SOLVAY SA

(incorporated in the Kingdom of Belgium with limited liability)

Public offer in Belgium and in the Grand Duchy of Luxembourg

of an expected minimum EUR 150,000,000
5.00 per cent. Fixed Rate Bonds due 12 June 2015

Issue Price: 101.851 per cent

Issue Date: 12 June 2009

Subscription Period: from 18 May until 9 June 2009 included

JOINT LEAD MANAGERS

BNP PARIBAS FORTIS   KBC   ING

Listing and Offering Prospectus dated 15 May 2009

Solvay SA intends to issue Bonds for an expected minimum amount of EUR 150,000,000. Interest on the Bonds is payable annually in arrear on the Interest Payment Dates falling on, or nearest to, 12 June in each year, the first payment being on 12 June 2010, and the last payment being on 12 June 2015. A5 - 4.7

The denomination of the Bonds shall be EUR 1,000. The Bonds will be offered to the public in the Kingdom of Belgium and in the Grand Duchy of Luxembourg.

This Prospectus has been approved on 15 May 2009 by the Commission de Surveillance du Secteur Financier (the "**CSSF**") in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**"). The CSSF will notify the Prospectus to the Belgian Banking Finance and Insurance Commission (the "**CBFA**") together with a translation of the summary in French and Dutch and a certificate of approval from the CSSF in relation to the Prospectus. Application has also been made to (i) the Luxembourg Stock Exchange for the Bonds to be admitted to the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market and (ii) Euronext Brussels for the Bonds to be admitted to trading on Euronext Brussels. References in this Prospectus to the Bonds being "listed" (and all related references) shall mean that the Bonds have been admitted to the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market and/or on Euronext Brussels (as the case may be). The Luxembourg Stock Exchange's regulated market and Euronext Brussels are each a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. A5 – 6.1

The Bonds will be issued in dematerialised form under the Belgian Company Code (*Wetboek van Vennootschappen / Code des Sociétés*) (the "**Belgian Company Code**") and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the X/N securities and cash clearing system operated by the National Bank of Belgium (the "**NBB**") or any successor thereto (the "**Clearing System**"). Access to the Clearing System is available through those of its Clearing System participants whose membership extends to securities such as the Bonds. Clearing System participants include certain banks, stockbrokers (*beursvennootschappen / sociétés de bourse*), Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme, Luxembourg ("**Clearstream, Luxembourg**"). Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg. A5 – 4.3

Unless otherwise stated, capitalised terms used in this Prospectus have the meanings set out in this Prospectus. Where reference is made to the "Conditions of the Bonds" or to the "Conditions" reference is made to the "Terms and Conditions of the Bonds".

An investment in the Bonds involves certain risks. Prospective investors should have regard to the factors described under the heading "Risk Factors" on page 12.

RESPONSIBLE PERSONS

This listing and offering prospectus dated 15 May 2009 (the "**Prospectus**") is a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the "**Prospectus Directive**") and for the purpose of giving information with regard to Solvay SA, having its registered office at Rue du Prince Albert 33, B-1050 Brussels (the "**Issuer**") and its affiliates (the "**Solvay Group**" or the "**Group**") and the expected minimum EUR 150,000,000 5.00 per cent Fixed Rate Bonds due 12 June 2015 (the "**Bonds**") which according to the nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the Bonds and of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. The Issuer accepts (the "**Responsible Persons**") responsibility for the information contained in this Prospectus and for the translation of the summary of the Prospectus (the "**Summary**") in French and Dutch. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

A4 - 1.1
A4 - 1.2
A5 - 1.1
A5 - 1.2

PUBLIC OFFER IN THE KINGDOM OF BELGIUM AND IN THE GRAND DUCHY OF LUXEMBOURG

This Prospectus has been prepared in connection with a public offer of the Bonds in the Kingdom of Belgium and in the Grand-Duchy of Luxembourg (the "**Public Offer**"), and with the listing of the Bonds on the regulated market of the Luxembourg Stock Exchange and on Euronext Brussels. The Issuer has requested the CSSF to passport the Prospectus to the CBFA and has provided the translation of the Summary in French and Dutch as required by the Belgian prospectus law of 16 June 2006[1] (the "**Prospectus Law**") for the purposes of the Public Offer. This Prospectus has been prepared on the basis that any offer of Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") other than offers in the Kingdom of Belgium and in the Grand-Duchy of Luxembourg (the "**Permitted Public Offers**"), will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of Bonds which are the subject of the offering contemplated in this Prospectus, other than the Permitted Public Offers, may only do so in circumstances in which no obligation arises for the Issuer or any of the Managers (as defined under the heading "Subscription and Sale") to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer (other than Permitted Public Offers) of Bonds in circumstances in which an obligation arises for the Issuer or the Managers to publish or supplement a prospectus for such offer.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see "Documents Incorporated by Reference").

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers to subscribe or purchase, any of the Bonds. The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions.

For a description of further restrictions on offers and sales of Bonds and distribution of this Prospectus see "Subscription and Sale" below.

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[1] Loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés du 16 juin 2006/ Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt van 16 juni 2006.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or otherwise that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date hereof or, if later, the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the fullest extent permitted by law, the Managers accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by a Manager or on its behalf in connection with the Issuer or the issue and offering of the Bonds. Each Manager accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or any state securities laws and are subject to U.S. tax law requirements. Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act). For a further description of certain restrictions on the offering and sale of the Bonds and on the distribution of this document, see "Subscription and Sale" below.

All references in this document to "euro and "€" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

WARNING

The Prospectus has been prepared to provide information on the Public Offer. When potential investors make a decision to invest in the Bonds, they should base this decision on their own research of the Issuer and the conditions of the Bonds, including, but not limited to, the associated benefits and risks, as well as the conditions of the Public Offer itself. The investors must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, considering their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds.

The summaries and descriptions of legal provisions, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in the Prospectus may in no circumstances be interpreted as investment, legal or tax advice for potential investors. They are urged to consult their own advisor, bookkeeper or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Bonds.

In the event of important new developments, material errors or inaccuracies that could affect the assessment of the securities, and which occur or are identified between the time of the approval of the Prospectus and the final closure of the Public Offer, or, if applicable, the time at which trading on a regulated market commences, the Issuer will have a supplement to the Prospectus published containing this information. This supplement will be published in compliance with at least the same regulations as the Prospectus, and will be published on the websites of the Issuer, Fortis Bank NV/SA ("**Fortis Bank**"), ING Belgium SA/NV ("**ING**") and KBC Bank NV ("**KBC**"). The Issuer must ensure that this supplement is published as quickly as possible.

Investors who have already agreed to purchase or subscribe to securities before the publication of the supplement to the Prospectus, have the right to withdraw their agreement during two working days after the publication of the supplement.

TABLE OF CONTENTS

Page

SUMMARY

*This summary must be read as an introduction to the listing and offering prospectus dated 15 May 2009 (the "**Prospectus**") and any decision to invest in the 5.00% fixed rate bonds due 12 June 2015 (the "**Bonds**") should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area (an "EEA State"), no civil liability will attach to the Responsible Persons (as defined on p. 3 of the Prospectus) in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in an EEA State, the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.*

1. BUSINESS DESCRIPTION OF THE ISSUER

A4 - 5.1

Solvay – an international Chemical and Pharmaceutical Group

Founded in 1863, Solvay SA (or "**Solvay**") is the parent company and constitutes with its affiliates an international pharmaceutical and chemical group (the "**Solvay Group**" or the "**Group**"), headquartered in Brussels (Belgium) with its registered address at Rue du Prince Albert, 33, B-1050 Brussels (telephone n°: 322 509 6239). Solvay was incorporated on 26 December 1863 in accordance with Belgian law (registration n°: VAT BE 403 091 220, RPM-RLP Brussels), for an unlimited duration.

The Solvay Group is active in three sectors - pharmaceuticals, chemicals and plastics - representing respectively 28%, 33% and 39% of the 2008 sales; it has built strong leadership positions in selected markets and products. It is an international company with more than 400 sales and production facilities in 50 countries on every continent. In 2008, about 95% of sales came from outside Belgium and about 50% from outside the European Union. Solvay employed at the end of 2008 some 29,000 employees.

In 2008, sales amounted to EUR 9.5 billion, operating result to EUR 965 million and REBITDA to EUR 1.4 billion.

The Solvay Group pursues its strategy for sustainable and profitable growth. It gives the priority to growth in selected areas of Pharmaceuticals, chemicals and plastics and through geographical expansion in Asia, the Nafta and the Mercosur. It considers innovation to be the cornerstone for growth and competitiveness.

The Group is also convinced that good corporate citizenship is the key to sustainable growth. For the Group, sustainable development means conducting its activities in a way that balances respect for the environment with economic and social development that is sustainable in the long term.

SOLVAY is listed on NYSE-EURONEXT Brussels and part of the Euronext100 index of Top European companies and of the BEL20.

