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Quarterly Report **February 20, 2007**

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Clariant Posts Robust Growth for Full Year 2006; Delivers Improved Performance in Fourth Quarter

- > **Organic growth 7% in Swiss francs and 5% in local currency**
- > **EBIT before exceptionals rose by 11%; EBIT margin up to 7.3% from 6.9%**
- > **Selling prices stable with raw material and energy costs remaining at high levels**
- > **Solid Fourth Quarter with 3% organic growth year-on-year**
- > **Unchanged payout of CHF 0.25 per share via par-value reduction proposed**
- > **Positive outlook for 2007; in line with strategic goals**

Key Financial Group Figures

	Full Year				Fourth Quarter			
	2006		2005**		2006		2005**	
Continuing operations:	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales
Sales	8 100	100.0	7 728	100.0	2 010	100.0	1 958	100.0
Local currency growth (LC):	3%				3%			
<i>Organic growth¹</i>	5%				3%			
<i>Acquisitions/Divestitures²</i>	- 2%				0%			
Currencies	2%				0%			
Gross profit	2 486	30.7	2 355	30.5	585	29.1	576	29.4
EBITDA before exceptionals*	855	10.6	795	10.3	202	10.0	171	8.7
EBITDA*	798	9.9	714	9.2	182	9.1	160	8.2
Operating income before exceptionals*	592	7.3	533	6.9	134	6.7	105	5.3
Operating income	385	4.8	448	5.8	112	5.6	105	5.3
Net income/ loss from continuing operations	131	1.6	262	3.4	23	1.1	16	0.8
Operating cash flow (total operations)	284		209		143		14	
Discontinued operations:								
Sales	325		453		55		129	
Net loss from discontinued operations	- 209		- 70		- 24		- 46	
	31.12.2006		31.12.2005					
Net debt	1 556		1 508					
Equity (including minorities)	2 433		2 591					
Gearing	64%		58%					
Return on invested capital (ROIC)***	8.3%		7.7%					
Number of employees**	21 748		22 132					

¹ Throughout this statement the term "organic growth" is being used. It means volume and price effects excluding the impacts of changes in FX rates and acquisitions/divestitures.

² Acquisitions/Divestitures in 2005 included Clariant Acetyl Building Blocks, Germany, of the Life Science Chemicals Division, sold in July 2005.

* See Definitions of Terms of Financial Measurement on page 12.

** 2005 is restated to exclude the Discontinued operations of the Pharmaceutical Fine Chemicals business, sold in June 2006. In addition, as a result of the decision of the Board of Directors to sell the business Custom Manufacturing, these activities were also reclassified to Discontinued operations.

*** Clariant calculates ROIC by dividing NOPLAT before exceptional items by the average Net Capital employed. NOPLAT is calculated by taking the Operating Income before exceptional items adjusted by the expected tax rate. Net Capital employed also considers operating cash and capitalized operating leases.

MUTTENZ, Switzerland – February 20, 2007

Clariant posted a robust rise in sales for the Full Year 2006, with annual organic sales growth of 7% in Swiss francs and 5% in local currency terms. Sales reached CHF 8.100 billion during the period from CHF 7.728 billion a year earlier. Overall, selling prices remained at stable levels, with significant improvements in certain businesses.

Gross margins for the Full Year increased to 30.7% from 30.5% the previous year, despite raw material and energy costs remaining at high levels over the period. EBIT before exceptionals rose 11% to CHF 592 million from CHF 533 million. The EBIT before exceptionals margin rose to 7.3% from 6.9%. Operating cash flow improved to CHF 284 million from CHF 209 million a year earlier.

Net income from continuing operations, meanwhile, fell to CHF 131 million from CHF 262 million, mainly impacted by a goodwill impairment charge of CHF 100 million in the leather business, as announced in the third quarter. Including discontinued operations, the company reported a net loss of CHF 78 million compared to a net income CHF 192 million a year earlier.

“We achieved robust top-line growth with stable pricing in 2006. Profitability increased, but we see considerable room for further improvement,” said Jan Secher, Clariant’s chief executive officer. “We have laid out clear plans to achieve our goal of above average return on invested capital by the end of 2009. Putting these plans in motion, particularly placing a strong emphasis on improving our cash flow will be our priority this year,” he said.

2006 FINANCIALS

Improvements in cash flow and lower interest expenses

EBITDA before exceptionals rose to CHF 855 million from CHF 795 million a year earlier. The EBITDA before exceptionals margin rose to 10.6% from 10.3% in the period, allowing operating cash flow across all operations to rise to CHF 284 million, up from CHF 209 million in 2005. Net working capital, however, also increased due primarily to the implementation of a new supply chain management system in Europe. Net income from continuing operations fell to CHF 131 million in 2006 from CHF 262 million in 2005, mainly impacted by a goodwill impairment charge of CHF 100 million in the leather business and by the sale of site services in Germany amounting to approximately CHF 43 million, as announced in the company’s Third Quarter results.

Solid sales and improved performance in the Fourth Quarter

Sales in the Fourth Quarter rose 3% to CHF 2.010 billion from 1.958 billion a year earlier. EBIT before exceptional items showed a significant improvement in the Fourth Quarter, up to CHF 134 million from CHF 105 million. Selling prices remained stable and material costs increased year-on-year. Cash flow increased in the Fourth Quarter to CHF 143 million from CHF 14 million a year earlier. Net income from continuing operations amounted to CHF 23 million, up from the CHF 16 million reported in the same period of 2005.

GROWTH ACROSS KEY DIVISIONS

Masterbatches delivers strongest growth

Masterbatches showed the strongest growth over the Full Year. Organic growth rose 8% in local currency terms, fuelled by solid performances in packaging and consumer goods. A marked improvement in pricing continued to more than offset increased raw material costs. The integration of the recently acquired masterbatches business of Ciba Specialty Chemicals is proceeding well.

Growth in Functional Chemicals driven by process and performance chemicals

Functional Chemicals achieved the second-highest growth of all divisions, with a 7% rise in organic growth over the 12-month period. Process Chemicals, as well as Performance Chemicals, showed particularly strong overall growth, and measures taken by the company lifted Detergents in the Second Half. Demand increased in key businesses including Oil Service, Construction Chemicals and Personal Care products. While the division was able to implement price increases during the period, profitability was affected by rising raw material prices and adverse conditions in the agro-chemical market.

