion euro
- Net loss of 166.7 million euro, including 99.8 million euro exceptional charges
- Cost savings delivered more than 40 million euro
- Strong cash flow from operations of 315.3 million euro[1]
- Net debt reduced by 85.6 million euro down to 209.0 million euro[1]
- Proposal to maintain a net dividend of 1.00 euro per share

GROUP KEY FIGURES

4Q09	4Q08	% change	millions EUR	FY09	FY08	% change
513.3	645.3	-20.5%	**Revenue**	2,093.8	2,765.0	-24.3%
11.6	49.6	-76.7%	**REBITDA**	63.4	344.7	-81.6%
-18.2	24.0	nm	**REBIT**	-51.4	239.1	nm
-39.3	-1.1	nm	**Profit/loss**	-166.7	140.4	nm
123.1	-12.5	nm	**CF from operating activities**	315.3[1]	94.0	nm
			Net Debt	209.0[1]	294.6	-29.1%

In 2009, Tessenderlo Group faced the worst economic and market environment conditions in recent memory. Despite the most severe recession in over 50 years, and the collapse in sulphate fertilizer demand, the businesses, such as Gelatin, Natural Derivatives, and Tessenderlo Kerley continued to demonstrate their strong fundamentals. Taken together, they maintained revenue and REBITDA when compared to the very strong performance in 2008. Next to this, decisive actions were taken to reduce costs across the group, resulting in improved profitability, especially in Plastic Pipe Systems and Profiles. Working capital requirements were decreased, leading to a significant reduction in net debt. Finally, a smooth transition to a new management team took place, ready to drive the next phase of Tessenderlo Group's development.

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*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. All quarterly information included in the press release is unaudited.

[1] including impact of 123.4 million EUR non recourse factoring

GROUP KEY FIGURES

4Q09	4Q08	millions EUR	FY09	FY08
513.3	645.3	**Revenue**	2,093.8	2,765.0
11.6	49.6	**REBITDA**	63.4	344.7
-18.2	24.0	**REBIT**	-51.4	239.1
-18.9	-23.3	**Non-recurring items**	-99.8	-26.9
-37.1	0.7	**EBIT**	-151.2	212.2
-39.3	-1.1	**Profit/loss attributable to equity holders of the group**	-167.0	140.5
		Basic earnings per share	-6.02	5.08
		Diluted earnings per share	-6.02	5.08

BUSINESS SEGMENT KEY FIGURES - REVENUE

4Q09	4Q08	millions EUR	FY09	FY08
513.3	645.3	**Group Revenue**	2093.8	2765.0
79.7	175.3	**Inorganics**	283.6	650.1
101.7	127.5	**PVC/Chlor-Alkali**	443.1	557.5
94.0	89.0	**Gelatin & Natural Derivatives**	358.5	341.8
33.5	36.6	**Tessenderlo Kerley**	180.0	194.2
134.1	136.0	**Plastic Pipe Systems and Profiles**	545.9	634.4
70.3	80.9	**Other Businesses [1]**	282.7	387.0
na	na	**Non-allocated**	na	na

[1] Other businesses : pharmaceutical intermediates, organic chlorine derivatives and compounds

BUSINESS SEGMENT KEY FIGURES - REBIT

4Q09	4Q08	millions EUR	FY09	FY08
-18.2	24.0	**Group REBIT**	-51.4	239.1
-8.8	28.4	**Inorganics**	-56.5	151.1
-12.7	0.0	**PVC/Chlor-Alkali**	-28.0	19.6
5.9	10.3	**Gelatin & Natural Derivatives**	35.6	40.6
3.4	-1.8	**Kerley**	31.1	26.7
5.3	-4.0	**Plastic Pipe Systems and Profiles**	21.5	25.6
-6.9	-6.5	**Other Businesses[1]**	-26.5	-9.1
-4.4	-2.4	**Non-allocated**	-28.6	-15.4