2. DESCRIPTION OF THE BONDS

Issuer	Solvay SA
Description of the Bonds	Issue of an expected minimum EUR 150,000,000 5.00 per cent

	Bonds, due 12 June 2015
Subscription Period	From 18 May 2009 at 9 a.m. until 9 June 2009 at 4 p.m. (early closing possible)
Domiciliary Agent and Paying Agent	Fortis Bank NV/SA (“**Fortis Bank**”)
Listing Agents	BGL Société Anonyme for the purpose of the listing of the Bonds on the Luxembourg Stock Exchange’s regulated market. Fortis Bank for the purpose of the listing of the Bonds on Euronext Brussels.
Distributors and Joint Lead Managers	Application for the subscription of Bonds can be made through the branches of Fortis Bank (including Fintro), ING Belgium SA/NV (“**ING**”), KBC Bank NV (“**KBC**”) (including CBC S.A.), KBL European Private Bankers S.A., Centea NV and KBC Securities NV
Public offer jurisdictions	Kingdom of Belgium (passporting of the Prospectus to the Kingdom of Belgium) and Grand Duchy of Luxembourg
Issue Date	12 June 2009
Issue Price	101.851 per cent., which includes a selling and distribution commission of 1.875% borne by the investors other than Qualified Investors (see further details under “Subscription and Sale”, sections “Issue Price” and “Costs and fees”)
Settlement Currency	Euro ("EUR")
Aggregate Nominal Amount	Expected minimum of EUR 150,000,000
Nominal Amount / Specified Denomination per Bond	EUR 1,000 per Bond
Minimum Subscription Amount	The Bonds may only be traded in a minimum multiple of one Bond (corresponding to a nominal amount of EUR 1,000)
Maturity Date	12 June 2015
Redemption Date	Maturity Date (subject as provided in the Terms and Conditions of the Bonds)
Interest	5.00 per cent. fixed rate, payable annually in arrear on 12 June in each year and for the first time on 12 June 2010 (or an amount of EUR 50 per Specified Denomination of EUR 1,000), subject to Conditions 5 and 8
Redemption Amount at Maturity Date	The Bonds will be redeemed at 100 per cent. of the Nominal Amount
Early Redemption	The Bonds may be redeemed early following an event of default as set out in Condition 8. Bonds will be redeemable at the option of the

	Issuer prior to maturity for tax reasons as set out in Condition 5. The early redemption amount in respect of each Bond will be the Nominal Amount per Bond.
Form of Bonds	Dematerialised form under the Belgian Company Code – no physical delivery.
Status of Bonds	The Bonds constitute direct, general and unconditional obligations of the Issuer which will at all times rank pari passu among themselves and at least pari passu with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.
Cross Default and Negative Pledge	Applicable, as set out in Conditions 8(c) and 3 respectively
Taxation	*Kingdom of Belgium*. Natural persons who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax and who hold the Bonds as a private investment, are subject to a final 15 per cent. Belgian withholding tax on the gross amount of the interest on the Bonds. Such payment of 15 per cent. withholding tax fully discharges them from their personal income tax liability with respect to these interest payments. A tax may also need to be withheld pursuant to Council Directive 2003/48/EC regarding the taxation of the savings income of individuals. *Grand Duchy of Luxembourg*. Under Luxembourg tax law currently in effect, there is generally no withholding tax on interest payments or repayments of principal on the Bonds. A tax may however need to be withheld pursuant to the following provisions relating, broadly stating, to the taxation of the savings income of individual investors: - the Council Directive 2003/48/EC regarding the taxation of the savings income of individuals; - any international agreement, providing for measures similar to those of the above mentioned Council Directive, concluded by Luxembourg with certain dependent or associated territories of the EU; - the Luxembourg law dated 23 December 2005, as amended by the law dated 17 July 2008, relating to interest paid to Luxembourg resident individuals (10 per cent. Luxembourg withholding tax). For additional information, Bondholders should refer to the section of this Prospectus entitled "Taxation".
Governing Law	The Bonds are governed by the laws of the Kingdom of Belgium.
Listing and Admission to Trading	Application has been made for the Bonds to be listed on the regulated market of the Luxembourg Stock Exchange and on Euronext Brussels.

Relevant Clearing Systems	Clearing system operated by the National Bank of Belgium, Euroclear and Clearstream, Luxembourg.
No Ownership by U.S. Persons	Each holder and each beneficial owner of a Bond, (a) as a condition to purchasing such Bond or any beneficial interest therein, will be deemed to represent that neither it nor any person for whose account or benefit the Bonds are being purchased is (i) located in the USA, (ii) is a U.S. Person or (iii) was solicited to purchase the Bonds while present in the USA and (b) will be deemed on purchase to agree not to offer, sell, deliver, pledge or otherwise transfer any Bonds at any time, directly or indirectly in the USA or to any U.S. Person. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including U.S. Treas. Reg. §1.163-5(c)(2)(i)(C).
Conditions to which the public offer of Bonds is subject	The public offer of Bonds is subject to the conditions set out in the section of the Prospectus entitled “Subscription and Sale”.
ISIN Code / Common Code	ISIN Code: BE0002169358 Common Code: 043006053
Selling Restrictions	Restrictions apply to offers, sales or transfers of the Bonds in various jurisdictions. See "Subscription and Sale". In all jurisdictions offers, sales or transfers may only be effected to the extent lawful in the relevant jurisdiction. The distribution of the Prospectus or of its summary may be restricted by law in certain jurisdictions.

3. DESCRIPTION OF THE RISK FACTORS

Here below is a list of the potential risk factors associated with the Issuer and the Bonds. Please refer to the section of the Prospectus called “Risk Factors” for a complete description thereof.

(a) Factors that may affect the Issuer’s ability to fulfil its obligations under the Bonds A4 - 4

The risk factors relating to Solvay SA are set out in the section "Risk Factors" of this Prospectus. These risks factors are the following:

- Market & Growth – Strategic risk,
- Supply Chain and Manufacturing risk,
- Regulatory, Political and Legal risk,
- Corporate Governance and risks attached to Internal Procedures,
- Financial risk,
- Product risk,
- Risk to people,

- Environmental risk,

- Information and IT risk,

- Reputational risk.

(b) Factors which are material for the purpose of assessing the market risks associated with the Bonds A5 - 2.1

- Bonds may not be a suitable investment for all investors

- There is no active trading market for the Bonds

- The Bonds may be redeemed prior to maturity

- Interest rate risks

- Market Value of the Bonds

- Global Credit Market Conditions

- Representation of Bondholders

- EU Savings Directive

- Belgian Withholding Tax

- Taxation

- Change of law

- Relationship with the Issuer

- Reliance on the procedures of the Clearing System, Euroclear and Clearstream, Luxembourg for transfer, payment and communication with the Issuer

- The Domiciliary Agent is not required to segregate amounts received by it in respect of Bonds cleared through the X/N Clearing System

- Exchange rate risks and exchange controls

- Potential Conflicts of Interest.

- Legal investment considerations may restrict certain investments

RISK FACTORS

The following is a description of risk factors which are material in respect of the Bonds and the financial situation of the Issuer and which may affect the Issuer's ability to fulfil its repayment obligations under the Bonds and which prospective investors should consider carefully before deciding to purchase the Bonds. The sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. The following statements are not exhaustive: prospective investors should read and consider all of the information provided in this Prospectus or incorporated by reference in this Prospectus and should make their own independent evaluations of all risk factors and consult with their own professional advisers if they consider it necessary. Terms defined in "Terms and Conditions of the Bonds" below shall have the same meaning where used below.

1. FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE BONDS A4 - 4

The risk factors relating to Solvay SA are set out in particular in the section "Management of Risks" on pages 107 to 114 of the Financial Statements of the Annual Report of Solvay SA for the year ended 31 December 2008 incorporated by reference into this Prospectus, as set out in the section "Documents Incorporated by Reference" of this Prospectus.

Acting responsibly as a corporate citizen and caring for the health, safety and environment of its employees and the community at large are key components of Solvay's vision that are embedded through the Group's Responsible Care® policy.

Since its foundation in 1863, Solvay has successfully demonstrated its ability to anticipate and respond appropriately to an ever-changing world and to achieve sustainable and profitable growth with a profound respect and concern for the environmental and social contexts in which it operates. During its June 2006 strategic review, the Executive Committee highlighted risk management as a priority, and decided to further enhance the related processes and measures implemented throughout the Group. Solvay is attentive to taking adequate and selective measures to continue on this path. In the context of the present economic and financial crisis, these elements constitute very important assets for helping the Group to face its various challenges.

In its 146-year history, Solvay has built up a solid track record of good practices in the management of the risks inherent to its chemical and pharmaceutical activities. The diverse businesses within the Group generate a variety of risks, some of which could possibly affect the Company as a whole. But diversification contributes to the reduction of the overall risk, as the Company's different businesses, processes, policies and structures offset some risks against each other, merely through a balanced portfolio of products.

Solvay's policy is to achieve good Enterprise Risk Management:

– our policy is to identify, assess and manage all potentially significant business opportunities and risks, by applying systematic risk management integrated with strategy, business decisions and operations;
– while continuously improving our risk management capabilities, we achieve risk awareness and confidence in entrepreneurship and make risk management part of everyone's job.

Solvay has defined ten categories of risk:

– Market & Growth – Strategic risk,

– Supply Chain and Manufacturing risk,
– Regulatory, Political and Legal risk,
– Corporate Governance and risks attached to Internal Procedures,
– Financial risk,
– Product risk,
– Risk to people,
– Environmental risk,
– Information and IT risk,
– Reputational risk.

A special Competence Center within Financial Management develops tools, provides advice and proposes strategies to help entities manage their risks more systematically. In the course of 2006-2008, each Business Unit was analyzed to identify the significant risks, in the above ten categories, and initiatives have been undertaken to mitigate the main ones among them. This group-wide risk analysis with ensuing risk reduction measures will be repeated in 2009. Risk management is now widely integrated into enterprise strategies, enabling the Group to move ahead in major investment strategies cognizant of the attached risks and taking the necessary steps to mitigate them.

The following objectives have been validated for 2012:

– systematically improving risk management in each of the ten categories;
– raising awareness so that each manager knows the main risks in his or her own area of responsibility, and steps that can be taken to reduce them.

The purpose of this report is to describe the risk associated with each category and to outline the actions undertaken by the Group to reduce that risk. The dramatic deterioration of financial markets and of global macro economic conditions has increased risks like volatility of raw material and energy prices, counterparty risks and reduced availability of funding. Solvay has responded with appropriate mitigation measures. The Sustainable Development initiative is helping to reduce risk and realize opportunities, especially in the Strategic Risk area.

The order in which these risk categories are listed is not an indication of their severity or probability. The mitigation efforts described are no guarantee that risks will not materialize but demonstrate the Group's efforts to reduce risk exposures in an entrepreneurial way.