Pigments & Additives experiences strong demand across most product lines

The Pigments & Additives Division reported organic growth of 4% for the Full Year, with strong demand across most product lines, notably in Coatings and Plastics and increased demand for innovative flames retardants and wax products. Despite pricing pressure in most businesses, strong operational leverage contributed to overall margin improvements during the year.

Paper lifts Textile, Leather & Paper Chemicals Division

The Textile, Leather & Paper Chemicals Division posted organic growth of 3% for the Full Year. The division benefited from a very strong pick up in sales volumes in the paper business, primarily optical brighteners. After a weak 2005, Leather made progress overall in 2006, with increased sales in South America and Asia, although the business experienced some weakness towards the end of the year. Textiles were stable despite continued challenging market environments in North America and Asia in 2006.

Clariant addresses underperformance in Life Science

Given continued deterioration in market conditions, Clariant has taken active steps to address underperformance. In July 2006, the Pharmaceutical Fine Chemicals business, part of the LSC Division, was sold to TowerBrook Capital Partners. The Custom Manufacturing business, adversely affected by overall weak demand from agrochemical customers, has been earmarked for sale. As a first step, the company has announced today the sale of the DMS business to Grillo Werke AG, Germany. The Specialty Intermediates Business, which experienced weaker demand in 2006, has been integrated into the Functional Chemicals Division from January 1st and the LSC Division has ceased to exist. Custom Manufacturing is now reported under "discontinued operations."

GREATER CUSTOMER FOCUS

Customer requirements driving innovation

Clariant is increasingly tailoring its innovations to better match its customers' needs, reflecting the company's greater front-end focus. In the Functional Chemical Division, for example, Clariant has developed a superplasticizer that strengthens cement, an ideal feature for ready-made concrete parts of major construction projects. The product has already been used in the construction of the highest motorway bridge in the world, the Millau Viaduct in France, and the world's tallest building, Taipei 101, in Taiwan's capital. With 40% less water the concrete has better durability and improved binding.

In 2006, Clariant spent 2.6% of total sales on R&D while keeping a close eye on the quality of new products and the return on the capital it is investing. In addition, the company will invest a total of CHF 100 million over the next four years in early-stage "incubator" projects, paving the way for new innovations in areas including multi-functional coatings, membrane technology and nano materials. These incubators will run as start-up companies within Clariant Group Technology.

As a first step, the company last year acquired KiON and made an investment in Starfire, both U.S.-based companies. Clariant will also continue with its strategy of creating alliances with start-up firms and universities. The KiON acquisition gives Clariant the ability to offer products such as anti-graffiti coatings. Starfire uses nanotechnology to produce light materials for uses such as ceramic brakes on motorcycles.

"Our innovation capabilities are key to providing the right features and benefits to our customers and to drive our sustainable and profitable growth," Mr. Secher said. "Our clear priority is to maximize pipeline growth."

GROWTH ACROSS ALL REGIONS

Asia posts biggest regional increase; Germany drives progress in Europe

Asia led Clariant's growth in 2006 with organic sales rising 7% to CHF 1.87 billion. China remains a key growth market and progress there was especially notable with sales increasing by 20%. India and Turkey also contributed significantly, with double-digit growth rates in both countries.

Year-on-year organic sales in Europe grew by a robust 5% and 6% in Swiss francs to total CHF 3.94 billion. Sales in Germany, which generates a significant proportion of European sales for the company, grew organically above the regional average at 7%, totalling CHF 1.17 billion. Growth in Eastern Europe was above average for the region.

Robust sales in Americas

The Americas achieved solid organic sales growth of 4% to CHF 2.29 billion, with the contribution from Latin America, up by 5%. The U.S. market recorded growth of 3%, which was below the regional average, taking sales there to CHF 1.03 billion. Strong demand for plastics and construction drove solid growth during the first three quarters, however, lower plastics demand, combined with weaker macroeconomic conditions led to a weaker Fourth Quarter.

STABLE PAYOUT PROPOSED

Clariant's Board of Directors will propose at the Annual General Meeting on April 2, 2007, a payout of CHF 0.25 per share through a reduction of the nominal value of the shares to CHF 4.25, from CHF 4.50. The proposed payout remains unchanged year-on-year, in line with the company's present dividend policy.

The Board of Directors will also propose the election to the board of Dr. Rudolf Wehrli and Dr. Jürg Witmer, both Swiss citizens, for terms of office of four years. Dr. Wehrli, born in 1949, is former CEO of Gurit-Heberlein AG and now Board member of Gurit Holding AG. He is President of the Board of SF Chem and President of the Swiss Society of Chemical Industries SGCI as well as Board member of several other companies. Dr. Witmer, born in 1948, was CEO of Givaudan SA until 2005 and is now President of the Board of Directors. Among others, he is member of the Board of Directors of Syngenta AG.

“We expect 2007 to be another good year for top-line growth,” Mr. Secher said. “We are fully committed to delivering on our medium-term goals, with a clear focus in 2007 on improving cash flow.”

ACHIEVING WORLD-CLASS PERFORMANCE

Building on strength, focusing on execution

In November, Clariant announced the results of its Strategic Review, outlining how it will achieve World-Class Performance by 2010. The company will focus on generating profitable long-term growth and achieving sustained cost leadership in the specialty chemicals industry. Clariant will build on its strengths in colors, surfaces and performance chemicals, focusing its investments strictly according to value-creation criteria.

Value creation will also be achieved by reducing its cost structure, cutting net working capital and strengthening its performance culture. To reach the mid-term goal, the company aims to achieve a Return on Invested Capital (ROIC) above the average of its peers by the end of 2009. This represents an increase of approximately 25% from current levels.

“In 2006 we laid out clearly our long-term goals of reaching a top-quartile ranking among our peers in value creation,” Mr. Secher said. “We are now working towards achieving broad, sustainable improvements across the business.”

POSITIVE OUTLOOK FOR 2007

Setting course to deliver ROIC targets

Throughout 2007, the company will take measures to ensure it meets its mid-term ROIC target. The company expects improved sales in local currency terms in 2007 based on expectations of a broadly stable macro-economic environment as well as continued high raw material and energy prices. It anticipates an increase in operating income before exceptionals from continuing operations, with margins remaining stable. The company also expects higher cash flow from operations before exceptional items, as well as an improvement in recurring net income.

