Young & Partners
24th Annual Senior Chemical Executive Conference

Conference Agenda

"Strategic, Financial and Shareholder Issues For Chemical Executives"
November 9, 2011
The Yale Club
Trumbull Room
50 Vanderbilt Avenue - New York City

11:30 a.m.	**Registration**
12:00 p.m.	**Luncheon and Speaker** **Perspectives on Petrochemicals in Asia** Nikhil Meswani, Executive Director, Head of *Reliance Petrochemicals and Refining*
1:00 p.m.	**The State of the Chemical Industry: Strategic, M&A and Financial** Peter Young, President, *Young & Partners*
1:30 p.m.	**The Global Outlook for Petrochemicals** Gary Adams, President, *CMAI*
2:00 p.m.	**The Successful Restructuring of Chemtura** Craig Rogerson, Chairman and CEO, *Chemtura Corporation*
2:30 p.m.	**Adapting Successfully to Global Structural Changes** Patrick Prevost, Chairman and CEO, *Cabot Corporation*
3:00 p.m.	**The Evolving Roles and Strategies of Private Equity** Stephen Floyd, Managing Director, *Young & Partners*
3:30 p.m.	**Achieving Growth and Superior Profitability in Specialty Chemicals** Seifi Ghasemi, Chairman and CEO, *Rockwood Holdings, Inc.*
4:00 p.m.	**Speaker Roundtable** Moderator: Peter Young, President, *Young & Partners* Participants: Conference Speakers

Reception and Dinner – Saybrook Room

5:00 p.m.	**Cocktail Reception**
6:00 p.m.	**Dinner and Speaker** **Forging Innovation in The New Industrial Era** Rob van Leen, Chief Innovation Officer, *Royal DSM*

Speaker Presentation Summaries

(Summaries were prepared by Young & Partners and were not reviewed by the speakers)

LUNCHEON SPEAKER

Perspectives on Petrochemicals in Asia & Implications for India

NIKHIL MESWANI
Executive Director, Reliance Industries Limited

Going into an era with over seven billion people, the world will face a new set of challenges in food, health, recycling, clothing, housing, and infrastructure. Because the global chemical industry accounts for 96% of all manufactured products and 6.5% of global GDP, chemicals will become an integral part of the solution as mankind explores new frontiers of materials.

Innovation in shale gas has given us a new lease on life by giving us a break from conventional feedstocks. I believe that innovation will allow us to harness nature's resources to meet energy needs at an affordable cost with the advancement of technology. Carbon is being used to produce stronger and lighter materials to promote fuel efficiency and redefine mobility.

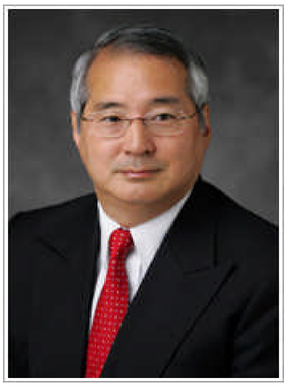
Global GDP is no longer Western dominated, but is rebalancing with accelerated growth in Asia. The integration of a global economy is inevitable and competition is serial, which leads to survival of the fittest. Margins will be tested and unconventional innovations will be needed in order to keep up with growth. More and more Asian companies are appearing on the Fortune 500 list every year. In fact, Reliance has grown organically from its founding in 1966 into a Fortune 200 company today.

The Indian economy has gone from self-sufficiency to an economy driven by industry and services. India's GDP crossed the trillion dollar mark in 2008 and is close to $1.5 trillion today. I believe it will increase to $5 trillion by 2030. India has arrived on the world stage on the back of four Ds: democracy, digitization, demography and development. Today, the chemical industry in Asia is growing twice as fast as the developed world. While the Indian chemical industry has achieved a lot since liberalization, I predict that what has been achieved in India in the last 60 years will be achieved in only the next 6 years.