[1] Other businesses: pharmaceutical intermediates, organic chlorine derivatives and compounds

▶ Group Performance Review

The global economy has experienced the most severe downturn in recent history, starting in 4Q 2008 and continuing throughout 2009. While advanced economies were particularly impacted, even the developing economies either contracted or slowed materially. Major sectors such as construction and automotive were sharply lower, while more specifically to the Group, sulphate fertilizer demand collapsed. While the Group suffered the worst results in its history, it made progress by taking actions to improve performance both in the short term, for example reducing working capital, net debt, and fixed costs, as well as prepare it for the long term, as demonstrated by the acquisitions of FISO and Linuron, and the exit from Zeoline.

1. Revenue

Group revenue for 2009 totalled 2.1 billion EUR, a decrease of 24.3% compared to the record revenue of 2.8 billion EUR for 2008. Nearly all business units were impacted by the economic downturn, most notably Inorganics which was down by 56.4% versus the record result in 2008, PVC/Chlor-Alkali which saw a drop of 20.5%, and Plastic Pipe Systems and Profiles which fell 14.0%. These strong decreases could not be offset by 4.9% higher revenue in Gelatin & Natural Derivatives; while Tessenderlo Kerley managed to limit its revenue decline to just 7.3% compared to the exceptional result in 2008.

2. REBIT

Recurring EBIT ended up at -51.4 million EUR for the full year after reaching 239.1 million EUR in 2008, the highest in the history of the Group. The main factors leading to the negative result were the severe revenue and margin declines in Inorganics, PVC/Chor-Alkali and Other Businesses. Gelatin & Natural Derivatives and Tessenderlo Kerley were much less affected by lower revenue and combined to maintain a stable REBIT, a noteworthy achievement after a strong 2008 performance. Plastic Pipe Systems and Profiles had a stable REBIT margin, due to a structural reduction of fixed costs, including a site closure in France, which took effect in the middle of 2009. Against this background of lower revenues and margin pressure at Group level, Management implemented a group-wide cost reduction programme called Oxygen, which led to savings of more than 40 million EUR for the full year. These savings include the closure of 2 plants, the use of temporary economical unemployment measures and voluntary management salary reductions, among others. The Group also had lower input costs for certain business which helped gross margins. However, the combined benefit of cost savings and lower input costs could not fully compensate the lower revenue and margins.

3. Cash flow from operating activities

Cash flow from operating activities increased sharply from 94.0 million EUR in 2008 to 315.3 million EUR in 2009. The main driver was a strong focus on reducing working capital requirements, which resulted in a decrease of 145.4 million EUR. In addition, the implementation of a non recourse factoring programme boosted cash flow from operating activities by 123.4 million EUR.

4. Net Debt

The Group **net debt** improved from 294.6 million EUR at 31 December 2008 to 209.0 million EUR at the end of 2009. The lower debt is due to the significant increase in cash flow from operating activities already highlighted above.

▶ Operations Review by Segment

INORGANICS

Million EUR	Q4 2009	Q4 2008	FY 2009	FY 2008
Revenue	79.7	175.3	283.6	650.1
REBITDA	-7.1	32.2	-49.7	159.5
REBIT	-8.8	28.4	-56.5	151.1

Results for the business unit **Inorganics** continued to be under pressure in the fourth quarter, with a revenue decrease broadly in line with the nine months revenue. For **potassium fertilizers**, lower market demand continued in Q4, although the year-on-year decrease was at a significantly lower rate than in the previous three quarters. Pricing fell during the quarter in line with the decline in raw material costs. For the fourth quarter, **animal feed phosphates** demand was slightly higher than 4Q08, but at much lower prices, similar to the pattern in the third quarter. Due to the much lower revenue, REBITDA and REBIT were negative for the last quarter, but both improved versus Q2 and Q3.