Financial Review

Financial Discussion Fourth Quarter

General Economic Environment

Trading in the Fourth Quarter was characterized by a positive general macroeconomic environment. At a regional level, the US housing market cooled further in the Fourth Quarter, affecting downstream markets. This also resulted in some pressure on the chemical industry. In Europe, the Fourth Quarter was characterized by expectations of a modest slowdown in 2007. Meanwhile, emerging markets and developing countries continued to enjoy strong growth in the Fourth Quarter. China's GDP growth remained strong, with the rise in output driven by booming exports and strong investment growth. Average oil and gas prices dropped in the Fourth Quarter after reaching an all-time peak in August, but held at high levels year-on-year. The volatile oil price still poses a certain risk, as raw material prices are expected to remain at high levels.

Major currencies remained relatively stable compared to the average exchange rates of the twelve months of 2005 with the exception of the Japanese yen, which depreciated by 4% against the Swiss franc. Compared to the average exchange rates of the Fourth Quarter 2005, the Euro and the British Pound appreciated against the Swiss Franc whereas the Japanese Yen and the U.S. dollar depreciated strongly against the Swiss currency.

Sales and Operating Results

Consolidated sales from continuing operations showed a solid performance with an increase of 3% in local currency and Swiss franc terms compared to the Fourth Quarter of the previous year.

The **gross margin** dropped to 29.1% of sales in the Fourth Quarter of 2006 compared to 29.4% of sales in the same period a year earlier. This was mainly due to a 2% rise in material costs, as well as increased energy costs, and inventory devaluations. The positive effects of higher fixed-cost absorption arising from economies of scale were limited.

Marketing, distribution, administration, and general overhead costs amounted to 20.5% of sales compared to the 21.5% recorded in the Fourth Quarter of 2005. The main reason for the lower operating expenses was a reduction in administration and general overhead costs in absolute and relative terms.

Research and development costs amounted to CHF 53 million in the Fourth Quarter of 2006, unchanged from the previous year's level (CHF 53 million).

Income from associates increased to CHF 15 million in the Fourth Quarter of 2006 compared to CHF 2 million in the corresponding period of the previous year. This was mainly due to an adjustment to pension liabilities and disposal gains.

Restructuring costs and impairments of CHF 22 million include restructuring activities in the United Kingdom, the United States, and Germany.

Net financial expenses decreased to CHF 30 million in the Fourth Quarter of 2006 from CHF 51 million in the same period of the previous year. Gross debt was reduced significantly in the Fourth Quarter of 2005. Interest expenses in the Fourth Quarter of 2006 were slightly lower year on year, down to CHF 26 million from CHF 28 million. In 2006, the reduction of about CHF 450 million in average gross financial debt more than compensated for the negative effect of rising interest rates.

Tax expenses in the Fourth Quarter of 2006 increased substantially partly due to a sharp rise in pre-tax earnings. In addition, one-off expenses relating to structural tax optimization projects in Europe and tax-ineffective restructuring costs continued to negatively impact the tax rate. On the other hand the expected tax rate improved significantly, positively influenced by a substantial proportion of profits being generated in low-tax countries.

Net income from continuing operations amounted to CHF 23 million in the Fourth Quarter of 2006 up from CHF 16 million reported in the same period of 2005.

The **loss from discontinued operations** amounted to CHF 24 million and contains, among other things, expenses related to restructuring activities in the Custom Manufacturing business in Germany and a purchase price adjustment for the Pharmaceutical Fine Chemicals Business.

Balance Sheet Key Figures

The 2005 balance sheet was restated to reflect the offsetting of deferred tax assets and liabilities where there is a legally enforceable right and the taxes are levied under the same tax jurisdiction. All developments commented on hereafter refer to the restated balance sheet.

Total assets increased only slightly to CHF 7.188 billion as at December 31, 2006, from CHF 7.180 billion at the end of 2005. Cash and cash equivalents increased substantially, whereas property, plant, and equipment decreased as a result of disposals, reclassifications to non-current assets held for sale, and impairment. Intangible assets also decreased as a result of goodwill impairment. Net working capital remained largely unchanged.

Financial Discussion

Cash and cash equivalents increased to CHF 443 million as at December 31, 2006, from CHF 223 million at the end of 2005. Current financial debt decreased to CHF 623 million at the end of 2006, from CHF 1.137 billion a year earlier. Non-current financial debt increased to CHF 1.376 billion as of December 31, 2006, from CHF 599 million at the end of 2005. This was due to loans in the amount of CHF 314 million and a bond in the amount of CHF 159 million being repaid at maturity during 2006, and the launch of a new bond in the amount of EUR 600 million (CHF 961 million).

Equity decreased to CHF 2.433 billion as of December 31, 2006, from CHF 2.591 billion at the end of 2005. This was due to the net loss of CHF 78 million incurred during the year and the reduction of CHF 58 million in the share capital. Equity was also impacted by FX movements, particularly the weakening of the U.S. dollar and the strengthening of the Euro.

Net debt increased slightly to CHF 1.556 billion at the end of 2006, from CHF 1.508 billion a year earlier. This was due to a higher net working capital levels and the strengthening of the Euro, which increased the value of the Euro-denominated bond issued in April 2006.

Gearing, which reflects net financial debt in relation to equity including minorities, increased to 64% at the end of 2006, from 58% a year earlier.

Cash Flow

Cash flow from operating activities before changes in working capital was a negative CHF 34 million for the Fourth Quarter of 2006. This compares to CHF 166 million in the Third Quarter and a negative CHF 80 million in the same period of the previous year. The operating cash flow for Full Year 2006 was CHF 447 million, compared to CHF 273 million for 2005.

Working capital decreased by CHF 177 million during the Fourth Quarter of 2006 also driven by lower inventories. This compares to an increase of CHF 78 million in the Third Quarter and a decrease of CHF 94 million in the same period of the previous year. Net working capital increased by CHF 163 million during 2006, compared to CHF 64 million in 2005.

Cash flow from operating activities was CHF 143 million in the Fourth Quarter of 2006, compared to CHF 88 million in the Third Quarter and CHF 14 million in the Fourth Quarter of 2005. Full-Year cash flow from operating activities amounted to CHF 284 million, compared to CHF 209 million in 2005.

Capital expenditure (PPE) was CHF 106 million in the Fourth Quarter of 2006, compared to CHF 88 million in the Third Quarter and CHF 110 million in the Fourth Quarter of 2005. Full-Year capital expenditure amounted to CHF 358 million. This compares to the CHF 348 million reported for 2005.

Other important investing activities in 2006 included the acquisition of operations in several countries, resulting in a cash outflow from the group of CHF 45 million. The sale of discontinued operations resulted in a cash inflow of CHF 46 million. The sale of companies not qualifying as discontinued operations under IFRS resulted in a cash inflow of CHF 33 million. In 2005, the sale of such companies resulted in a cash inflow of CHF 71 million.