Major trends in the Indian economy include demography, urbanization, food security, and sustainability. The population of India will exceed that of China's in 2025, making India the fifth largest consumer market globally. The demand for agrochemicals, packaging, home/personal care products, construction will increase in order to support the growing population. Food security is becoming a major issue: landmass and food availability is shrinking, and the growing population is putting increasing pressure on resources, which will necessitate enhancing productivity of land and conservation and recycling of water. The chemical industry will play a crucial role in this mission. A brand new water industry is emerging in India. Further, Reliance recycles over 1.8 billion bottles every year, and is one of the largest recyclers of PET bottles converting waste to wealth.

My corporate philosophy is: "Growth is life." Reliance's integrated approach allows the company to ride the cyclicality of the petrochemical industry, meet the expectations of shareholders, and continue to find resources for sustainable and augmented growth.

The State of the Chemical Industry: Strategic, M&A and Financial



PETER YOUNG
President and Managing Director, Young & Partners

Economic growth is slowing in the U.S. and Europe. National, state, and local government deficits and debt levels are extremely high around the world. Government spending cuts and tax increases adopted by many countries to try to deal with the deficits are contributing to slower economic growth. Banks are facing increases in capital requirements and a need to raise equity in a difficult environment.

There are a number of potential "wild cards" that could disrupt the fragile global economic and financial picture. These include: escalating inflation, the impact of reduced fiscal stimulus spending, stagnant housing market in developed countries, governmental deficit and debt problems escalating, and persistent high long-term unemployment and high consumer debt in U.S./Europe. There is also slowing growth, rising inflation and a deflating lending and construction bubble in China. These wild cards could have varying degrees of impact.

In the chemical industry, cash flows have been strong and many companies have been accumulating cash. The chemical industry as a whole performed well with regard t the stock market in the first half of 2011 compared to the general market. As a result, the chemical industry was trading at a modest premium to the S&P 500 on a P/E basis. Stock market events in the third quarter were severe, with dramatic volatility and a significant drop in valuations. This was particularly true for the chemical industry. As a result, the chemical industry stock market prices and valuations have gone from a modest premium to a clear discount to the market. By the end of the third quarter, almost all of the Y&P chemical indices had fallen farther than the overall market and were trading at significant discounts to the multiple markets.

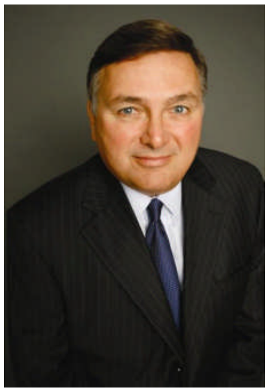
With regard to M&A, industrial buyers became more aggressive as they entered 2011. As a result, on an equity value basis, $64 billion of deals were complete in the first three quarters of 2011 versus $39 billion for all of 2010. The number of completed deals jumped to 61 in the first three quarters of 2011 compared to 65 for all of 2010. However, Young & Partners believes that the chemical M&A market has peaked in terms of numbers of deals and valuations and there are clear signs of a slowing M&A market.

On the financing side, there was a noticeable slow down in chemical industry debt financings in the first three quarters of 2011. Although investor demand continues to be very strong, there has been a dramatic reduction in issuer demand for debt capital. In the first three quarters of 2011, $11.1 billion of equity was issued, as a result of 16 offerings by the chemical industry. This was a record for any three quarter period. However, this was primarily due to the sale of Mosaic shares by Cargill. Only one chemical company IPO (CVR Partners LP) was completed during the first three quarters of 2011. The dramatic volatility of the equity markets since the beginning of August has made equity offerings and IPOs very challenging to execute. As a result, very few of the chemical equity offerings have moved forward.

What is the financial outlook going forward? Unless there is a severe financial and economic downturn, we expect M&A volume to be solid, but move down from the recent peak levels. However, there are a number of factors that will cause a softening of M&A volumes and valuations off the recent peak. Equity financing volume will likely be modest. The stalled IPO market will make plans for chemical company IPOs difficult.