For the full year, **Inorganics** revenue was mainly impacted by the collapse in demand for potassium fertilizers, and much lower pricing for feed phosphates. Recognizing this early on, the Group took decisive action to reduce costs, including the use of temporary economical unemployment and voluntary reduction of management salaries. However, the cost savings could not fully offset the decrease in gross margin, and as a result the company recorded losses at REBITDA and REBIT level.

Despite the 2009 financial results, Tessenderlo Group believes that the long term trends in the agriculture sector, such as population growth and changing diets in developing economies, will drive demand growth, and support the recovery of profitability for these activities.

PVC/CHLOR-ALKALI

Million EUR	Q4 2009	Q4 2008	FY 2009	FY 2008
Revenue	101.7	127.5	443.1	557.5
REBITDA	-5.6	5.7	-1.5	44.6
REBIT	-12.7	0.0	-28.0	19.6

PVC/Chlor-Alkali Q4 revenue was down in line with the nine months decline, and the year-on-year decline was slightly lower than the previous two quarters. The main driver was much lower pricing of caustic potash and caustic soda, as generally volumes were at a similar level to Q408. Margins for PVC were under pressure both from increasing input costs, as well as seasonally lower demand. Chlor-Alkali profitability suffered primarily from significantly lower pricing. Taken together, these effects led to a negative REBITDA and REBIT for the last quarter.

For the full year, **PVC/Chlor-Alkali** felt the impact of lower activity in building and industrial end markets. Margins were subject to big swings due to an unusually dynamic supply/demand balance throughout the year. Cost savings were achieved through the use of temporary economical unemployment and management salary reductions as with Inorganics, which could partially offset the impact of a lower gross margin. Overall, at REBITDA the segment was nearly breakeven, while REBIT was in loss.

GELATIN AND NATURAL DERIVATIVES

Million EUR	Q4 2009	Q4 2008	FY 2009	FY 2008
Revenue	94.0	89.0	358.5	341.8
REBITDA	14.3	15.1	61.9	61.2
REBIT	5.9	10.3	35.6	40.6

Gelatin and Natural Derivatives delivered a good set of results in the fourth quarter. Gelatin revenue was slightly lower as average selling prices for Q409 were below Q408, a period boosted by higher fat prices linked to the cost of oil. This decrease was more than compensated for by a revenue increase in Natural Derivatives, primarily due to the addition of the profitable FISO business. Gelatin REBITDA was lower as selling prices have moved down more than raw material decreases, while Natural Derivatives REBITDA was broadly stable. REBIT for Q409 was below the high amount recorded the previous year, due to the impact of the fair value adjustments following the acquisition of Fiso combined with additional charges recorded in accordance with new French legislation on demolition provisions.

For the full year, Gelatin revenue increased as pricing was supportive, almost entirely in the first half. Natural Derivatives also had higher revenue mainly attributable to the inclusion of FISO from mid 2009; in this business unit the second half was better on a comparable basis. REBITDA and REBIT for Gelatin was strongly higher due to firm pricing in the first half as raw material values were moving lower. For Natural Derivatives, REBITDA and REBIT decreased as raw materials prices were increasing and sales prices were under pressure, principally in the first half of 2009.

TESSENDERLO KERLEY

Million EUR	Q4 2009	Q4 2008	FY 2009	FY 2008
Revenue	33.5	36.6	180.0	194.2
REBITDA	5.6	0.3	38.0	33.5
REBIT	3.4	-1.8	31.1	26.7

In the fourth quarter, **Tessenderlo Kerley** recorded slightly less revenue than in the comparable period a year ago, due to differences in raw material pricing into end products, as unfavourable weather conditions, leading to water restrictions in the western portion of the US, reduced demand for certain products. Calcium, magnesium, and blended liquid fertilizers continued to perform well, leading to an improved product mix. This better mix combined with incremental volumes from the recently acquired Linuron product line boosted margins year-on-year.

For the full year, Tessenderlo Kerley turned in a strong performance following the record results in 2008. Good demand for specialty fertilizer products and the crop protection business, along with satisfactory performance in refinery and industrial services, led to solid revenue and margins for 2009.