(a) Market & Growth – Strategic Risk

Strategic Risk is Solvay's exposure to adverse developments in our markets or our competitive environment as well as the risk of making erroneous strategic decisions. Examples of such risks are technological leaps allowing the development of substitute products or manufacturing processes, drastic changes in energy prices, the lack of success of a new product, product pipeline failures, scarcity of key raw materials, reduction of demand in our main markets as a consequence of new legislation, events affecting our most important customers, significant imbalances between supply and demand in our markets, and major social crises.

Prevention and Mitigation efforts

The potential impact of adverse events is managed at Group level, and involves in particular:

– Managing activities and maintaining a balanced portfolio of products,

– Diversification of the customer base in different market segments,

– Adaptation of operations to the changing macroeconomic and market environment,

– Selective vertical integration to limit potential cumulative effects from raw materials,

– Strict financial policy of controlling the net debt to equity ratio.

The periodic review of the main macroeconomic assumptions, market assumptions and key strategic issues of each Strategic Business Unit (SBU) for the next five years is managed in the strategy and plan process of the Group. The strategy phase focuses on market and competitive environment assumptions and on the strategic options of each SBU. The planning phase focuses on the business plan, scenarios, and on the main projects on which execution of the strategy relies. The strategy and business plans of each SBU are presented by the management of the SBU to, discussed with and amended and approved by the Executive Committee. The Corporate Development department acts as facilitator in the process, cross-checking assumptions between the different business units and with external sources. Corporate Development continuously updates its strategic analysis of the competitive environment. The major strategic orientations are submitted to the Board of Directors, which has the ultimate responsibility for the Group's strategy.

(b) Supply Chain and Manufacturing Risk

Supply Chain and Manufacturing Risk attached to production units is Solvay's exposure to risks associated with raw material, suppliers, production units and transportation, such as risks of major equipment failure or damage, transportation accidents, drastic shortages of raw materials or energy, natural disasters or transportation strikes.

Prevention and Mitigation efforts

Key risk areas are addressed with policies and risk control programs such as health and safety, process safety, risk engineering, integrated resource planning and supply chain optimization systems (ERP), emergency response, central and local crisis management, business continuity, etc.

Our plants are regularly subject to audits and in this context the risks of damage to production units and consequential business interruption events are identified and quantified by risk engineers. Solvay evaluates the recommendations and implements those it finds appropriate.

The geographical distribution of production units around the world reduces the overall impact of one production unit being damaged or interrupted. Some pharmaceutical and specialty products are however, only produced in one single plant. The inventories of finished products and raw material for pharmaceutical and some specialty products are managed to create buffer stocks.

Solvay buys insurance to reduce the financial impact of potential events causing extensive damage and consequential interruption of supply.

In reference to Raw Materials, in addition to owning several mines and quarries, Solvay reduces the risk of disruption (availability, reliability and price) by:

– the use of medium and long-term contracts,

– the diversity and the flexibility of the sources of raw materials to the extent possible,

– the development of partnerships with preferred suppliers,

– processes to ensure REACH compliance up the supply chain and/or substitution, to minimize the risk of raw materials disruption.

In the field of Energy Supply, Solvay has been consistently implementing programs to reduce its energy consumption for many years. While Solvay has energy-intensive industrial activities, particularly in Europe (soda ash, electrolysis), it also operates a range of industrial activities with a relatively low energy consumption, in particular in the Pharmaceuticals Sector and SBU Specialty Polymers.

The risk exposure to availability and reliability of energy supply has to be managed well. A number of strategic initiatives are realized by Solvay to reduce the effect of the volatility of energy markets:

– technological leadership in processes, to minimize energy consumption;

– high-performance industrial operations;

– diversification and flexible use of the different types and sources of primary energies;

– long-term partnerships or backward integration in steam and electricity generation (gas cogeneration, biomass or secondary fuels cogeneration,…);

– strategy of supply coverage with medium to long-term contracts;

– mitigation of price volatility by the development of hedging.

As permitted by the specific market conditions of each SBU, price increases are negotiated to offset the increase of energy costs. Solvay is a founding member of Exeltium, a project by a group of electro-intensive industries in France intended to ensure reliable and sustainable energy supply at a competitive price. In Belgium, Solvay is examining a similar project called Blue Sky.

Solvay is monitoring the effect of the Kyoto protocol and the cost of CO2 emissions. The Kyoto protocol is endorsed by Solvay and is integrated in its strategy as it at least indirectly affects every company including upstream operators (through energy cost and raw materials) and downstream businesses (with an impact on transport, contractors and customers).

In 2008, Solvay committed to a structured program dedicated to Sustainable Development. It includes objectives to reduce by 2020 Solvay's energy consumption and greenhouse gas emissions by 20 % (compared to 2006 levels).

(c) Regulatory, Political and Legal Risk

Regulatory Risk is Solvay's exposure to events like the non-approval of a new pharmaceutical product, government price regulation, new legislation affecting imports and exports, new regulations banning a product, setting marketing and use restrictions or making it uneconomical to produce, etc.

Legal Risk is the exposure to adverse consequences of non-compliance with regulations or contractual undertakings, or the loss of rights or benefits expected from protection by regulation or contract. This includes various areas like product liability, administrative or criminal sanctions, contractual or intellectual property disputes, as well as the potentially adverse outcome of ongoing litigation. The significant deterioration of macro economic conditions may also create potential risks of contractual non-performance.

Political Risk is Solvay's exposure to, for example, the destruction or loss of control of production means or the unavailability of raw materials, utilities or logistic or transport facilities resulting from political decisions, civil war, nationalization, terrorism or other circumstances where the normal exercise of public authority is disrupted.

Solvay must obtain and retain regulatory approval for operating most of its production facilities, and for its products. Regulatory approval is required for the marketing and sale of pharmaceutical products and specialty products for specific uses like healthcare. A significant number of substances manufactured or used in Solvay activities (chemicals, plastics and pharmaceuticals) will require registration under the REACH Regulation, in addition to the other requirements preexisting to REACH, related to applications (such as food/feed, food contact, cosmetics, etc.).

Given the international scope of the Group, those regulatory approvals emanate from authorities or agencies in many countries. The withdrawal of any previously granted approval or the failure to obtain an authorization may have an adverse effect on our business and operating results. The same could also apply in the case of regulatory changes likely to cause us to incur additional costs.

To the same extent, the existence of price controls in the Pharmaceuticals Sector negotiated with or imposed by relevant health authorities or the possible existence of trade barriers and tariffs could also limit our revenues and have an adverse impact on our business and operating results.

The geographical spread of the Group around the world is a factor reducing some regulatory and political risks.

Prevention and Mitigation efforts

Proper design of products and their production processes contributes to the management of regulatory and legal risks, as do timely and thorough applications for necessary approvals.

In pharmaceuticals, processes have been set up for contacts with regulators and to promote the accurate and appropriate flow of product information among all stakeholders, such as prescribers, patients, and regulators supervising and controlling product use.

In Chemicals and Plastics, Solvay has set up a dedicated organization to deal with compliance with specific product regulations covering pharmaceuticals, medical devices, cosmetics, personal care, food, feed and related packaging.

In 2008, Solvay achieved the pre-registration of all its products concerned by REACH.

To manage legal risk Solvay maintains in-house legal and intellectual property resources, and relies on additional external professional resources as appropriate. The simple fact of doing business exposes Solvay to disputes and litigation. Adverse outcome of such disputes or litigations is always possible. The Group is managing this risk by relying on internal and external resources and by making appropriate financial provisions.

In the chemicals and plastics industries, technological know-how can remain protected by way of trade secret, which is often a good substitute for patent protection and Solvay is, in many cases, a leader in the technological know-how for its production processes. However, Solvay systematically considers patenting new products and processes and maintains continuous efforts to preserve its proprietary information.

In respect of political risks, Solvay’s actions include risk-sharing with local or institutional partners as well as insurance solutions.

(d) Corporate Governance and Risk attached to Internal Procedures

The risk attached to Internal Procedures is Solvay’s exposure to failure to comply with its own Code of Conduct, policies and processes. Examples of risks are failed Human Resources strategy, failure to integrate an acquired company, failure to comply with internationally recognized Corporate Governance rules and good practices, etc.

Prevention and Mitigation efforts

In the field of Corporate Governance, Solvay has a comprehensive corporate governance charter, publicly available on www.solvay.com, and publishes its yearly report on the application of Solvay's Corporate Governance rules.

With respect to behavioral risks, training programs are being widely deployed in order to make managers aware of the importance of legal and antitrust risks. Training courses are organized to enhance ethical compliance with Solvay's Code of Conduct. Any violation of the Code will be acted upon.

Since 2007 a compliance organization under the leadership of the Group General Counsel has been in place to promote and monitor compliance with the Code of Conduct across the Group. Compliance Officers have been appointed in all regions. A training course entitled "One Group, One Code, One Path" has been deployed to familiarize all employees with the Code of Conduct and promote respect of it. Regular campaigns are organized to train new employees and to ensure that the rules of conduct are embodied in the way business is done at Solvay. Any violation of this code will lead to sanctions in accordance with prevailing legislation. Reporting of violations is encouraged and various avenues are proposed to employees including the Compliance Officers.

(e) Financial Risk

Financial Risk is Solvay's exposure to foreign exchange risk, liquidity risk, interest rate risk, counterparty risk (credit risk), or failure to fund pension obligations.

• Liquidity Risk relates to Solvay's ability to service and refinance its debt, including notes issued, and to fund its operations. This depends on its ability to generate cash from operations.

Prevention and Mitigation efforts

The Group is recognized as historically having a prudent financial profile, as illustrated by its "mid single A" rating (stable outlook). In particular credit spreads for "mid single A" issuers suffer less from deteriorating credit conditions than those of issuers with weaker ratings. Solvay maintains as its objective a net debt to equity ratio not durably exceeding 45 %. Its liquidity profile is very strong, mainly supported by long-term bond issuance (first significant maturity in 2014) and substantial liquidity reserves (cash and committed credit lines, including two syndicated loans of EUR 450 and 850 million respectively, and a credit line of EUR 350 million with the European Investment Bank).