Global Outlook for Petrochemicals

GARY ADAMS
Chief Advisor- Chemicals, CMAI



The current state of the global chemical industry is mixed. Oil prices have risen at an alarming rate, capacity additions have reached record proportions, there are significant surpluses in developed markets and the demand for growth is centered in Asia. On the other hand, certain chemical sector earnings continue to excel, demand and operating performance is matching up with new capacity additions, and production levels remain disciplined.

The declining pace of growth has been evident since the end of the first quarter. There has been no real "holiday season" push and the outlook is deteriorating. I predict that low inventory levels will exist for the rest of 2011 and concerns about consumer spending will remain with the first half of 2012 being moderately better. Although there is a new capacity is now operating, producer discipline is evident due to a very wide variance in production economics. Over-supply conditions for most products will be apparent in the next six months. The soft market impact will be limited due to a cautious production approach and cost exposure.

Prices have trended lower, tracking falling crude oil values. The chemical industry is feeling the weight of a soft market, with only a few exceptions. I predict in six months price levels will be at a low point relative to the cost of production. I expect cost push increases as the energy markets rebound. Very large differences are evident depending on the raw material options. Gas (or coal) based production yields the best margin right now. I do not think there will be any change in the differential between relative oil and gas prices for years.

International trade position is a strategic consideration for chemicals. The volume of trade for basic chemicals and plastics continues to steadily climb. The demand arrives ahead of local production capacity, which expands import sales. This is the perfect medicine for a mature, domestic market with a low cost position. There is definite demand redistribution as the center of the industry shifts toward Asia. The shift in basic demand to the emerging economies is clearly evident. This leaves us with two options: produce in demand centers or have a clear cost advantage.

The basic chemicals and plastics markets have recovered from the 2008-2009 recession and are on an expansion path of 5.2% per year. Most of this growth is centered in Asia and specifically in China, but other emerging economies are expanding as well (India, Brazil, Russia, etc.). International trade in chemicals continues to accelerate to meet these growing needs. Much of the current production expansion is from the hydrocarbon rich Middle East, but shale, oil, and gas are putting the U.S. firmly back into the global marketplace. The economics of energy-derived raw materials can represent 60%-75% of total chemicals production cost—and this drives commodity chemical capital decisions. The dynamics between crude oil price and natural gas price play a key role in chemicals pricing and profitability. The reaction by supply chain participants to volatility has been to shorten the period for which prices are firm—increasing market velocity. Connected and actionable insight has become even more crucial to business continuity and success.

The Successful Restructuring of Chemtura

CRAIG ROGERSON
Chairman, President, and Chief Executive Officer, Chemtura

Chemtura is one of the world's larger publicly traded specialty chemical companies and is a leader in several global markets. The company is headquartered in Philadelphia, Pennsylvania and operates 31 manufacturing facilities in 13 countries. The major industries that Chemtura serves include: agriculture, building and construction, transportation, consumer goods, electronics, and industrial.

As the global recession took hold in the fourth quarter of 2008, industrial sales and profitability plummeted. Chemtura revenues fell at an annualized rate of 40% and, despite generating cash through working capital reduction, the Company's liquidity rapidly shrunk. Deteriorating financial performance also precluded refinancing $374 million of notes maturing in July 15, 2009 on commercially reasonable terms. With dwindling liquidity in March 2009, Chemtura filed for relief under Chapter 11 and gained immediate access to a DIP loan facility in order to operate and supply its customers. Careful planning was important and the Company developed a detailed bottoms-up five-year business. We also entered a preliminary agreement to sell the PVC Additives business in December 2009. By the end of the year, the 2009 financial performance of the Company had exceeded projections.

Next, Chemtura was able to refinance the DIP loan facility, which permitted the Company to increase its capital spending to permit full implementation of its business plan despite being in Chapter 11. After completing the sale of the PVC Additives business, Chemtura finalized the raising of $750 million of exit financing with proceeds deposited into an escrow account. On November 10, 2010 Chemtura emerged from Chapter 11 and was relisted on the NYSE under ticker CHMT the next day.