PLASTIC PIPE SYSTEMS AND PROFILES

Million EUR	Q4 2009	Q4 2008	FY 2009	FY 2008
Revenue	134.1	136.0	545.9	634.4
REBITDA	12.3	2.8	50.5	54.8
REBIT	5.3	-4.0	21.5	25.6

The **Plastic Pipe Systems and Profiles** business improved significantly in Q409 compared to a very weak quarter a year ago, when construction activity slowed dramatically. Combined revenue for the two businesses was stable year-on-year, with Profiles increasing mainly due to the strengthening of the Group's leading position in the UK. Plastic Pipe Systems revenue was similar to the third quarter, and the year-on-year decline was materially less than the previous three quarters. Margins improved in the last quarter, mainly due to cost management programmes in both businesses, including the structural reduction of fixed costs related to the announced site closure in France. In addition, further margin improvement was realized through lower raw material costs.

Revenue was impacted by a lower demand throughout 2009, which started to decrease already in Q408. Profitability clearly improved as the year progressed through the site closure mentioned above, which impacted results favourably from the middle of the year, as well as lower raw material costs which was beneficial for the whole year. Finally, profitability continued to benefit from the Group's leading position in the UK for Profiles and its mixed model for Plastic Pipe Systems mainly in the Benelux.

OTHER BUSINESSES

Million EUR	Q4 2009	Q4 2008	FY 2009	FY 2008
Revenue	70.3	80.9	282.7	387.0
REBITDA	-3.8	-2.8	-11.7	7.4
REBIT	-6.9	-6.5	-26.5	-9.1

The segment **Other Businesses**, which groups activities in **pharmaceutical intermediates, organic chlorine derivatives and compounds**, had a relatively limited decline in revenue as well as profitability in Q409. Pharmaceutical intermediates revenue had the lowest year-on-year decrease as it cycled the loss of a key product which took place in mid 2008. Organic Chlorine Derivatives revenue was nearly the same as Q408, a significant improvement compared to the first three quarters of the year. Revenue for compounds was down due to the Group pro-actively reducing sales of commodity products from the second half of 2009. Turning to profitability, the segment was in loss at both REBITDA and REBIT levels, mainly due to a less profitable product mix in the pharmaceutical intermediates during the last quarter, despite savings arising from the closure of a compound operation in the east of France in mid 2009.

For 2009, Other Businesses suffered a steep decline in revenue, which was more pronounced in the first half of the year for each of the three businesses. This decline, as well as its pattern, is partly attributable to the loss in the middle of 2008 of an important product in pharmaceutical intermediates, as well as the fact that compounds sales were under pressure already from the third quarter 2008, reducing the year-on-year impact. Overall segment profitability was negative; however, compounds moved into profit in the second half resulting from the closure of a site in France.

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▶ Financial information

1. Non-recurring items

Non-recurring items were -99.8 million EUR at the end of December 2009. The main elements of non-recurring items relate to:

- an additional provision for a potential EU fine of 60 million EUR. The total provision now stands at 97.0 million EUR. This relates to an investigations performed by the European Commission on feed phosphates. The European Commission performed an investigation in 2004 on pretended contra competitive practices in the segment of the feed phosphates. A decision is anticipated in the course of the following months;
- 30.5 MIO EUR restructuring costs related to the closure of two sites in France, as well as 3.2 million EUR for the stoppage of glycine activities, and 1.5 million EUR for restructuring costs in several other activities;
- Impairment charges of 18.9 million ; mainly 10.6 million EUR for Pharmaceutical Intermediates and 3.9 million EUR related to the two announced site closures
- Other income and expenses includes several items such as reversal of provisions and insurances proceeds

Million EUR	**Dec 2009**
Additional provision for potential EU fine	-60.0
Gain on disposals	2.8
Restructuring	-30.5
Impairment	-18.9
Environmental provisions	-1.0
Other income & expenses	7.8
Total	-99.8

2. Net Finance Costs

The net finance costs decreased from 21.6 million EUR to 11.2 million EUR, This was mainly due to a material foreign exchange loss recorded in 2008 which did not recur in 2009. The other major driver was the lower average interest rate faced in 2009 compared to 2008.