Business Discussion Fourth Quarter

Textile, Leather & Paper Chemicals

	Full Year				Fourth Quarter			
	2006		2005		2006		2005	
	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales
Sales	2 303		2 192		570		571	
EBITDA before exceptionals	232	10.1	244	11.1	57	10.0	65	11.4
Operating income before exceptionals	161	7.0	172	7.8	39	6.8	46	8.1
Operating income	50	2.2	153	7.0	36	6.3	38	6.7

See Definitions of Terms of Financial Measurements on page 12.

The **Textile, Leather & Paper Chemicals Division** improved sales in local currency terms and showed stable sales in Swiss francs compared to the Fourth Quarter a year earlier. Organic growth amounted to 1% and the currency effect to -1%. The business trend within the Textile, Leather & Paper Chemicals Division was mixed. While Paper Chemicals continued to show strong growth despite a high basis of comparison, the Textiles Business experienced a sideways trend versus the prior-year quarter, and Leather Chemicals saw some decline year-on-year. Asia, Latin America, and markets such as Turkey, India, and Pakistan saw the strongest growth; the European market continued to stabilize, whereas the performance in North America overall was unsatisfactory. The main causes of the lower operating margins were the effect of further price pressure and slightly higher raw material prices.

Sales in the **Textile Business** remained at the prior-year level. The solid growth in volumes was mainly driven by dyeing & printing and finishing chemicals, whereas the polymer dispersion segment and products for pre-treatment were somewhat weaker. Region by region, a fall in demand in North America was offset by stabilization in Europe and good growth in Latin America. One driver for the negative sales development in the US was a shift in the product mix within textile coatings. In addition, the business saw further migration to low-cost countries for selected product lines.

The **Paper Business** bolstered its position by turning in another positive performance. Strong growth was notable across all regions, with performance especially strong in process and coating chemicals. The US paper business continued to improve from an already high level. Asia and special markets also experienced strong business conditions. Overall, this led to a further increase in market share and, with the business also leveraging its economies of scale, to improved profitability.

After recording a positive trend in the previous quarters, the **Leather Business** failed to meet sales expectations in the Fourth Quarter. Higher prices did not compensate for weaker volumes. Compared with the same period a year earlier, wet-end dyes and chemicals saw strong demand, whereas the market for finishing products was weaker. Special markets continued its strong growth path, while Latin America and Asia experienced good business conditions; North America saw low levels of demand.

Pigments & Additives

	Full Year				Fourth Quarter			
	2006		2005		2006		2005	
	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales
Sales	1 981		1 879		467		456	
EBITDA before exceptionals	293	14.8	245	13.0	42	9.0	43	9.4
Operating income before exceptionals	216	10.9	174	9.3	22	4.7	25	5.5
Operating income	211	10.7	165	8.8	21	4.5	43	9.4

See Definitions of Terms of Financial Measurements on page 12.

The **Pigments & Additives Division** achieved another year-on-year sales increase in the Fourth Quarter of 2006. With organic growth of 3% after a negative currency effect, growth in Swiss franc terms stood at 2%.

Despite notably higher volumes, the competitive environment remains a challenge for the industry. Prices remain under pressure. Operating margins were adversely affected by a margin squeeze coupled with a change in the product mix. A raw material shortage in Europe limited production in the area of additives and led, among other factors, to lower capacity utilization at the end of the year. At a regional level, the division saw solid growth rates in Asia Pacific, while the European and US markets weakened slightly.

The joint-venture production plant for high-performance pigments in Hangzhou, southwest of Shanghai, contributed to global pigment production in the Fourth Quarter. The new production facility in China enables Clariant to meet the high standards of the growing number of international customers as well as the needs of local customers.

The **Coating Industry Business** saw a positive trend in the Fourth Quarter. In particular, automotive coatings, business with key accounts, and tailor-made pigment preparation experienced strong demand. This, coupled with the fact that the seasonal fall in demand for decorative coatings was slight, due to the mild winter months, resulted in Coatings achieving excellent growth.

The **Plastics Industry** turned in a satisfactory performance, but one slightly weaker than in previous quarters. Demand for plastics weakened versus previous quarters.

Due to a decline in volumes, sales in the **Printing Industry** were down on the prior-year period, but a better operational performance could be achieved. Price pressure from both traditional and non-traditional competitors continued in the printing ink area. The markets for non-impact printing were firm, with the more technology-driven Japanese market especially strong.

The **Specialties Business** reported improved sales compared to the prior-year period. It saw solid demand for Intermediates as well as increased sales for the flame retardant range Exolit® and the range of Licocene® waxes.

Masterbatches

	Full Year				Fourth Quarter			
	2006		2005		2006		2005	
	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales
Sales	1 254		1 144		296		278	
EBITDA before exceptionals	152	12.1	118	10.3	32	10.8	28	10.1
Operating income before exceptionals	120	9.6	88	7.7	24	8.1	21	7.6
Operating income	111	8.9	72	6.3	19	6.4	12	4.3

See Definitions of Terms of Financial Measurements on page 12.

The **Masterbatches Division** continued to show a strong performance. Organic growth was sharply up year-on-year at 7% with negligible currency impact. As in the previous quarters, higher volumes and increased price levels were achieved across all business segments and regions.

The Division experienced exceptionally strong growth in the European region for the Full Year and again during the latest quarter. Excellent growth was achieved throughout all parts of Western Europe and in Eastern European Markets. Growth in Asia Pacific improved strongly during the quarter with continued growth leadership from Greater China. Sales growth rates in the Americas slowed in the Fourth Quarter. Latin American growth remained strong, but the demand in North America fell as the slowdown in the housing and automotive industries began to impact the manufacturing sector.

The Masterbatches Business grew strongly across all market segments in 2006, but most predominantly in the resin producer, textile, consumer goods and packaging segments. As announced in its strategy meeting in November, the Division has defined a clear "go to market" strategy for each of its key segments. This strategy is delivering strong growth opportunities particularly with global customers. Clariant is committed to leveraging technology leadership with market coverage to create value for our customers. This is resulting in record growth with global key accounts.

The operating margin before exceptional items improved year-on-year as a result of increased volumes, better prices and strict cost controls. The division showed a continuous ability to drive through price increases that more than offset rising raw material costs. The environment in the plastics market remains healthy, although the ongoing volatility in raw material prices is a challenge.