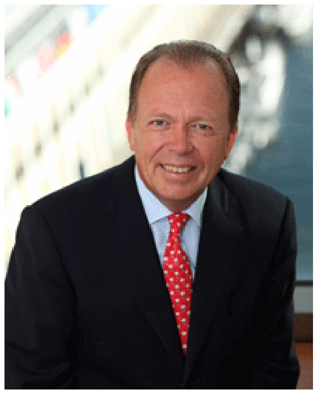
What did we accomplish? First, we were able to build a "new" Chemtura by reinventing ourselves. Operations were restructured to achieve better integration across service and corporate functions. From an operating standpoint, the Company was able to pursue growth opportunities while making significant progress enhancing the efficiency and effectiveness of our business. Chemtura also instilled a performance-driven culture: accountability, customer intimacy, shared services and sustainability.

Second, Chemtura took advantage of the Chapter 11 process to reject or cancel surplus property leases and long-term natural gas contracts, renegotiate thousands of other contracts, settle most of our environmental liabilities related to non-owned or operated U.S. locations, and settle the vast majority of our U.S. litigation. Our long-range plan will now enable us to achieve industry-leading performance.

At this point, Chemtura's objective is to deliver continuous, value-accreting growth with a focus on leveraging our in-depth knowledge and expertise to increase our share of revenues from the electronics & energy, transportation, and agriculture. We also aim to achieve geographic balance through investment in the fastest growing regions (FGR's), utilize a systematic process of product and application innovation and to achieve EBITDA margins in excess of 20%. By following through with our commitments, Chemtura will deliver on its strategies and achieve its long-range vision.

What did we learn? The primary lessons Chemtura learned from the restructuring process are as follows: segregate the restructuring process from business operations, maximize the benefits from the process, move in a fast but measured way, and above all, communicate.

Adapting Successfully to Global Structural Changes



PATRICK PREVOST
Chairman and CEO, Cabot Corporation

Cabot was founded in 1882 and has been listed on the NYSE (CBT) since 1968. The Company operates worldwide, with 29 plants in 21 countries. The 2011 FY sales were approximately $3.1 billion. Cabot has the leading position in carbon black, inject colorants, cesium formate and aerogel, and has the number two position in fumed metal oxides.

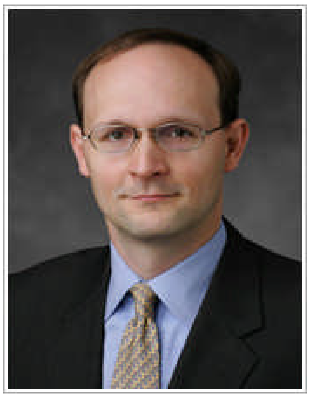
Today, emerging markets are the largest part of the chemical industry. From 2000-2010, total sales in Asia have tripled ($1.8 trillion) and total sales in Brazil have tripled ($300 billion). Since 2007, there has been a 25% increase in Asia-Pacific production and a decrease of 13% in North America production. The industry structure is shifting toward the BRIC countries. The capital investments in Latin America have more than doubled and in Asia have increased by a factor of seven. In North America, capital investments have increased a mere 10%. Today, capital investments in chemicals made by Asia outpace the U.S. by 10:1.

In 2000, the top 20 chemical companies were located predominately in Europe (11) and the U.S. (6), with a smaller amount in Asia (3). By 2010, the number of Asian chemical companies on the top 20 list has doubled, and both the Middle East and South America now have companies ranking in the top 20.

There are a few guiding principles when responding to structural changes. You must know your space, establish a position of competitive advantage through market leadership, and gain a larger advantages through technology leadership. A company also needs to have a global reach in order to be competitive. Be where your customers are located, ensure strong local teams, and clearly establish your business principles. Knowing the market and the customers is also an essential response to structural changes. Offer application support and expertise, develop strong technical and commercial staff, and expect more intense relationships with customers. Define your reputation through your manufacturing by setting manufacturing as a key function. Take the lead on health, safety and environmental issues and understand economy and discovery of scale.