3. Income tax expense

Income tax expenses for 2009 amounted to 5.3 million EUR or an effective tax rate of -3.3%, versus an expense of 61.7 million EUR or an effective tax rate of 32.4% in 2008.

4. Group Profit/loss

The Group net consolidated result was -166.7 million EUR versus 140.4 million EUR for the record results in 2008. In addition to the negative EBIT, the main influence was -99.8 million EUR related to the non-recurring items disclosed above.

5. Cash flow from operating activities

Cash flow from operating activities was amounted to 315.3 million EUR for the full year 2009 versus 94.0 million EUR for 2008. The high level of cash flow from operating activities derives from the large positive change in working capital, mainly through the reduction of inventories, as well as 123 million EUR non-recourse factoring.

6. Capital Expenditures

Full year capital expenditure was 116.2 million EUR, compared to 101.4 million EUR in 2008.

7. Balance Sheet

The equity attributable to equity holders of the group decreased by 194.8 million EUR. This is a consequence of the negative result for the year (-167.0 million EUR), dividends distributed for an amount of -37.0 million EUR, and after taking into account a negative conversion difference of -3.2 million EUR (mainly on the US dollar). The effect of the fair value of the derivative financial instruments amounts to -1.7 million EUR. The revaluation reserves of 10.7 million EUR are a consequence of the revaluation performed following the purchase of the remaining 50% of Fiso Group. The capital increase in favour of the personnel amounted to 1.6 MIO EUR. At the end of December 2009, equity attributable to equity holders of the group amount to 705.2 million EUR.

The net financial liabilities amount to 209.0 million EUR at the end of December 2009 (29.6% of equity) against 294.6 million EUR at the end of 2008 (32.7% of equity). Excluding the impact of non-recourse factoring amounting to 123 million EUR , net financial liabilities would represent 47.0% of equity at the end of December 2009.

▶ Outlook

Looking ahead to 2010, the Group's central scenario is that economic activity starts to recover, albeit at a gradual pace. Economies are exiting recession largely due to unprecedented government actions. However, it is unclear what the consequences will be of the inevitable adjustments to monetary and fiscal policies on our end market sectors, such as construction and building,

Turning to the Group businesses, the business units will have varied performances. We start to see some signs of volume pick-up in the Inorganic businesses, although it is unclear yet if margins will recover to pre-crisis levels during 2010. Kerley, Gelatine and Natural Derivatives have all proven to be resilient during this crisis, and should continue to perform well, although not necessarily at the very high levels achieved in 2009. Finally, for the remaining businesses, we have little visibility on the timing of their recovery.

Next to the operational comments above, we anticipate other impacts. First, the Group will benefit from the full year effect of selected acquisitions made during the first half of 2009, including the remaining 50% of Fiso (Natural Derivatives), and Linuron (Kerley). Secondly, there will be a full year benefit of cost measures taken during 2009, including the closure of 2 sites.

Focus will continue to be on implementation of fixed cost reduction measures, and tight cash control across all areas under management responsibility, such as capital expenditure, working capital, and sale of non-strategic assets.

Collectively, these impacts should lead to a clear improvement in the overall Group profitability in 2010.