During the Fourth Quarter Clariant signed an agreement with Ciba Specialty Chemicals to purchase its masterbatches business with production facilities in France, Saudi Arabia, and Malaysia. This business, which generates annual sales of CHF 80 million, enhances the Masterbatch presence in France as well as the market coverage in the Middle East. The integration of this acquisition is progressing well and will contribute to growth in the upcoming quarters.

Functional Chemicals

	Full Year				Fourth Quarter			
	2006		2005		2006		2005	
	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales
Sales	2 281		2 083		604		570	
EBITDA before exceptionals	266	11.7	259	12.4	82	13.6	78	13.7
Operating income before exceptionals	219	9.6	210	10.1	70	11.6	66	11.6
Operating income	185	8.1	197	9.5	60	9.9	75	13.2

See Definitions of Terms of Financial Measurements on page 12.

The **Functional Chemicals Division** continued its track record of growth, with Fourth Quarter sales up 6% from a year earlier. Organic growth amounted to 5% and was driven by both higher selling prices and better volumes. All areas contributed to the gratifying business trend. Growth was sharpest in Detergents, which saw weak demand in the First Half of the year, but achieved double-digit growth in the Fourth Quarter. Higher costs for major raw materials were offset through price increases.

Functional Chemicals is working closely with the Textile, Leather & Paper (TLP) Division on Asian projects. It makes use of the TLP production facility in Tianjin and has built a production unit to manufacture mild surfactants for personal care on the TLP site.

After a period of supply-chain optimization on the part of customers and in a competitive environment for **Detergents**, the business showed excellent growth across all product lines. Although the environment for raw materials remained volatile, satisfactory price increases acted as a counterbalance. This business trend was underpinned by strong demand in North and Latin America, while Europe stabilized.

Performance Chemicals showed strong progress in the Fourth Quarter. The trend in demand was positive giving the company scope to increase prices. Construction Chemicals proved to be a driver of growth in the Fourth Quarter as well as throughout 2006. The unit benefited from continued favorable market conditions and demand for Clariant's innovative product range. Personal care and biocides performed well, with the latter managing to reverse the trend in its operations. Although crop protection sales increased, the business continued to suffer as a result of the weak environment in the agrochemicals sector, especially in Latin America. At a regional level, the key markets of Europe and Asia can look back on a satisfactory quarter and fiscal year, the North American market stagnated, and the business in Latin America continued to recover.

Process Chemicals performed well in the Fourth Quarter, just as it did in previous quarters. Rising selling prices coupled with slightly higher volumes resulted in improved top-line growth. In particular, products in oilfield services, metal working and refinery chemicals saw strong demand. Higher sales of heat transfer fluids and specialty solvents offset the weakness in the de-icing business caused by the mild winter.

Life Science Chemicals

	Full Year				Fourth Quarter			
	2006		2005**		2006		2005**	
	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales	CHF mn	% of sales
Continuing operations:								
Sales	281		430		73		83	
EBITDA before exceptionals	30	10.7	48	11.2	7	9.6	16	19.3
Operating income before exceptionals	13	4.6	31	7.2	3	4.1	12	14.5
Operating income	12	4.3	41	9.5	2	2.7	6	7.2
Discontinued operations:								
Sales	325		453		55		129	
Operating income	- 133	40.9	- 79	17.4	- 31	56.4	-68	52.7

** Restated for Discontinued operations

See Definitions of Terms of Financial Measurements on page 12.

The business trend remained challenging in the **Life Science Chemicals** Division which, since the sale of the Pharmaceutical Fine Chemicals business and the decision to sell the Custom Manufacturing business, consists only of the Specialty Intermediates business (silicone, glyoxal, and glyoxylic acid derivative products). As in the Third Quarter, the business suffered a decline in sales compared with the previous year. With the currency effect slightly negative, sales fell 5% in organic terms.

The main reason for the Fourth-Quarter decline in sales was the temporary weakening in demand amid stable prices. Operating income was depressed primarily due to the lower capacity utilization rates associated with this, and due to one-off repair costs at production plants. Higher raw material costs also depressed income.

The division's full-year sales and operating income were lower in absolute terms due to the disposal on July 31, 2005 of the CABB business. Looking forward to fiscal year 2007, the remaining Specialty Intermediate business – for which the long-term outlook is good, and which has a strong market position in the field of glyoxylic downstream chemistry – will be integrated into the Functional Chemicals Division (and more specifically into the Performance Chemicals Business), and the LSC Division as such will cease to exist.

Regions

Sales	Full Year						Fourth Quarter					
	2006	% of sales	2005**	% of sales	CHF %	LC %	2006	% of sales	2005**	% of sales	CHF %	LC %
CHF mn												
Europe	3 939	48.6	3 797	49.1	4	2	973	48.4	930	47.5	5	2
<i>of which Germany</i>	1 173		1 124		4	3	295		273		8	5
<i>of which Switzerland</i>	140		135		4	2	35		39		- 10	- 13
Americas	2 292	28.3	2 172	28.1	6	2	566	28.2	575	29.4	- 2	2
<i>of which USA</i>	1 031		1 012		2	1	239		263		- 9	- 5
Asia / Australia / Africa	1 869	23.1	1 759	22.8	6	6	471	23.4	453	23.1	4	7
Total continuing operations	8 100	100.0	7 728	100.0	5	3	2010	100.0	1 958	100.0	3	3
Discontinued operations	325		453				55		129			

** Restated for Discontinued operations

Europe

European sales accounted for 48.4% of the group total in the Fourth Quarter of 2006 and showed an increase to CHF 973 million, up from CHF 930 million in the same period a year earlier. After accounting for the disposal of the CABB business, Fourth-Quarter organic growth in Europe was 2% in local currency terms and 5% in Swiss franc terms, weaker than the accumulated growth in Europe. Germany contributed organic growth of 5% in local currency terms and 8% in Swiss franc terms, Turkey outperformed with an increase of 31% in local currency terms.

Americas

Sales in the Americas amounted to 28.1% of the group total. The region continued the previous quarter's trend of 3% organic growth, whereas the decline of 1% in Swiss franc terms due to the weakening of the US dollar. Due to a slowing US market, sales declined to CHF 239 million from CHF 258 million in the same period a year earlier, after stripping out the effects of CABB disposal. In contrast, most countries in Latin America once again recorded healthy sales growth in local currency terms, led by Venezuela and Brazil.