• Solvay is naturally exposed to Foreign Exchange Risk as a consequence of its international activities. In its present structure, the Group's exposure is mainly associated with the EUR/USD risk, as the Group's overall activities generate a net positive USD flow. Consequently, a depreciation of the USD will generally result in lower revenues for Solvay.

Prevention and Mitigation efforts

The geographical diversification of production and sales provides a natural currency hedge because of the resulting combination of an income stream and an expense base in local currency. Furthermore, Solvay closely monitors the foreign exchange market and enters into hedging measures for terms of between 6 and 24 months whenever deemed appropriate. In practice, Solvay enters into forward and option contracts securing the EUR value of cash flows in foreign currency during the following months.

• Interest-rate risk is Solvay's exposure to fluctuating interest rates. In its present structure, the Group has locked in the largest part of its net indebtedness with fixed interest rates.

Prevention and Mitigation efforts

Solvay closely monitors the interest rate market and enters into interest rate swaps whenever deemed appropriate.

• Solvay is exposed to Counterparty Risk in its cash management and in its foreign exchange risk and interest rate risk management as well as in its commercial relations with customers. A default by one of Solvay's banking counterparties could cause a loss in value of one of its bank deposits or the loss of an interest rate or foreign exchange hedge. The failure to pay by one of Solvay's customers could lead to a write-down on the trade receivables.

Prevention and Mitigation efforts

Solvay manages its financial counterparty risk by working with banking institutions of the highest caliber (with selection based on major rating systems) and minimizes the concentration of risk by limiting its exposure to each of these banks to a certain threshold, set in relation to the institution's credit rating. Furthermore, 60 % of turnover is assigned to an in-house factoring company, Solvay CICC, which is in charge through a network of credit managers of risk assessment per country / customer and of cash collection. A Risk Committee follows the performance of the customer portfolio and sets credit policy guidelines. Solvay CICC receivables are reinsured, depending on the country, by Euler Hermes or Ducroire.

• With regard to the Risk of Funding Pension Obligations, Solvay is exposed whenever it operates defined-benefit plans. Fluctuations in discount rates, salaries and social security, longevity and asset / liability matching can have a major impact on the liabilities of such pension plans.

Prevention and Mitigation efforts

The Group has reduced its exposure to defined-benefit plans by converting existing plans into pension plans with a lower risk profile for future services or by closing them to new entrants. Examples of plans with a lower risk profile are hybrid plans, cash balance plans and defined-contribution plans. Solvay has developed guidelines and processes to better manage the pension funding risk. Over the past years the major defined-benefit pension plans (Germany, Netherlands, UK, USA, Spain and Belgium), representing more than 80 % of the Group's pension obligations (under IFRS), have been reviewed in line with the above principles. The previously announced global asset/liability management study was completed in 2007. This shows the level of risk to be within the predefined threshold. The exposure to equity risk has been reduced by temporary investment in cash and in long term bonds.

Following the asset/liability management study carried out in 2007, the Group has defined Pension Corporate Governance guidelines in order to maximize its influence over local pension fund decisions within the limits provided by local law, in particular, decisions related to investment and funding, selection of advisors, appointments of employer-nominated trustees to local pension fund boards and other cost management decisions. Implementation of the recommendations began in 2008 and will be finalized in 2009.

(f) Product Risk

• Product Liability Risk is Solvay's exposure stemming from injury or damage to third parties or their property arising from the use of a Solvay product, as well as the resulting litigation. Product liability may arise from out-of-specification products, inappropriate use or previously unidentified effects. Risks in Chemicals and Plastics also include the possibility of manufacturing errors resulting in defective products, product contamination or altered product quality and potential recalls.

Prevention and Mitigation efforts

Product liability exposure is reduced by quality assurance and control, adequate information and technical assistance to customers and health and safety programs. The Group supplies information relating to the safe use and handling of its products. For products with significant hazards, which in general are only sold directly to industrial users, the SBUs involved have product stewardship programs including material safety data sheets and regulatory compliance statements. Regulatory watch & intelligence processes are aimed at ensuring product regulatory compliance. In Pharmaceuticals, stringent processes govern product labeling. Implementation of the REACH directive is expected to result in a reduction of Product Liability Risk exposure in Europe.

• Product Development Risk is Solvay's exposure to failure to develop new products and technologies or scale up a process. Solvay's operating results depend, among other factors, on the innovation and development of commercially viable new products and production technologies. Because of the lengthy development process, technological challenges and intense competition, Solvay cannot ensure that the products it develops will become market-ready or achieve commercial success. If Solvay is unsuccessful in developing new products and production processes in the future, its competitive position and operating results will be harmed.

Prevention and Mitigation efforts

Solvay devotes substantial resources to Research and Development. Solvay continuously improves the competitiveness of its essential products over the long term, through technological improvements and innovation. Innovation is the cornerstone of the Group's strategy, and Solvay considers that managing the challenges related to product development is more about opportunity than risk for the company.

Management of R&D through programs and projects that are fully in line with Solvay's strategy enhances R&D performance and reduces the risk of failure.

Management by projects, with a conceptual and operational roadmap for moving a new product project from idea to launch, also ensures that resources are used in an optimal way.

Participation in venture capital funds allows Solvay to remain engaged at the forefront of emerging businesses such as alternative renewable energies and organic electronics.

Solvay launched a dynamic innovation program at corporate level nine years ago, covering its main fields of activity, including R&D.

(g) Risk to People

Risk to People is the exposure of employees, contractors and the public to adverse effects from Solvay's activities and products, for example from plant processes or from transportation of hazardous chemicals. A major accident can injure people or lead to the temporary closing of a plant and ultimately expose Solvay to significant liabilities.

Prevention and Mitigation efforts

Solvay considers the safety and health of people key aspects in the management of its activities. The Group has consistently developed and implemented stringent safety programs. Related policies and risk control programs apply to all production units and other facilities, including to contractors and newly acquired plants.

The risk of hazardous chemicals transportation is reduced by mapping and minimizing transport routes and by the operation of integrated production units, which do not require the transportation of intermediate goods.

Solvay follows the recommendations of associations like Eurochlor, ECVM or CTEF, and programs like Responsible Care®.

(h) Environmental Risk

Environmental Risk is Solvay's exposure stemming from the accidental release of a chemical substance following a plant equipment failure, a transport accident or production problems resulting in exceeding permitted emission levels.

Solvay operates manufacturing plants in many regions. Like most industrial equipment, this may create environmental risks through the accidental release of chemicals into the environment. Around 30 sites are covered by regulations dealing with major risks. Like most other industrial companies, Solvay has to manage and remediate historical soil contamination at some of its sites.

Prevention and Mitigation efforts

Solvay considers environmental protection as a key aspect in the management of its activities. Well-defined pollution and accident prevention measures have been in place at Solvay for a long time. Policies and risk control programs are applied in all production units and other facilities, including newly acquired plants. The Group has, in particular, taken the necessary steps to comply with regulations concerning major risks, which include detailed accident prevention measures. The Group has developed internal expertise in soil management. Hydrogeological studies and soil characterizations are conducted systematically to diagnose potential problems, evaluate risks to aquifers and discuss with the relevant authorities remediation or confinement actions. A number of such actions have been completed or are under way.

(i) Information and IT Risk

IT is integrated in the business to process and exchange information and to optimize business processes such as, for example, industrial production unit controls and management, inventory management, supply chain management and productivity enhancement. IT choices and strategy therefore strongly impact the business. The losses from outages, service-level degradation or IT systems failure can raise business continuity issues and can result in the loss of revenue.

Business information is a real asset within the corporation that must be valued and protected by structured processes like access management or controlled duplication. The two challenges regarding information assets are to reduce the risks of accidental unavailability or loss and the risks of deliberate misuse, abuse and theft.

Prevention and Mitigation efforts

Every employee is responsible for the appropriate management of information in compliance with the laws and policies related to information and to the use of IT systems. Internal IT specialists manage and safeguard systems and their integrity, and support and train employees in IT security, making regular back-up copies and ensuring safer use of the systems. In this area Solvay is investing strongly in communication towards all employees.

Some important IT systems are hosted and technically managed by external IT suppliers. The choice of these suppliers, the contractual conditions and the level of services they can provide are crucial to reducing the risks linked to IT.

(j) Reputational Risk

Reputation is a key asset. Loss of reputation can result in competitive disadvantage. The reputational risk deals with the subjective, composite perception of a company by its different stakeholders. Trust is a fundamental ingredient to reputation.

Prevention and Mitigation efforts

Besides overall good management, control practices and systems, efficient communication (transparent, consistent and timely) and long-term solid relationships, both inside and outside the organization, contribute in the long run to establishing trust. Among those relationships, Solvay participates in specific programs in the US (through the American Chemistry Council) and Europe (through CEFIC) to improve the reputation of the chemical industry.

Furthermore, communication processes, systems, plans and programs are established in order to create, develop and maintain a regular flow of two-way communication with the main stakeholders: shareholders and the financial community, employees, customers, authorities, local communities and opinion leaders, directly or through press and other media. Examples are the quarterly release of the Group’s results, internal magazines, websites, open doors, meetings and events.

Clear values supported by the Code of Conduct, combined with a high level of Corporate Governance, are instrumental in reducing the reputational risk.

Specific management and communication systems exist to give early warning of developing crises and to ensure an adequate response in the case of unexpected and sudden adverse events that can potentially harm the Group’s reputation. Dedicated people are trained to face such situations while crisis simulations are organized on a regular basis.

2. FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE BONDS A5 - 2.1

(a) Bonds may not be a suitable investment for all investors

Each potential investor in any Bonds must determine the suitability of that investment in light of its own circumstances.