Finally, the group has not lost sight of its strategic objectives of increasing specialties as a proportion of its portfolio.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (millions EUR) – IFRS

	12M 2009	12M 2008	Q4 2009	Q4 2008
Revenue	**2,093.8**	**2,765.0**	**513.3**	**645.3**
Cost of sales	-1,813.0	-2,150.5	-459.3	-532.5
Gross profit	**280.8**	**614.5**	**54.0**	**112.8**
Distribution expenses	-112.6	-144.6	-28.7	-31.0
Sales and marketing expenses	-57.8	-62.7	-13.3	-17.1
Administrative expenses	-152.9	-141.5	-30.6	-33.7
Other operating income and expenses	-8.9	-26.6	0.4	-7.0
Profit from operations before non-recurring items (REBIT)	**-51.4**	**239.1**	**-18.2**	**24.0**
Non-recurring items	-99.8	-26.9	-18.9	-23.3
Profit (+)/Loss (-) from operations (EBIT)	**-151.2**	**212.2**	**-37.1**	**0.7**
Finance costs	-18.5	-29.8	-4.3	-7.8
Finance income	7.3	8.2	1.7	-0.2
Share of result of equity accounted investees, net of income tax	1.0	11.5	0.0	2.8
Result before tax	**-161.4**	**202.1**	**-39.7**	**-4.5**
Income tax expense	-5.3	-61.7	0.4	3.4
Profit (+) / Loss (-) for the period	**-166.7**	**140.4**	**-39.3**	**-1.1**
Attributable to:				
Equity holders of the group	**-167.0**	**140.5**	**-39.3**	**-1.1**
Non-controlling interest	**0.3**	**-0.1**	**0.0**	**0.0**
Weighted average number of ordinary shares (in million shares)	27.7	27.7		
Diluted weighted average number of ordinary shares (in million shares)	27.7	27.7		
Basic earnings per share (in EUR)	-6.02	5.08		
Diluted earnings per share (in EUR)	-6.02	5.08		

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CONDENSED CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE (millions EUR) - IFRS

	12M 2009	12M 2008
Translation differences	-3.2	-8.8
Derivative financial instruments	-2.5	-
Options and capital increase	1.7	0.8
Revaluation reserves	16.1	-
Income tax effect on other comprehensive income	-4.5	-
Other comprehensive income for the period, net of income tax	**7.6**	**-8.0**
Profit (+) / loss (-) for the period	**-166.7**	**140.4**
Total comprehensive income (+) and expense (-) for the period	**-159.1**	**132.4**
Attributable to:		
Equity holders of the group	-159.4	132.5
Non-controlling interest	0.3	-0.1
Total comprehensive income (+) and expense (-) for the period	**-159.1**	**132.4**

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Millions EUR - IFRS	31.12.2009	31.12.2008
ASSETS		
Total non-current assets	**884.0**	**810.1**
Property, plant and equipment	694.7	652.0
Goodwill	53.6	38.3
Intangible assets	67.4	39.9
Investments accounted for using the equity method	21.3	39.6
Other investments	6.5	5.2
Deferred tax assets	17.8	17.7
Trade and other receivables	22.7	17.4
Total current assets	**692.3**	**1,002.1**
Inventories	361.1	473.7
Trade and other receivables	286.8	469.5
Derivative financial instruments	0.1	5.4
Cash and cash equivalents	44.3	53.5
Non-current assets classified as held for sale	**0.3**	**0.7**
Total assets	**1,576.6**	**1,812.9**
EQUITY & LIABILITIES		
Total equity	**707.5**	**902.0**
Equity attributable to equity holders of the Group	705.2	900.0
Non-controlling interest	2.3	2.0
Total liabilities	**869.1**	**910.9**
Total non-current liabilities	**250.9**	**267.7**
Financial liabilities	11.6	96.7
Employee benefits	39.7	40.9
Provisions	167.5	85.7
Trade and other payables	0.2	-
Deferred tax liabilities	31.9	44.4
Total current liabilities	**618.2**	**643.2**
Financial liabilities	241.7	251.4
Trade and other payables	363.1	388.9
Derivative financial instruments	0.4	-
Current tax liabilities	0.7	2.0
Provisions	12.3	0.9
Total Equity and Liabilities	**1,576.6**	**1,812.9**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (millions EUR) – IFRS