Asia, Africa, Australia

This region – contributing 23.4% of group sales – delivered Fourth-Quarter growth of 7% in local currency terms and 4% in Swiss franc terms. The region was led by China and India which recorded strong double-digit growth rates, while Japan was slightly below the regional average. South Korea and Taiwan saw negative growth.

Definition of Terms of Financial Measurements

The following financial measurements are supplementary financial indicators. They should be considered in addition to, not as a substitute for, operating income, net income, operating cash flow and other measures of financial performance and liquidity reported in accordance with International Financial Reporting Standards (IFRS).

EBITDA – (Earnings Before Interest, Taxes, Depreciation and Amortization) is calculated as operating income plus depreciation of PPE, impairment of PPE/goodwill and amortization of intangibles, and can be reconciled from the Condensed Financial Statements as follows:

EBITDA (Continuing)

CHF mn	Full Year		Fourth Quarter	
	2006	2005**	2006	2005**
Operating income	385	448	112	105
+ Depreciation of PPE	256	252	66	65
+ Impairment of PPE / Goodwill	150	4	2	- 11
+ Amortization of other intangibles	7	10	2	1
EBITDA	798	714	182	160

EBITDA before exceptional items

– is calculated as EBITDA plus expenses for restructuring and impairment less impairment of PPE/goodwill and gain/ loss on disposals.

EBITDA before exceptionals (Continuing)

CHF mn	Full Year		Fourth Quarter	
	2006	2005**	2006	2005**
EBITDA	798	714	182	160
+ Restructuring and impairment	211	125	22	12
- Impairment of PPE / Goodwill (reported under Restructuring and impairment)	- 150	- 4	- 2	11
- Gain on disposals of subsidiaries and associates	- 4	- 40	0	- 12
EBITDA before exceptionals	855	795	202	171

Operating income before exceptional items

– is calculated as operating income before restructuring and impairment and gain/loss on disposals

Operating income before exceptionals (Continuing)

CHF mn	Full Year		Fourth Quarter	
	2006	2005**	2006	2005**
Operating income	385	448	112	105
+ Restructuring and Impairment	211	125	22	12
- Gain on disposals of subsidiaries and associates	- 4	- 40	0	- 12
Operating income before exceptionals	592	533	134	105

Net debt

– is the sum of current and non-current financial debt less cash and cash equivalents and current deposits reported in other current assets.

Net Debt

CHF mn	31.12.2006	31.12.2005
Non-current financial debt	1 376	599
+ Current financial debt	623	1 137
- Cash and cash equivalents	- 443	- 223
- Current deposits 90 to 365 days	-	- 5
Net Debt	1 556	1 508

** Restated for Discontinued operations

Condensed Financial Statement of the Clariant Group at December 31, 2006

Consolidated balance sheets

Assets	31.12.2006		31.12.2005 ¹	
	CHF mn	%	CHF mn	%
Non-current assets				
Property, plant and equipment	2 422		2 605	
Intangible assets	335		418	
Investments in associates	288		282	
Financial assets	63		47	
Prepaid pension assets	90		77	
Deferred income tax assets	89		106	
Total non-current assets	3 287	45.7	3 535	49.2
Current assets				
Inventories	1 513		1 535	
Trade receivables	1 446		1 488	
Other current assets ²	378		344	
Cash and cash equivalents	443		223	
Current income tax receivables	24		55	
Total current assets	3 804	52.9	3 645	50.8
Non-current assets held for sale	97	1.4	–	0.0
Total assets	7 188	100.0	7 180	100.0
Equity and liabilities				
Capital and reserves attributable to Clariant shareholders				
Share capital	1 035		1 093	
Treasury shares (par value)	- 16		- 18	
Other reserves	648		663	
Retained earnings	706		793	
	2 373		2 531	
Minority interests	60		60	
Total equity	2 433	33.8	2 591	36.1
Liabilities				
Non-current liabilities				
Financial debts	1 376		599	
Deferred income tax liabilities	183		246	
Retirement benefit obligations	495		507	
Provision for non-current liabilities	244		289	
Total non-current liabilities	2 298	32.0	1 641	22.9
Current liabilities				
Trade payables	1 207		1 205	
Financial debts	623		1 137	
Current income tax liabilities	215		175	
Provision for current liabilities	351		431	
Total current liabilities	2 396	33.3	2 948	41.0
Liabilities directly associated with non-current assets held for sale	61	0.9	–	0.0
Total liabilities	4 755	66.2	4 589	63.9
Total equity and liabilities	7 188	100.0	7 180	100.0

¹ Restated for netting of deferred income tax assets and liabilities.

² Includes short-term deposits of 0 (2005: CHF 5 million)

Consolidated income statements

	Full Year				Fourth Quarter			
	2006		2005**		2006		2005**	
	CHF mn	%	CHF mn	%	CHF mn	%	CHF mn	%
Sales	8 100	100.0	7 728	100.0	2 010	100.0	1 958	100.0
Costs of goods sold	- 5 614	69.3	- 5 373	69.5	- 1 425	70.9	- 1 382	70.6
Gross profit	2 486	30.7	2 355	30.5	585	29.1	576	29.4
Marketing and distribution	- 1 328	16.3	- 1 274	16.6	- 342	17.0	- 326	16.7
Administration and general overhead costs	- 394	4.9	- 374	4.8	- 71	3.5	- 94	4.8
Research and development	- 207	2.6	- 197	2.5	- 53	2.6	- 53	2.7
Income from associates	35	0.4	23	0.3	15	0.7	2	0.1
Gain from the disposal of subsidiaries and associates	4	0.0	40	0.5	-	0.0	12	0.6
Restructuring and impairment	- 211	2.5	- 125	1.6	- 22	1.1	- 12	0.6
Operating income	385	4.8	448	5.8	112	5.6	105	5.3
Finance income	33	0.4	37	0.4	6	0.3	1	0.1
Finance costs ¹	- 143	1.8	- 134	1.7	- 36	1.8	- 52	2.7
Income before taxes	275	3.4	351	4.5	82	4.1	54	2.7
Taxes	- 144	1.8	- 89	1.1	- 59	3.0	- 38	1.9
Net income from continuing operations	131	1.6	262	3.4	23	1.1	16	0.8
Discontinued operations:								
Income from discontinued operations	- 209		- 70		- 24		- 46	
Net income	- 78		192		- 1		- 30	
Attributable to:								
Shareholders of Clariant Ltd	- 85		184		- 2		- 32	
Minority interests	7		8		1		2	
Net income	- 78	1.0	192	2.5	- 1	0.0	- 30	1.5
Basic earnings per share attributable to the shareholders of Clariant Ltd (CHF/share):								
Continuing operations	0.55		1.12		0.10		0.06	
Discontinued operations	- 0.92		- 0.31		- 0.10		- 0.20	
Total	- 0.37		0.81		0.00		- 0.14	
Diluted earnings per share attributable to the shareholders of Clariant Ltd (CHF/share):								
Continuing operations	0.54		1.12		0.09		0.06	
Discontinued operations	- 0.92		- 0.31		- 0.11		- 0.20	
Total	- 0.38		0.81		- 0.02		- 0.15	

¹ Currency impact YTD 2006 of CHF -11 mn vs YTD 2005 of CHF +53 mn.

