

PRESS RELEASE

Ciba partners with biotechnology company BRAIN to develop new effect molecules

- **Collaboration draws on complementary competencies in application and process development and white biotechnology**
- **New functional molecules to be identified and synthesized from renewable raw materials**
- **Goal to generate novel and improved surface effects for plastics, paper, coatings and home and personal care products**

Zwingenberg (D) and Basel (CH), July 17, 2007: Ciba has entered an exclusive collaboration with biotechnology company BRAIN AG of Zwingenberg, Germany to develop novel functional surface effects from renewable raw materials. The goal is to identify, characterize and synthesize biomolecules that lend new functionality to surfaces such as plastics, paper, coatings and home and personal care products. BRAIN brings to the collaboration a large library of microorganisms, broad expertise in white biotechnology and proprietary test systems, while Ciba contributes cutting-edge application and process development as well as global marketing capability. The resulting biomaterials will produce novel and improved surface effects, such as bioprotection, enhanced printability in polymers and moisture resistance in a variety of materials.

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“Biotechnology presents new opportunities for Ciba to bring innovative functional surface effects to diverse markets, and this collaboration reflects our commitment to investing in this key future technology,” says Martin Riediker, Chief Technology Officer at Ciba. In working to develop biofunctional materials from renewable resources, we also strengthen our commitment to sustainable manufacturing. We look forward to expanding our partnership with BRAIN, with its proven record of leveraging biotechnology for industrial applications, in this exciting area of research.”

“BRAIN complements Ciba’s application knowledge of functional surfaces with our broad, long-standing expertise in identifying and developing innovative biomolecules,” says Jürgen Eck, Chief Technology Officer at BRAIN AG. “Our EvoSolution® technology platform makes it possible to identify candidate molecules, create production strains and conduct fermentation as well as substance and process optimization. We are glad to support Ciba in strengthening its position as a leader in creating and marketing innovative effects.”

Ciba and BRAIN have previously collaborated on using designer micro-organisms to develop new biotechnological processes for the sustainable production of existing specialty products. The expanded partnership will focus on creating new biomaterials with novel functional surface effects. Ciba will hold exclusive distribution rights for any resulting products within the field of collaboration.

About BRAIN

BRAIN is a research and development company which discovers and develops novel bioactive natural compounds and proprietary enzymes for its partners and customers in the chemical and pharmaceutical as well as the food and cosmetics industries. In a unique approach to the discovery and production of new biological compounds and biocatalysts, the company harnesses creative solutions from nature's untapped biodiversity. Its success is built on its proprietary BioArchive comprising millions of genes, proteins and metabolic pathways from microbial isolates and metagenome libraries. BRAIN was founded in 1993, currently employs 60 highly qualified people and has developed into one of Europe's leading industrial biotech companies.

About Ciba

Ciba Specialty Chemicals (SWX: CIBN, NYSE: CSB) is a leading global company dedicated to producing high-value effects for its customers' products. We strive to be the partner of choice for our customers, offering them innovative products and one-stop expert service. We create effects that improve the quality of life – adding performance, protection, color and strength to plastics, paper, automobiles, buildings, home and personal care products and much more. Ciba Specialty Chemicals is active in more than 120 countries around the world and is committed to be a leader in its chosen markets. In 2006, the Company's continued operations generated sales of CHF 6.4 billion and invested CHF 270 million in R&D.

Pictures

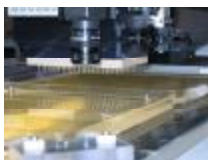


Photo 1: Ciba and BRAIN's effort to develop biomaterials with new functional surface effects begins with screening BRAIN's large library of micro-organisms.
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Photo 2: The functional surface effects to be developed include bioprotection and moisture resistance.
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