	12M 2009	12M 2008
OPERATING ACTIVITIES		
Profit (+)/Loss (-) for the period	-166.7	140.4
Depreciation, impairment and amortisation	136.5	144.8
Changes in provisions	76.1	9.3
Finance costs	18.5	29.8
Finance income	-7.3	-8.2
Loss / (profit) on sale of non-current assets	-1.5	-12.4
Share of result of equity accounted investees, net of income tax	-1.0	-11.5
Income tax expense	5.3	61.7
Non cash items	4.3	-1.4
Changes in working capital	268.8	-199.3
Cash generated from operating activities	333.0	153.2
Interest paid	-8.7	-11.8
Income tax (paid) / received	-15.3	-57.6
Dividends received from investments accounted for using the equity method	6.3	10.2
Cash flow from operating activities	**315.3**	**94.0**
INVESTING ACTIVITIES		
Acquisitions of Property, Plant and Equipment and intangible assets	-116.2	-101.4
Acquisition of investments and businesses, net of cash acquired	-66.2	-22.0
Proceeds from sale of PP&E	4.1	15.2
Cash flow from investing activities	**-178.3**	**-108.2**
FINANCING ACTIVITIES		
Increase / (decrease) of issued capital	1.6	2.3
Increase / (decrease) of financial liabilities	-104.2	10.1
(Increase) / decrease of long term receivables	-6.4	-2.4
Dividends paid to shareholders	-37.0	-35.0
Cash flow from financing activities	**-146.0**	**-25.0**
Net increase / (decrease) in cash and cash equivalents	**-9.0**	**-39.2**
Effect of exchange rate differences	-0.2	-0.9
Cash and cash equivalents at the beginning of the year	53.5	93.6
Cash and cash equivalents at the end of this period	44.3	53.5

Notes to the condensed consolidated financial statements

1. Basis of preparation

The consolidated financial statements in this press release have 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 2009. The management of the group has prepared this report to its best capacity and current knowledge concerning the standards and interpretations, facts and circumstances. The IFRS-standards and the IFRIC-interpretations are still being reviewed and new amendments and recommendations are possible. These consolidated financial statements were approved by the Board of Directors on 11 February 2010.

2. Significant accounting policies

The accounting policies used by the group in the present condensed consolidated financial statements are the same as those used in the preparation of the consolidated financial statements as at and for the year ended 31 December 2008.
In addition IFRS8 has been adopted for the first time in 2009.

3. Segment reporting

SEGMENT REPORTING – TWELVE MONTHS 2009

Million EUR	INO	PVC / CA	GEL / ND	KER	PPS / PRO	Other	Non-allocated	Total
Revenue	283.6	443.1	358.5	180.0	545.9	282.7	-	**2,093.8**
REBIT*	-56.5	-28.0	35.6	31.1	21.5	-26.5	-28.6	**-51.4**
EBIT**	-118.9	-26.8	34.8	31.1	5.3	-50.2	-26.5	**-151.2**
Capital expenditure	6.5	28.5	32.1	13.5	22.7	11.9	1.0	**116.2**

SEGMENT REPORTING – TWELVE MONTHS 2008

Million EUR	INO	PVC / CA	GEL / ND	KER	PPS / PRO	Other	Non-allocated	Total
Revenue	650.1	557.5	341.8	194.2	634.4	387.0	-	**2,765.0**
REBIT*	151.1	19.6	40.6	26.7	25.6	-9.1	-15.4	**239.1**
EBIT**	135.1	20.1	39.3	27.3	12.2	-5.8	-16.0	**212.2**
Capital expenditure	13.4	14.2	20.4	6.1	30.4	7.8	9.1	**101.4**

* Profit from operations before non-recurring items
** Profit (+)/Loss (-) from operations