** Restated for Discontinued operations

Consolidated statements of cash flows

CHF mn	Full Year		Fourth Quarter	
	2006	2005	2006	2005
Net income	- 78	192	- 1	- 30
Depreciation of property, plant and equipment (PPE)	269	273	67	71
Impairment and reversal of impairment	231	59	4	44
Amortization of intangible assets	7	10	2	1
Changes in provisions and taxes	74	115	- 8	- 22
Interest paid	- 69	- 165	- 15	- 77
Income taxes paid	- 75	- 89	- 47	- 28
Loss from the disposal of discontinued operations	101	2	8	2
Gain before taxes from the disposal of subsidiaries and associates	- 4	- 40	-	- 12
Other non-cash items	- 9	- 84	- 44	- 29
Cash flow before changes in working capital	447	273	- 34	- 80
Changes in inventories	- 156	- 137	43	44
Changes in trade receivables	- 48	- 6	40	- 45
Changes in trade payables	- 45	65	49	131
Changes in other current assets and liabilities	86	14	45	- 36
Cash flow from operating activities	284	209	143	14
Investments in PPE	- 358	- 348	- 106	- 110
Investments in financial assets and associates	- 4	- 4	- 2	- 2
Investments in other intangible assets	- 4	- 5	2	- 2
Sale of PPE and intangible assets	25	10	21	1
Acquisition of companies, businesses and participations	- 45	- 33	- 29	1
Proceeds from the disposal of discontinued operations	46	- 7	- 8	- 7
Proceeds from the disposal of subsidiaries and associates	33	71	5	19
Dividends received	22	24	2	-
Interest received	22	42	10	14
Cash flow from investing activities	- 263	- 250	- 105	- 86
Reduction of share capital to shareholders of Clariant Ltd	- 58	- 58	-	-
Treasury share transactions	- 4	- 8	- 11	1
Changes in financial debts	268	- 1 158	- 268	- 676
Dividends paid to minority shareholders	- 7	- 5	-	- 1
Cash flow from financing activities	199	- 1 229	- 279	- 676
Currency translation effect on cash and cash equivalents	-	16	-	1
Net change in cash and cash equivalents	220	- 1 254	- 241	- 747
Cash and cash equivalents at the beginning of the period	223	1 477	684	970
Cash and cash equivalents at the end of the period	443	223	443	223

Consolidated statements of recognized income and expense

	2006	2005
	CHF mn	CHF mn
Cash flow hedges: Transferred to net income	–	5
Net investment hedge	- 16	- 35
Currency translation differences	1	179
Net income recognized directly in equity	- 15	149
Profit for the period	- 78	192
Total recognized income and expense for the period	- 93	341
Attributable to:		
Shareholders of Clariant Ltd	- 100	318
Minority interests	7	23
	- 93	341

This statement shows only changes in equity other than those arising from capital transactions with owners and distributions to owners.

Notes to the condensed financial statements

1. Divisional Figures

Full Year	Sales to 3rd parties				EBITDA before exceptionals				EBITDA			
	2006	2005**	% CHF	% LC	2006	2005**	% CHF	% LC	2006	2005**	% CHF	% LC
CHF mn												
Textile, Leather, Paper	2 303	2 192	5	3	232	244	- 5	- 7	224	228	- 2	- 4
Pigments & Additives	1 981	1 879	5	4	293	245	20	19	288	224	29	27
Masterbatches	1 254	1 144	10	8	152	118	29	28	143	107	34	35
Functional Chemicals	2 281	2 083	10	7	266	259	3	1	236	248	- 5	- 7
Life Science Chemicals	281	430	- 35	- 36	30	48	- 38	- 46	29	64	- 55	- 60
Divisions Total	8 100	7 728			973	914			920	871		
Corporate	-	-			- 118	- 119			- 122	- 157		
Total continuing	8 100	7 728	5	3	855	795	8	7	798	714	12	11

CHF mn	Operating income before exceptionals				Operating Income				Systematic Depreciation of PPE	
	2006	2005**	% CHF	% LC	2006	2005**	% CHF	% LC	2006	2005**
Textile, Leather, Paper	161	172	- 6	- 8	50	153	- 67	- 70	71	72
Pigments & Additives	216	174	24	24	211	165	28	27	76	71
Masterbatches	120	88	36	35	111	72	54	55	31	29
Functional Chemicals	219	210	4	3	185	197	- 6	- 8	47	49
Life Science Chemicals	13	31	- 58	- 69	12	41	- 71	- 77	17	17
Divisions Total	729	675			569	628			242	238
Corporate	- 137	- 142			- 184	- 180			14	14
Total continuing	592	533	11	10	385	448	- 14	- 14	256	252

Fourth Quarter	Sales to 3rd parties				EBITDA before exceptionals				EBITDA			
	2006	2005**	% CHF	% LC	2006	2005**	% CHF	% LC	2006	2005**	% CHF	% LC
CHF mn												
Textile, Leather, Paper	570	571	- 0	1	57	65	- 12	- 12	53	60	- 12	- 9
Pigments & Additives	467	456	2	3	42	43	- 2	3	41	43	- 5	- 3
Masterbatches	296	278	6	7	32	28	14	18	28	25	12	27
Functional Chemicals	604	570	6	5	82	78	5	5	74	87	- 15	- 16
Life Science Chemicals	73	83	- 12	- 12	7	16	- 56	- 56	6	9	- 33	- 24
Divisions Total	2 010	1 958			220	230			202	224		
Corporate	-	-			- 18	- 59			- 20	- 64		
Total continuing	2 010	1 958	3	3	202	171	18	21	182	160	14	18