A potential investor should not invest in the Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact the investment will have on the potential investor's overall investment portfolio.

(b) **There is no active trading market for the Bonds**

The Bonds are new securities which may not be widely distributed and for which there is currently no active trading market. If the Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds.

(c) **The Bonds may be redeemed prior to maturity**

In the event (i) of the occurrence of an event of default or (ii) that the Issuer would be obliged to increase the amounts payable in respect of any Bonds due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Belgium, or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all Bonds in accordance with the Conditions.

(d) **Interest rate risks**

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

(e) **Market Value of the Bonds**

The value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

(f) **Global Credit Market Conditions**

Potential investors should be aware of the prevailing and widely reported adverse global credit market conditions (which continue at the date hereof), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Bonds. The Issuer cannot predict when these circumstances will change and if and when they do there can be no assurance that conditions of general market illiquidity for the Bonds and instruments similar to the Bonds will not return in the future.

(g) **Representation of Bondholders**

The Terms and Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

(h) EU Savings Directive

Under the EC Council Directive 2003/48/EC on the taxation of savings income (the "EU Savings Directive"), member states of the European Economic Union (the "EU Member States" and each a "EU Member State") are required to provide to the tax authorities of another EU Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other EU Member State or to certain limited types of entities established in that other EU Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the Commission's advice on the need for changes to the EU Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the EU Savings Directive, they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a paying agent established in Belgium or any other state which applies the withholding tax system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor the Agent nor any other person would be obliged to pay additional amounts to the Bondholders or to otherwise compensate Bondholders for the reductions in the amounts that they will receive as a result of the imposition of such withholding tax.

(i) Belgian Withholding Tax

If the Issuer, the NBB, the Agent or any other person is required to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of the Bonds, the Issuer, the NBB, the Agent or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

The Issuer will pay such additional amounts as may be necessary in order that the net payment received by each Bondholder in respect of the Bonds, after withholding for any taxes imposed by tax authorities in the Kingdom of Belgium upon payments made by or on behalf of the Issuer in respect of the Bonds, will equal the amount which would have been received in the absence of any such withholding taxes, except that no such additional amounts shall be payable in respect of any Bond in the circumstances defined in Condition 7, (a), (b), (c) and (d) of the Terms and Conditions of the Bonds.

(j) Taxation

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the

Bonds are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

(k) Change of law

The Terms and Conditions of the Bonds are based on the laws of the Kingdom of Belgium in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of the Kingdom of Belgium, the official application, interpretation or the administrative practice after the date of this Prospectus.

(l) Relationship with the Issuer

All notices and payments to be delivered to the Bondholders will be distributed by the Issuer to such Bondholders through the Clearing System. In the event that a Bondholder does not receive such notices or payments, its rights may be prejudiced but it may not have a direct claim against the Issuer therefore.

(m) Reliance on the procedures of the Clearing System, Euroclear and Clearstream, Luxembourg for transfer, payment and communication with the Issuer

The Bonds will be issued in dematerialised form under the Belgian Company Code and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the Clearing System.

Access to the Clearing System is available through its Clearing System participants whose membership extends to securities such as the Bonds. Clearing System participants include certain banks, stockbrokers *(beursvennootschappen/sociétés de bourse)*, and Euroclear and Clearstream, Luxembourg.

Transfers of interests in the Bonds will be effected between the Clearing System participants in accordance with the rules and operating procedures of the Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Clearing System participants through which they hold their Bonds.

The Issuer and the Agent will have no responsibility for the proper performance by the Clearing System or the Clearing System participants of their obligations under their respective rules and operating procedures.

A Bondholder must rely on the procedures of the Clearing System, Euroclear and Clearstream, Luxembourg to receive payments under the Bonds. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Bonds within the Clearing System.

(n) The Domiciliary Agent is not required to segregate amounts received by it in respect of Bonds cleared through the X/N Clearing System

The Conditions of the Bonds and the Agency Agreement provide that the Agent will debit the relevant account of the Issuer and use such funds to make payment to the Bondholders. The obligations of the Issuer will be discharged by payment to, or to the order of, the Agent in respect of each amount so paid.

The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, directly or through the NBB, any amounts due in respect of the relevant Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds, and in the event that the Agent were subject to insolvency proceedings at any time when it held any such amounts, Bondholders would not have any further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in accordance with applicable Belgian insolvency laws.

(o) Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Bonds and (3) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

(p) Potential Conflicts of Interest.

The Issuer may from time to time be engaged in transactions involving an index or related derivatives which may affect the market price, liquidity or value of the Bonds and which could be deemed to be adverse to the interests of the Bondholders.

The Agent and the Managers (both as defined below) might have conflicts of interests which could have an adverse effect to the interests of the Bondholders.

(q) Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Bonds are legal investments for it, (2) Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Bonds. The investors should consult their legal advisers to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with the audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2007 and 2008 together in each case with the audit report thereon, and with the press release listed hereunder, which have been previously published or are published simultaneously with this Prospectus and which have been filed with the CSSF. Such documents shall be incorporated in, and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. A4 - 13.1

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the registered offices of the Issuer, the website of the Issuer (www.solvay.com) and the website of the Luxembourg Stock Exchange (www.bourse.lu).

The table below sets out the relevant page references for the audited consolidated annual statements for the financial years ended 2008 and 2007 as set out in the Issuer's Annual Report.

Information contained in the documents incorporated by reference other than information listed below is for information purposes only, and does not form part of this Prospectus.

The Issuer confirms that it has obtained the approval from its auditors to incorporate by reference in this Prospectus the auditor's reports for the financial years ended 31 December 2008 and 31 December 2007.

Consolidated audited annual financial statements of the Issuer for the financial year ended 31 December 2008 and 31 December 2007

	Solvay SA Annual Report 2008
Consolidated income statement	Page 57
Consolidated balance sheet	Page 59
Consolidated cash flow statement	Page 58
IFRS accounting policies	Page 62
Notes to the financial statements	Page 70
Statutory auditor's report	Page 129
Report on the application of the Corporate Governance rules	Page 131

	Solvay SA Annual Report 2007
Consolidated income statement	Page 65
Consolidated balance sheet	Page 67
Consolidated cash flow statement	Page 66
IFRS accounting policies	Page 70
Notes to the financial statements	Page 75
Statutory auditor's report	Page 124
Report on the application of the Corporate Governance rules	Page 127

Other documents incorporated by reference

- Press release published on 12 May 2009 by the Issuer on its Q1 – 2009 results;

- Press release of 11 May 2009: Electrolysis: Solvay licenses out energy saving technology to Uhde. – Solvay – patented processes for brine treatment increases membrane life and cuts effluents of new plants.

- Press release of 22 April 2009: Note about the press release published on 1st April 2009 - Solvay confirms it is proceeding with an analysis of various options for its pharmaceutical activities;

- Press release of 1st April 2009: Solvay confirms it is proceeding with an analysis of various options for its pharmaceutical activities - Solvay Group wishes to react to the rumours reported today in a press article;

- Press release of 10 March 2009: Solvay announces the startup of SolVin's new production capacity for Diofan® PVDC latex at its Tavaux plant - Construction completed ahead of schedule to serve food & pharmaceutical packaging industry.

TERMS AND CONDITIONS OF THE BONDS A5 - 4.6

The following are the terms and conditions substantially in the form in which they will be endorsed on the Bonds.

The issue of minimum € 150,000,000 5.00 per cent. fixed rate Bonds due 12 June 2015 (the "**Bonds**", which expression includes any further bonds issued pursuant to Condition 11 (*Further Issues*) and forming a single series A5 - 4.11 herewith) by Solvay SA (the "**Issuer**") was authorised by resolutions of the Board of Directors of the Issuer on 12 May 2009. The issue date of the Bonds will be 12 June 2009 (the "**Issue Date**"). A5 - 4.12

A domiciliary agency agreement dated 15 May 2009 (the "**Agency Agreement**") has been entered into in relation to the Bonds between the Issuer and Fortis Bank NV/SA as domiciliary agent (the "**Agent**" or the "**Domiciliary Agent**"). Copies of the Agency Agreement are available for inspection during normal business hours at the registered office of the Agent (Montagne du Parc, 3, 1000 Brussels). The holders of the Bonds (the "**Bondholders**") are bound by and are deemed to have notice of all the provisions of the Agency Agreement applicable to them.

A clearing agreement dated 15 May 2009 (the "**Clearing Agreement**") has been entered into in relation to the clearing of the Bonds between the Issuer, the National Bank of Belgium and the Agent.

References herein to "**Conditions**" are, unless the context otherwise requires, to the numbered paragraphs below.

1. FORM AND DENOMINATION

(a) **Form and denomination:** The Bonds will be issued in dematerialised form under the Belgian A5 - 4.1 Company Code (*Wetboek van Vennootschappen / Code des Sociétés*) (the "**Belgian Company Code**") A5 - 4.3 and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the X/N securities and cash clearing system operated by the National Bank of Belgium (the "**NBB**") or any successor thereto (each of the NBB and such successor, the "**Clearing System**"). The Bonds are accepted for clearance through the Clearing System, and are accordingly subject to the applicable clearing regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the rules of the clearing and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition being referred to herein as the "**Clearing System Regulations**"). The Bonds cannot be exchanged for bonds in bearer form.

If at any time the Bonds are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply *mutatis mutandis* to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an "**Alternative Clearing System**").

(b) **Denomination:** The Bonds will have a denomination of €1,000. A5 - 4.4 A5 - 5.1.5

2. STATUS

The Bonds constitute direct, general and unconditional obligations of the Issuer which will at all times A5 - 4.5 rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

3. NEGATIVE PLEDGE

(a) Restrictions:

So long as any Bond remains outstanding, the Issuer shall not, and the Issuer shall procure that none of its Material Subsidiaries will, create or permit to subsist any Security Interest (other than a Security Interest created on any asset acquired by the Issuer or any Material Subsidiary for the sole purpose of financing or refinancing that acquisition, or existing on such asset at the time of its acquisition, provided that the value of such Security Interest does not exceed the value of the corresponding asset) upon the whole or any part of its present or future assets or revenues (including uncalled capital) to secure any Relevant Indebtedness without (a) at the same time or prior thereto securing the Bonds equally and rateably therewith or (b) providing such other security for the Bonds as may be approved by an Extraordinary Resolution of Bondholders.