4. Equity

CONDENSED STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE GROUP (millions EUR) - IFRS	2009	2008
Balance at 01.01	900.0	800.2
Issued capital	1.6	2.3
Result attributable to equity holders of the group	-167.0	140.5
Net income (+) / expense (-) recognised directly in equity	7.6	-8.0
Dividends paid to shareholders	-37.0	-35.0
Balance at 31.12	705.2	900.0

5. Business combinations

Acquisitions – subsidiaries and activities

In February 2009 MPR Services, Inc., a subsidiary of Tessenderlo Kerley, Inc and JET Oil Solutions have formed a joint venture Environmentally Clean Systems (ECS). ECS will be addressing waste water issues of the oil and gas industries with its electro-coagulation (EC) processes.

In March 2009 Eurocell Profiles Ltd, a UK subsidiary within the business unit Profiles, has acquired Merritt Plastics Ltd (Derbyshire, UK). Merritt Plastics is a PVC-u recycling and extrusion company and a Recovinyl certified recycler.

In March 2009, Tessenderlo Nl Holding BV (Breda, Netherlands) and Gulf Technologies Holding Company WLL have established a joint venture MPR Services Middle East WLL (Bahrain). MPR Services, Inc. will provide the management and operation of the reclaiming services in this joint venture. MME will serve the oil and gas industries in the GCC-counties (Gulf Cooperation Council) and Egypt and will be providing MPR’s amine reclaiming services in this region.

In June 2009, Tessenderlo Kerley acquired the Linuron herbicide assets from DuPont Crop Protection, Wilmington, Delaware (US). TKI acquired global rights to the Linuron business, including trade names, registrations and registration data. This acquisition enables Tessenderlo Kerley to further expand their crop protection range.

Akiolis Group, a French subsidiary within the business segment Gelatin & Natural Derivatives , has acquired the remaining 50 % stake in the Fiso Group in June 2009. As from 30th June 2009, Fiso Group is accounted for by the full consolidation method (formerly consolidated through the equity method).

On 24 September 2009, Tessenderlo Group announced that it had sold its non-strategic shareholding in the zeolite segment to Prayon SA in Engis (Belgium), with which it had a stake via a joint venture (50/50).

These actions are fully in line with Group strategy to further strengthen positions in growth businesses.

6. Subsequent event

Tessenderlo Group has worked with its core banks to develop a new debt structure; the objective being to arrange a committed syndicated credit facility of around 450 mio euro with maturities up to 3 years . Completion of the syndication process and signing of the credit agreement is expected to take place in the first quarter of 2010.

▶ Statement on the true and fair view of the consolidated financial statements and the fair overview of the management report

Gérard Marchand (CEO until 31-12-2009) and Mel de Vogue (CFO) certify, on behalf and for the account of the company, that, to their knowledge,

a) the consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and the entities included in the consolidation as a whole,

b) the consolidated management report includes a fair overview of the development and performance of the business and the position of the company, and the entities included in the consolidation, together with a description of the principal risks and uncertainties which they are exposed to.

▶ Statutory Auditors

The statutory auditor, KPMG Bedrijfsrevisoren – Réviseurs d'Entreprises, represented by Ludo Ruysen, has issued an unqualified audit opinion on the consolidated financial statements and has confirmed that the accounting data included in this annual announcement does not include any apparent inconsistencies with the consolidated financial statements.

▶ Financial calendar

- 1st quarter 2010 results 30 April 2010
- Annual General Meeting 1 June 2010
- 1st half year 2010 results 27 August 2010
- 3rd quarter 2010 results 5 November 2010

Tessenderlo Group is an international chemicals company with more than 100 branches in 20 countries. Around 8,200 people work for the group. The group is a world and European leader in most of its product areas with a consolidated revenue totalling 2.1 billion EUR in 2009.

Tessenderlo Chemie NV is listed on Eurolist at Euronext Brussels (TESB) and is part of Next 150 and BEL Mid. News wires: Bloomberg: TESB BB – Reuters: TesBt.BR – Datastream: B:Tes

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