CHF mn	Operating income before exceptionals				Operating Income				Systematic Depreciation of PPE	
	2006	2005**	% CHF	% LC	2006	2005**	% CHF	% LC	2006	2005**
Textile, Leather, Paper	39	46	- 15	- 14	36	38	- 5	- 3	17	19
Pigments & Additives	22	25	- 12	- 2	21	43	- 51	- 48	19	18
Masterbatches	24	21	14	17	19	12	58	75	8	7
Functional Chemicals	70	66	6	7	60	75	- 20	- 20	12	13
Life Science Chemicals	3	12	- 75	- 77	2	6	- 67	- 57	4	4
Divisions Total	158	170			138	174			60	61
Corporate	- 24	- 65			- 26	- 69			6	4
Total continuing	134	105	28	31	112	105	7	13	66	65

** Restated for Discontinued operations

2. Divisional Margins

Full Year	Sales to 3rd parties		EBITDA before exceptionals		EBITDA	
	2006	2005**	2006	2005**	2006	2005**
in %						
Textile, Leather, Paper	28.4	28.4	10.1	11.1	9.7	10.4
Pigments & Additives	24.4	24.3	14.8	13.0	14.5	11.9
Masterbatches	15.5	14.8	12.1	10.3	11.4	9.4
Functional Chemicals	28.2	27.0	11.7	12.4	10.3	11.9
Life Science Chemicals	3.5	5.5	10.7	11.2	10.3	14.9
Total continuing	100.0	100.0	10.6	10.3	9.9	9.2

	Operating income b. exceptionals		Operating Income	
	2006	2005**	2006	2005**
in %				
Textile, Leather, Paper	7.0	7.8	2.2	7.0
Pigments & Additives	10.9	9.3	10.7	8.8
Masterbatches	9.6	7.7	8.9	6.3
Functional Chemicals	9.6	10.1	8.1	9.5
Life Science Chemicals	4.6	7.2	4.3	9.5
Total continuing	7.3	6.9	4.8	5.8

Fourth Quarter	Sales to 3rd parties		EBITDA before exceptionals		EBITDA	
	2006	2005**	2006	2005**	2006	2005**
in %						
Textile, Leather, Paper	28.4	29.2	10.0	11.4	9.3	10.5
Pigments & Additives	23.2	23.3	9.0	9.4	8.8	9.4
Masterbatches	14.7	14.2	10.8	10.1	9.5	9.0
Functional Chemicals	30.1	29.1	13.6	13.7	12.3	15.3
Life Science Chemicals	3.6	4.2	9.6	19.3	8.2	10.8
Total continuing	100.0	100.0	10.0	8.7	9.1	8.2

	Operating income b. exceptionals		Operating Income	
	2006	2005**	2006	2005**
in %				
Textile, Leather, Paper	6.8	8.1	6.3	6.7
Pigments & Additives	4.7	5.5	4.5	9.4
Masterbatches	8.1	7.6	6.4	4.3
Functional Chemicals	11.6	11.6	9.9	13.2
Life Science Chemicals	4.1	14.5	2.7	7.2
Total continuing	6.7	5.4	5.6	5.4

** Restated for Discontinued operations

3. Regional developments

Sales CHF mn	Full Year						Fourth Quarter					
	2006	% of sales	2005**	% of sales	CHF %	LC %	2006	% of sales	2005**	% of sales	CHF %	LC %
Europe	3 939	48.6	3 797	49.1	4	2	973	48.4	930	47.5	5	2
<i>of which Germany</i>	1 173		1 124		4	3	295		273		8	5
<i>of which Switzerland</i>	140		135		4	2	35		39		- 10	- 13
Americas	2 292	28.3	2 172	28.1	6	2	566	28.2	575	29.4	- 2	2
<i>of which USA</i>	1 031		1 012		2	1	239		263		- 9	- 5
Asia / Australia / Africa	1 869	23.1	1 759	22.8	6	6	471	23.4	453	23.1	4	7
Total continuing operations	8 100	100.0	7 728	100.0	5	3	2 010	100.0	1 958	100.0	3	3
Discontinued operations	325		453				55		129			

** Restated for Discontinued operations

5. Foreign Exchange Rates

Rates used to translate the consolidated balance sheets (closing rate)	31.12.2006	31.12.2005	Change %
1 USD	1.22	1.31	- 7
1 EUR	1.61	1.56	3
1 GBP	2.39	2.27	5
100 JPY	1.02	1.12	- 9

Average sales-weighted rates used to translate the income statements and consolidated statements of cash flows	2006	2005	Change %
1 USD	1.26	1.24	2
1 EUR	1.57	1.55	1
1 GBP	2.31	2.26	2
100 JPY	1.08	1.13	- 4

4. Condensed Earnings Per Share Data

CHF mn	2006	2005
Number of shares outstanding at 31.12.06 and 31.12.05 respectively	230 160 000	230 160 000
Weighted average, number of shares outstanding	226 767 254	226 431 732
Weighted average, diluted number of shares outstanding ¹	227 870 768	227 945 344
Basic earnings per share attributable to the shareholders of Clariant Ltd (CHF/share):		
Continuing operations	0.55	1.12
Discontinued operations	- 0.92	- 0.31
Total	- 0.37	0.81
Diluted earnings per share attributable to the shareholders of Clariant Ltd (CHF/share):		
Continuing operations	0.54	1.12
Discontinued operations	- 0.92	- 0.31
Total	- 0.38	0.81

¹ 2005 restated for share for members of management as at 31 December 2005 of 206 000 shares issued as part of a relocation program in 2005 which were accidentally not reported in this presentation

Clariant – Exactly your chemistry.

Clariant is a global leader in the field of specialty chemicals. Strong business relationships, commitment to outstanding service and wide-ranging application know-how make Clariant a preferred partner for its customers.

Clariant, which is represented on five continents with over 100 group companies, employs about 21,700 people. Headquartered in Muttenz near Basel, it generated sales of around CHF 8.1 billion in 2006.

Clariant's businesses are organized in four divisions: Textile, Leather & Paper Chemicals, Pigments & Additives, Functional Chemicals and Masterbatches.

Calendar of Corporate Events

April 2, 2007	Annual General Meeting
May 8, 2007	First Quarter 2007 Results
August 2, 2007	Half Year 2007 Results
November 7, 2007	Nine Months 2007 Results

Clariant is committed to sustainable growth springing from its own innovative strength. Clariant's innovative products play a key role in its customers' manufacturing and treatment processes or else add value to their end products. The company's success is based on the know-how of its people and their ability to identify new customer needs at an early stage and to work together with customers to develop innovative, efficient solutions.

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