(b) Definitions: For the purposes of these Conditions:

"**Extraordinary Resolution**" means any resolution of the holders of Bonds of one or more series adopted in accordance with Articles 568 sq. of the Belgian Company Code;

"**Indebtedness**" means any financial indebtedness of any Person for money borrowed or raised;

"**Material Subsidiary**" means any Subsidiary of the Issuer whose net sales or whose net assets represent at least 5 per cent. of the consolidated net sales or of the consolidated net assets, as applicable, of the Issuer and its consolidated Subsidiaries, as calculated by reference to the then latest audited accounts or consolidated accounts, as the case may be, of such Subsidiary and the then latest audited consolidated accounts of the Issuer and its consolidated Subsidiaries;

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Relevant Indebtedness**" means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

"**Security Interest**" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"**Subsidiary**" means, in relation to any Person (the "**first Person**") at any particular time, any other Person (the "**second Person**"):

(i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or

(ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

4. INTEREST

The Bonds bear interest from and including 12 June 2009 (the "**Interest Commencement Date**") at the A5 - 4.7
rate of 5.00 per cent. per annum, payable annually in arrear on 12 June in each year (each, an "**Interest**

Payment Date") commencing 12 June 2010. The Bonds will cease to bear interest from and including the due date for redemption unless payment of principal in respect of the Bonds is improperly withheld or refused. In such event the Bonds shall continue to bear interest at such rate (both before and after judgment) until the day on which all sums due in respect of the Bonds up to that day are paid to the NBB for the benefit of the Bondholders .

Where interest is to be calculated in respect of a period which is shorter than an Interest Period it shall be calculated on the basis of the actual number of days in the relevant period, from and including the immediately preceding Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the date on which it falls due, divided by the number of days in the Interest Period.

The period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an "**Interest Period**".

5. REDEMPTION AND PURCHASE

(a) **Final redemption:** Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 12 June 2015. The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 5. A5 - 4.8

(b) **Redemption for tax reasons:** The Bonds may be redeemed at the option of the Issuer in whole, but not in part on any Interest Payment Date, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable), at their principal amount, together with interest accrued (if any) to the date fixed for redemption, if:

(i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (Taxation) as a result of any change in, or amendment to, the laws, treaties or regulations of the Kingdom of Belgium or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, treaties or regulations, which change or amendment becomes effective on or after the Issue Date; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Domiciliary Agent (1) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Upon the expiry of any such notice as is referred to above, the Issuer shall be bound to redeem the Bonds to which such notice refers in accordance with the relevant sub paragraph of this Condition 5(b).

(c) **Notice of redemption:** In the event that notice of redemption of the Bonds is given under this Condition, the Bonds shall be redeemed on the date specified in such notice in accordance with this Condition.

(d) **Purchase:** The Issuer and any of its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price, in accordance with any applicable legislation.

(e) **Cancellation:** All Bonds so redeemed or purchased under this Condition will be cancelled and may not be re-issued or resold.

6. PAYMENTS

(a) **Method of Payment:** All payments of principal or interest owing under the Bonds shall be made through the Agent and the Clearing System in accordance with the Clearing System Regulations. The payment obligations of the Issuer under the Bonds will be discharged by payment to the Agent in respect of each amount so paid.

(b) **Payments subject to fiscal laws:** All payments in respect of principal and interest on the Bonds are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 7.

(c) **Non-Business Days:** If any date for payment in respect of the Bonds is not a business day, the holder shall not be entitled to payment until the next following business day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding business day, nor to any interest or other sum in respect of such postponed or anticipated payment. For the purpose of calculating the interest amount payable under the Bonds, the Interest Payment Date shall not be adjusted. In this paragraph, "**business day**" means a day on which the Target System is operating, and "**Target System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

7. TAXATION

All payments of principal and interest by or on behalf of the Issuer and/or by a clearing system and/or a participant in a clearing system in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Belgium or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Bond:

(a) **Other connection**: to, or to a third party on behalf of, a holder who is (i) entitled to avoid such deduction or withholding by making a declaration of non-residence or other similar claim for exemption, or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with Belgium other than by reason of (a) the mere holding of or (b) the receipt of principal, interest or other amount in respect of the Bond or

(b) **Payment to non Eligible Investors**: to, or to a third party on behalf of, a holder who on the date of acquisition of such Bond, was not an Eligible Investor or who was an Eligible Investor on the date of acquisition of such Bond but, for reasons within the Bondholder's control, ceased to be an Eligible Investor or at any relevant time on or after the issue of the Bonds, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the law of 6 August 1993 relating to certain securities or

(c) **Payment to individuals or certain transparent entities:** where such withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC on taxation of savings income or any other Directive, Regulation, Decision or other Act implementing the conclusions of the

ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law or other form of legislation implementing or complying with, or introduced in order to conform to, such Directive, Regulation, Decision or other Act or any related international agreement concluded with certain dependent or associated territories of the EU or the Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008 relating to the payment of interest to Luxembourg individual residents, as such law may be amended or replaced in the future or

(d) **Payment by another financial institution**: where the Bond is held by or on behalf of a holder who would have been able to avoid such withholding or deduction by holding the relevant Bond in a securities account with another financial institution in a Member State of the European Union.

As used in this Condition, "**Eligible Investor**" means those entities which are referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax and which hold the Bonds in an exempt account in the X/N Clearing System, and as described below under "Taxation".

8. EVENTS OF DEFAULT

If any of the following events occurs:

(a) **Non-payment:** the Issuer fails to pay any amount of principal in respect of the Bonds within 2 days of the due date for payment thereof or fails to pay any amount of interest in respect of the Bonds within seven days of the due date for payment thereof; or

(b) **Breach of other obligations:** the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Bonds and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer by any Bondholder, has been delivered to the Issuer or to the registered office of the Domiciliary Agent; or

(c) **Cross-default of Issuer or Material Subsidiary:**

(i) any Indebtedness of the Issuer or any of its Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period;

(ii) any such Indebtedness becomes due and payable prior to its stated maturity otherwise than at the option of the Issuer or (as the case may be) the relevant Material Subsidiary or (provided that no event of default, howsoever described, has occurred) any Person entitled to such Indebtedness; or

(iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any Indebtedness;

provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or subparagraph (ii) above individually or in the aggregate exceeds Euro 50,000,000 (or its equivalent in any other currency or currencies); or

(d) **Insolvency etc:** (i) the Issuer or any of its Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or any of its Material Subsidiaries or the whole or any part of the undertaking, assets and revenues of the Issuer or any of its Material Subsidiaries is appointed (or application for any such appointment is made), provided that in case of involuntary bankruptcy or reorganisation filing, the event of default shall exist if such filing is not dismissed within 60 days (iii) the Issuer or any of its Material Subsidiaries takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness given by it or (iv) the Issuer ceases or threatens to cease to carry on all or any substantial part of its business; or

(e) **Winding up etc:** an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries; or

(f) **Analogous event:** any event occurs which under the laws of the jurisdiction of incorporation of the Issuer has an analogous effect to any of the events referred to in paragraphs (d) and (e) above; or

(g) **Failure to take action etc:** any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under and in respect of the Bonds, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Bonds and the coupons admissible in evidence in the courts of the Kingdom of Belgium is not taken, fulfilled or done; or

(h) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds;

then any Bond may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the registered office of the Domiciliary Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its principal amount together with accrued interest (if any) without further action or formality.

9. PRESCRIPTION

Claims for principal or interest under the Bonds shall become time barred ten or five years, respectively, after the appropriate relevant due date. A5 - 4.7

10. MEETINGS OF BONDHOLDERS AND MODIFICATION A5 - 4.10

(a) **Meetings of Bondholders:** Meetings of Bondholders may be convened to consider certain matters relating to the Bonds of one or more series, including the modification of certain provisions of these Conditions, in accordance with Articles 568 sq. of the Belgian Company Code. The matters in respect of which the Belgian Company Code permits an Extraordinary Resolution to be passed include the acceptance, modification or release of security, the postponement, reduction or other modification of interest payments, the postponement, suspension or other modification of principal payments, the exchange of Bonds for shares, the adoption of precautionary measures of common interest, and the appointment of a common representative of the Bondholders.

A meeting of Bondholders may be convened by the board of directors or the auditor of the Issuer. The board of directors of the Issuer must convene a meeting of the holders of the Bonds upon request of Bondholders holding at least one fifth of the outstanding Bonds. Convening notices will be published in the *Moniteur belge / Belgisch staatsblad* and in daily newspapers in accordance with the rules set out in the Belgian Company Code. The required quorum will be one or more Bondholders holding at least one half of the outstanding Bonds; if such quorum is not present, a second meeting will be convened where no quorum requirement will apply. The adoption of Extraordinary Resolutions requires a 75% majority. If, however, the Bondholders voting in favour of an Extraordinary Resolution represent less than one third of the outstanding Bonds, the Extraordinary Resolution will be subject to approval by the court of appeal. The above quorum and special majority requirements do not apply to Extraordinary Resolutions aiming at the adoption of precautionary measures of common interest or the appointment of a common representative of the Bondholders.

Duly approved Extraordinary Resolutions will be binding on all Bondholders.

(b) **Modification:** The Bonds and these Conditions may be amended without the consent of the Bondholders or the couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Bondholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Bondholders.

11. FURTHER ISSUES

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the Bonds or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds.