The Evolving Roles and Strategies of Private Equity in the Chemical Industry

STEPHEN FLOYD
Managing Director, Young & Partners



In private equity, investment managers control investments in operating companies from a pool of equity capital the company has raised. When investing in a leveraged buyout, the goal is to maximize the return on the investment coming from operational improvements, deleveraging, capital structure "tweaks" and ultimately achieve a capital gain on sale of your ownership stake. Private equity companies typically hold an investment for 3-5 years, while targeting returns of 20-30% per year.

The total private equity capital and number of funds with over $1 billion has changed dramatically over the last 20 years. In 1994, there were 10 funds with over $1 billion and the total private equity capital was around $40 billion. By 2006, there were over 100 funds with more than $1 billion. Today, the estimated total private equity capital is over $2 trillion.

The chemical industry is often a difficult sector because private equity objectives tend not to align with the characteristics of the industry. In the chemicals industry, cyclicality is often high, the business is complex, the growth is at or below the GDP and the ROA/ROIC is volatile, but often low. Private equity objectives, however, call for low cyclicality, low business complexity, a higher than GDP growth and a high ROA/ROIC.

Private equity becomes an alternative buyer of a chemical business when strategic and/or industrial buyers are not interested or able to buy and when the IPO market is not a viable exit vehicle for the owner of a business. Private equity companies are often willing to take on circumstances that strategic and industrial buyers usually avoid, such as implementing unpopular cost-reduction measures and buying diverse portfolios. They are able to act as a "market maker" during the cyclical peaks and troughs of the chemical industry. Private equity often seeks to consolidate fragmented industries with embedded structural and financial inefficiencies. Depending on market conditions, these companies may have a lower cost of capital than strategic or industrial competitors.

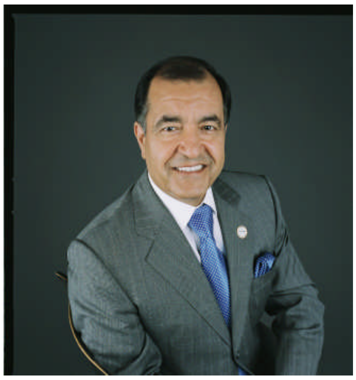
Private equity acquisitions in the chemical industry peaked in 2003, claiming about 45% of the M&A dollar volume, whereas in 1998, it was about 3% and in 2008, it was 10% of the dollar volume. Versus strategic buyers, private equity buyers have historically purchased companies at a lower LTM EBITDA multiple.

Private equity has many advantages, including a long track record of successful chemical industry investments. These companies have a significant stockpile of funds to invest, have the ability to invest during industry downturns, and have experienced, senior industry executives "on call" to assist with selection, due diligence and management of new investments.

However, industrial buyers in the chemical industry are currently flush with cash and are seeking M&A opportunities, leading to high valuations. The access to low-cost high yield debt financing is episodic and the IPO market is highly volatile. Past successes have made some industrial companies cautious about selling to private equity, except as the buyer-of-last-resort.

Achieving Growth & Superior Profitability in Specialty Chemicals

SEIFI GHASEMI
Chairman & CEO, Rockwood Holdings, Inc.

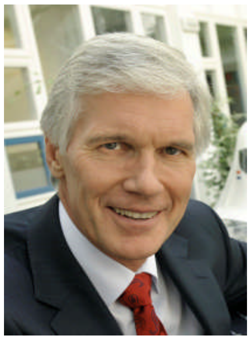


Rockwood Holdings is a global inorganic specialty chemicals and advanced materials company. The company was established in 2000 and has been traded on the NYSE (ROC) since August 2005. Rockwood has four business sectors: specialty chemicals, performance additives, TiO_2 pigments, and advanced materials. We have an excellent portfolio of niche business, with number one or two positions globally, and we are the leading global producer of lithium products. The Company is the second largest global producer of products and services for metal processing and we rank second in pigments, clay-based additives, and timber treatment.