12. NOTICES

Notices to the Bondholders shall be valid (i) if delivered by or on behalf of the Issuer to the Clearing System for communication by it to Clearing System participants and (ii) if published in two leading newspapers having general circulation in the Kingdom of Belgium (which are expected to be *L'Echo* and *De Tijd*). Any such notice shall be deemed to have been given on the latest date of (i) seven days after its delivery to the Clearing System and (ii) the publication of the latest newspaper containing such notice.

So long as the Bonds are listed on the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published in one daily newspaper published in Luxembourg or on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice will be deemed to have been given on the date of first publication.

In addition to the above communications and publications, with respect to notices for a meeting of Bondholders, any convening notice for such meeting shall be made in accordance with Article 570 of the Belgian Company Code, by an announcement to be inserted at least fifteen days prior to the meeting, in the Belgian Official Gazette (*Moniteur belge – Belgisch Staatsblad*) and in a newspaper with national coverage. Resolutions to be submitted to the meeting must be described in the convening notice.

13. GOVERNING LAW

(a) **Governing Law:** The Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law. A5 - 4.2

(b) **Jurisdiction:** The courts of Brussels, Belgium, are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Bonds ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission shall not limit the right of any of the Bondholders to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not), if and to the extent allowed by any applicable law.

CLEARING

The Bonds will be accepted for clearance through the Clearing System under the ISIN number BE0002169358 and Common Code 043006053 with respect to the Bonds, and will accordingly be subject to the Clearing System Regulations. A5 - 4.1

The number of Bonds in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB.

Access to the Clearing System is available through those of its Clearing System participants whose membership extends to securities such as the Bonds.

Clearing System participants include certain banks, stockbrokers (*beursvennootschappen / sociétés de bourse*), and Euroclear and Clearstream, Luxembourg. Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg.

Transfers of interests in the Bonds will be effected between Clearing System participants in accordance with the rules and operating procedures of the Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Clearing System participants through which they hold their Bonds.

The Agent will perform the obligations of domiciliary agent included in the Clearing Agreement.

The Issuer and the Agent will not have any responsibility for the proper performance by the Clearing System or its Clearing System participants of their obligations under their respective rules and operating procedures.

DESCRIPTION OF ISSUER

A4 - 5

1. OVERVIEW

Solvay – an international Chemical and Pharmaceutical Group

Founded in 1863, Solvay SA (or "Solvay") is the parent company and constitutes with its affiliates an international pharmaceutical and chemical group (the "Solvay Group" or the "Group"), headquartered in Brussels (Belgium) with its registered address at Rue du Prince Albert, 33, B-1050 Brussels (telephone n°: 322 509 6239). Solvay was incorporated on 26 December 1863 in accordance with Belgian law (registration n°: VAT BE 403 091 220, RPM-RLP Brussels), for an unlimited duration.

A4 – 5.1.1
A4 – 5.1.2
A4 – 5.1.3
A4 – 5.1.4
A4 – 7.1
A4 – 14.2.1

The Solvay Group is active in three sectors - pharmaceuticals, chemicals and plastics - representing respectively 28%, 33% and 39% of the 2008 sales; it has built strong leadership positions in selected markets and products. It is an international company with more than 400 sales and production facilities in 50 countries on every continent. In 2008, about 95% of sales came from outside Belgium and about 50% from outside the European Union. Solvay employed at the end of 2008 some 29,000 employees.

In 2008, sales amounted to EUR 9.5 billion, operating result to EUR 965 million and REBITDA to EUR 1.4 billion.

The Solvay Group pursues its strategy for sustainable and profitable growth. It gives the priority to growth in selected areas of Pharmaceuticals, chemicals and plastics and through geographical expansion in Asia, the Nafta and the Mercosur. It considers innovation to be the cornerstone for growth and competitiveness.

The Group is also convinced that good corporate citizenship is the key to sustainable growth. For the Group, sustainable development means conducting its activities in a way that balances respect for the environment with economic and social development that is sustainable in the long term.

SOLVAY is listed on NYSE-EURONEXT Brussels and part of the Euronext100 index of Top European companies and of the BEL20.

2. CORPORATE PURPOSE

A4 – 14.2.1

Article 3 of the Articles of Association2 (see www.solvay-investors.com) sets forth that the corporate purpose of the company is "the manufacture, exploitation, processing and trade - including the dispatch, transportation and storage - on its own account and for third parties of:

- alkalis, in particular soda ash, caustic soda and their derivatives;
- chlorine and chlorinated products;
- salts, phosphates, potash and fertilizers;
- peroxygens;
- organic polymers and finished products resulting from the processing thereof;

[2] Translation for information purposes only – the legally binding document is the French version

- and generally, of all chemical and biochemical products, including pharmaceutical and phytopharmaceutical products, veterinary products, additives and vitamins for animal feed, catalysts and products of the paint and construction industries, as well as all substances which are the raw materials or intermediates, products or by-products, derivatives or residues of the above-mentioned products.

The purpose of the Corporation is also to:

- establish companies or industrial, commercial or financial bodies, the activities of which directly or indirectly promote the development of one of the above-mentioned products or processes;

- the ownership of all equity in such companies or bodies;

- in general terms, any industrial, commercial, financial or research operations, or those involving real or movable property, with a direct or indirect connection to such activities."

3. FINANCIAL HIGHLIGHTS

A4 – 3
A4 – 13

Summary of Group Financial Data (*Consolidated figures – EUR millions*)

	2004	2005	2006	2007	2008
Sales	7271	8562	9399	9572	9490
REBIT[3]	741	912	1099	1192	965
Net results	541	816	817	828	449
Total depreciation and amortization	449	464	522	593	417
REBITDA	1146	1338	1568	1662	1436
Capital expenditures & acquisitions	564	1930	858	777	1320
Research investments	408	472	563	556	564
Total equity	3792	3920	4456	4459	4745
Net indebtedness	795	1680	1258	1307	1597
Employees[4]	26926	28730	29258	28340	29433

The Group's Sales in 2008 amounted to EUR 9.5 billion. The following table shows the sales by the Solvay Group for the three sectors in 2006, 2007 and 2008.

[3] REBIT = recurring EBIT

[4] Full-time equivalents as of January 1 of the following year, except for in 2008 (as of December 31 2008)

Sectors	2006 (EUR millions)	%	2007 (EUR millions)	%	2008 (EUR millions)	%	*2008 vs 2007*
Pharmaceuticals	2,601	*28%*	2,591	*27%*	2,699	*28%*	*+4%*
Chemicals	2,998	*32%*	3,031	*32%*	3,096	*33%*	*+2%*
Plastics	3,800	*40%*	3,950	*41%*	3,695	*39%*	*-6%*
Total	9,399	*100%*	9,572	*100%*	9,490	*100%*	*-1%*

Of the worldwide sales of the Group in 2008, 57% were generated in Europe, 31% in the Americas, 9% in the Asia-Pacific and 3% in the rest of the world.

The Group's REBIT in 2008 amounted to EUR 965 million. The following table shows the REBIT of the Solvay Group for the three sectors in 2006, 2007 and 2008.

Sectors	2006 (EUR millions)	%	2007 (EUR millions)	%	2008 (EUR millions)	%	*2008 vs 2007*
Pharmaceuticals	451	38%	457	37%	509	50%	*+11%*
Chemicals	315	27%	345	28%	238	24%	*-31%*
Plastics	409	35%	441	35%	264	26%	*-40%*
Total[5]	1,099	100%	1,192	100%	965	100%	*-19%*

4. SOLVAY SHARES

A4 – 12
A4 – 14.1

Solvay is highly visible on the following financial markets:

- on NYSE-EURONEXT in Brussels (part of the BEL20);
- in the United States in the form of AMERICAN DEPOSITARY RECEIPTS (ADRs) – each representing one share "sponsored" by Morgan Guaranty Trust New York and traded over-the-counter.

Solvac SA ("Solvac"), listed on NYSE-EURONEXT in Brussels, holds 30.07% of all Solvay shares. Solvac is a stable shareholder. In addition, just over 3% of the shares are held by Solvay Stock option Management SPRL (SSOM) to cover the Solvay stock options program. Apart from Solvac and SSOM, no shareholder has declared to hold more than 3% in the company as of the date of this Prospectus.

On May 12, 2009, the General Shareholders Meeting approved the payment of a gross dividend of 2.9333 EUR (2.20 EUR net) per share, stable compared to 2007.

[5] Including "Corporate and Business Support": EUR -76 million in 2006, EUR -51 million in 2007 and EUR -46 million in 2008.

This is in line with the dividend policy of the Group, namely to increase the dividend whenever possible, and, if possible, not to reduce it. Over the last 27 years, the dividend has progressively been increased and has never been reduced.

Data per share (in EUR)

At 31 December	**2004**	**2005**	**2006**	**2007**	**2008**
REBITDA	13.88	16.13	18.97	20.13	17.44
Net earnings	5.92	9.51	9.57	9.46	4.92
Gross dividend	2.53	2.67	2.80	2.93	2.93
Net dividend	1.90	2.00	2.10	2.20	2.20
Number of shares (in 000 – at Dec 31)	84,623	84,696	84,701	84,701	84,701

The registered capital of the Issuer is 1,270,516,995 EUR. It is represented by 84,701,133 shares without par value. These 84,701,133 shares without par value are fully paid shares. A4 – 14.1

5. RATING A5 – 7.5

(a) The Group Solvay has solicited its rating by two rating agencies:

- The Standard & Poor’s long- and short term ratings are A. On February 2009, Standard & Poor’s reaffirmed these ratings, revising its outlook to negative from stable.
- The Moody’s long- and short term ratings for Solvay are A2. On April 2009, Moody’s placed these ratings under review for downgrade.