From 2002 through the first three quarters of 2011, the CAGR or revenue growth is 9.7%, achieved through both organic growth and acquisitions. The organic growth has come from focusing on businesses that have growth potential in the macro economy, developing new products and services to further enhance growth, a total commitment and consistent funding of Product Development Technical Services and R&D, and a fundamental understanding of the customers and their needs. Acquisitive growth has come from real and disciplined due diligence, knowing the markets of the target business with a full understanding and real insight into the target's markets, competition and customer's reactions.

The superior profitability of a specialty chemicals company comes from being in the "right business." It is a strategic choice of being in business with the following characteristics. First, the raw material base should be diverse, reliable and stable. Rockwood has an inorganic raw material base and limited exposure to energy prices, due to its inorganic focus. Second, you must have the ability to charge a premium for the products and services that you provide. Last, a key to superior profitability is market position, technology, and global reach. Rockwood has superior market share, is a technology leader, has global reach, and high technical content in addition to just the product.

Forging Innovation in the New Industrial Era



ROB VAN LEEN
Chief Innovation Officer, DSM

DSM operates as a life sciences and material sciences company worldwide. DSM has a global presence, with over 200 locations and 22,000 employees. Net sales in 2010 were €8.176 billion. The company has drastically evolved over the last decade. In 2000, the majority of DSM sales came from petrochemicals, base chemicals and materials. By 2010, our key activity areas were health, nutrition, and materials.

In order to drive focused growth, DSM has set ambitious goals. By 2013, we are targeting EBITDA to be €1.4-1.6 billion. By 2015, we want organic sales growth to be 5%-7% annually. By 2020, DSM is targeting Emerging Business Area sales to be over €1 billion. DSM also has sustainability aspirations between now and 2015. Some of these goals include: have top ranking in the Dow Jones Sustainability Index, maintain 80%+ of our pipeline to be ECO+, improve energy efficiency by 20% and reduce greenhouse gas emissions by 25%. In order to achieve these goals, DSM must accelerate growth in high growth economies. Over 70% of DSM's growth in the period from now until 2015 is expected to come from high growth economies.

Some of our accomplishments have involved open innovation milestones & partnerships. These goals include: building Europe's largest bio-based succinic acid facility with Roquette, adding a new biotechnology innovation platform based on algae with Martek, optimize wind power with SkySails, and creating the first and only system for treating degerative disc disease and Lumbar Spinal Stenosis with Interventional Spine and DSM's Bionate© PCU.

Venturing is also an integral part of innovation at DSM. Since 2001, DSM has scouted and screened more than 2,500 companies, which provided useful insights and complementary windows on-the-world for our businesses. Our venturing activity has resulted in 36 direct investments (22 of which are still active in the current portfolio) and partnerships with over 30 portfolio companies in various forms and to varying degrees.

DSM believes there is a growing need for renewable and sustainable resources. The Oil-Age will end long before we run out of oil. And as we run out of oil, it will become much more expensive. Our goal for DSM to grow organically and acquisitively to be actively involved in renewable and sustainable resources such as: biogas, bio-based succinic acid, cullulosic bio-ethanol, bio-based adipic acid, and biodiesel.

DSM Biomedical is using innovation to speed up growth. Our main market focus is cardiovascular, orthopedic and ophthalmic. We are also looking to expand the current biomaterials, application and technology portfolio, grow the emerging drug delivery business through market presence/access, and explore opportunities for regenerative medicine and tissue engineering.

We are also interested in the rapidly growing medical device and surgical material markets. The growth opportunity for DSM comes through its unique market position, know-how and portfolio of biomedical materials. We are achieving accelerated development and market introductions via several forms of partnership, while also investing in our new technologies.

In summary, DSM is using innovation through various paths and tools to achieve its strategic goals with regard to its growth; its profitability; its desire to focus on health, nutrition and materials; and its goals with regard to its focus on environmental responsibility