(b) Explanations (extract from the rating agencies websites)

“*A Standard & Poor's issuer credit rating is a current opinion of an obligor's overall financial capacity (its creditworthiness) to pay its financial obligations. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation. In addition, it does not take into account the creditworthiness of the guarantors, insurers, or other forms of credit enhancement on the obligation. The issuer credit rating is not a statement of fact or recommendation to purchase, sell, or hold a financial obligation issued by an obligor or make any investment decisions. Nor does it comment on market price or suitability for a particular investor.*

Counterparty credit ratings, ratings assigned under the Corporate Credit Rating Service (formerly called the Credit Assessment Service) and sovereign credit ratings are all forms of issuer credit ratings.

Issuer credit ratings are based on current information furnished by obligors or obtained by Standard & Poor's from other sources it considers reliable. Standard & Poor's does not perform an audit in connection with any issuer credit rating and may, on occasion, rely on unaudited financial information. Issuer credit ratings may be changed, suspended, or withdrawn as a result of changes in, or *unavailability of, such information, or based on other circumstances. Issuer credit ratings can be either long term or short term. Short-term issuer credit ratings reflect the obligor's creditworthiness over a short-term time horizon.*

Long-Term Issuer Credit Ratings

An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.

Note: The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories."[6]

"Moody's long-term obligation ratings are opinions of the relative credit risk of fixed-income obligations with an original maturity of one year or more. They address the possibility that a financial obligation will not be honored as promised. Such ratings use Moody's Global Scale and reflect both the likelihood of default and any financial loss suffered in the event of default.

Obligations rated A are considered upper-medium grade and are subject to low credit risk.

Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Issuer Ratings are opinions of the ability of entities to honor senior unsecured financial obligations and contracts. Moody's expresses Issuer Ratings on its general long-term and short-term scales."[7]

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

6. STRATEGY

The strategy of change that was launched in 1998 had two major thrusts: strengthening leadership in all activities and faster development of the pharmaceuticals sector and specialties products.

This strategy, applied with determination, has yielded rich fruit. It continues to be expressed through a major reshaping of the product mix, remarkable growth in pharmaceuticals and specialties, reinforcement of the global leadership, good geographic diversification and the successful launch of innovation initiatives.

All this whilst maintaining a very healthy financial situation.

The June 2006 strategic review was intended to continue the work of the earlier reviews, which structured activities into Strategic Business Units and support functions into Competence Centres and Business Support Centres. In 2004 the Group focused its strategy on sustainable and profitable growth as follows:

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6 http://www2.standardandpoors.com/portal/site/sp/en/eu/page.article/2,1,1,4,1204846249462.html#ID503

7 From Moody's – Rating Symbols & Definitions – June 2008

- priority to growth in selected pharmaceuticals, chemicals and plastics areas;
- innovation, the key to growth and to constantly improving competitiveness;
- expanded presence in Asia, the Americas and Eastern Europe.

Aware that the success of its strategy is based on the men and women who work for Solvay, senior Group management devoted the 2006 strategic review to "People as the means of our success", defining major directions for Human Resources management and risk management. Two action programs were defined to optimize human resources and the processes necessary for generating growth through responsible management.

In 2007, the organizational and strategic choices defined during earlier reviews were again confirmed. These have proved to be wise choices: after strong performances in 2004, 2005 and 2006, the Group again posted excellent results in 2007.

The June 2008 strategic review made Sustainable Development the key point of focus. The anticipatory approach followed during this review aimed to prepare the Group to its long term future. A series of short, medium and long term objectives have been set in order to prepare the Group to answer the global challenges of tomorrow in terms of Sustainable Development (especially by optimizing its environmental and social footprint and by rethinking its businesses and R&D portfolio to provide solutions to the challenges of sustainability society is facing).

A4 – 6.1.1

7. THREE SECTORS OF ACTIVITY

The following table sets out the main areas of activities of the Solvay Group's three operating sectors, the net sales for such areas and the percentage of each area's net sales within each sector for the 2008 financial year.

Pharmaceuticals (EUR 2 699 M)	**%**	**Chemicals (EUR 3 096 M)**	**%**	**Plastics (EUR 3 695 M)**	**%**
Cardiometabolics	31%	Minerals cluster	46%	Specialties cluster	41%
Neuroscience	16%	*Soda ash*	40%	*Specialty Polymers*	27%
Influenza vaccines	5%	*Adv. Funct. Minerals*	6%	*Inergy Automotive Systems (JV 50/50 with Plastic Omnium)*	14%
Pancreatic enzymes	8%	Electrochemicals and Fluorinated products cluster	37%	Vinyls cluster	59%
Gastroenterology	10%	*Electrochemicals*	26%	*Vinyls*	47%
Women's and men's health	25%	*Fluorinated products*	11%	*Pipelife (JV 50/50 with Wienerberger)*	12%
Others	5%	Oxygen cluster	14%		
		Hydrogen peroxide	14%		

Pharmaceuticals	%	Chemicals	%	Plastics	%
		Organic cluster	2%		

8. MAIN MARKETS

A4 – 6.2

Solvay products cover many areas of daily life, including healthcare, food, clothes, household, transportation and communications.

In % of 2008 sales (EUR 9,490 M):

Human health	30%
Building and architecture	14%
Automotive industry	9%
Chemical industry	9%
Glass industry	6%
Electricity and electronics	5%
Water and the environment	4%
Paper	4%
Detergents, cleaning and hygiene products	3%
Packaging	3%
Consumer goods	2%
Food processing	1%
Other industries (refrigeration, oil industry, textiles, tanning, metalwork)	9%

The Pharmaceuticals sector has a worldwide market presence in carefully selected therapeutic areas of Cardiometabolics, Neuroscience, Influenza vaccines, Pancreatic enzymes, Gastroenterology and Women's & men's health.

The Chemicals sector is made up of products with widely ranging applications in various areas: healthcare, glass, paper, food, clothing, housing, transport, electricity and electronics, communication tools and environmental protection.

The Plastics sector covers a range of polymers with applications in, amongst others, the construction, transportation, medical and pipe industries. Solvay, through the Joint Ventures Inergy and Pipelife, is a global producer of plastic fuel systems for the automotive industry and also manufactures pipes. The development of Specialty Polymers provides an opening for high growth and high added value markets (for example, telecommunications, aeronautics and semi-conductors).

9. THE PHARMACEUTICALS SECTOR

(a) Key figures (EUR million)

	2006	2007	**2008**
Sales	2 601	2 591	**2 699**
REBIT	451	457	**509**
Depreciation	113	140	**121**
Capital expenditures	201	73	**506**
R&D	424	415	**428**
Headcount (FTE)6	10 088	9 178	**9 660**

(b) Recent Strategic Developments

A4 – 5.1.5

- Analysis by the Group of the different strategic options possible for its Pharmaceuticals Sector
- Continuation of INSPIRE project and launch of Transformation 2015 project
- Authorization of Creon® by the FDA

One of the strategic axes of the Solvay Group consists of an **evaluation of its activities at regular intervals** in order to determine their capacity to contribute to realization of its objectives. In this context, the Solvay Group is currently conducting an analysis of the different possible strategic options for its Pharmaceutical activities. At this stage, this does not involve any other decision in this respect.

Known under the name **INSPIRE**, Solvay Pharmaceuticals' integration and transformation project has as its primary goal improvement in the profitability of the Pharmaceuticals Sector by 2010 to reach an annual REBIT of EUR 640 million (REBIT/sales margin ≥ 20%). This goal will be reached in significant part through a program of continuous improvement in efficiency that should generate annual synergies of EUR 300 million by 2010. In 2008, cumulated annual savings reached about EUR 240 million. Additional savings anticipated for 2009 are EUR 35 million.

The savings realized were in part reinvested in activities designed to promote future growth and profitability. They also helped mitigate the effects of forced reductions in sales prices and the impact of generic products.

Solvay Pharmaceuticals launched its "**Transformation 2015**" project in order to prepare for the many challenges ahead for the pharmaceuticals industry. Different initiatives are under way, including the establishment of a new organization. The primary changes are creation of a separate Research department, the merger of Development and Marketing activities into the "Market Access" department and reinforcement of the "New Business Development" department. This new organization will

[6] Full-time equivalents at January 1 of the following year, except for in 2008 (as of December 31 2008)

improve supply of new molecules and ensure their development into new drugs offering added value to patients and all other stakeholders.

In **Research and Development**, the focus of the pipeline on two primary therapeutic areas, cardiometabolic and neuroscience, continued; added to these are two therapeutic niches: pancreatic enzymes and flu vaccines. An analysis of the therapeutic effects anticipated with respect to the current regulatory and economic environment limited the number of projects in development. The Research and Development budget for 2009 will be on the same order (EUR 435 million) as 2008.

Solvay Pharmaceuticals acquired the Belgian biotechnology firm **Innogenetics nv** in 2008. Solvay pursued development and expansion of the diagnostics activities of Innogenetics. In addition, the R&D competencies of the two companies were organized so as to accelerate development of Solvay's pipeline of therapies, through implementation of technologies relating to bio-markers, diagnostics and diagnostics-related products.

Solvay Pharmaceuticals is also reinforcing the **geographic expansion** of its major products (fenofibrate, Androgel®, Creon®, Duodopa®) by establishing solid commercial platforms in new markets, such as Russia, Brazil, Mexico, China, India, and Turkey. In 2008, emerging markets represented about 20% of sales in the Pharmaceuticals Sector.

In the **cardiometabolic franchise**, several important developments took place over the past few months in the treatment of dyslipidemia:

- In December 2008, the FDA approved for the American market the drug TriLipixTM, a new-generation fenofibrate co-developed with Abbott. This drug contributed to reduction of triglycerides and LDL ("bad" cholesterol) levels and an increase in the HDL ("good" cholesterol) levels in patients suffering from mixed lipid problems. TriLipixTM is the first and only fibrate whose use is indicated in combination with a statin. Results from the three Phase-III studies demonstrated that for patients suffering from mixed lipid problems, the combined treatment based on TriLipixTM and statins improved the three essential lipid parameters; its safety is comparable to the monotherapies (TriLipixTM or statins). Solvay Pharmaceuticals is co-promoting TriLipixTM with Abbott in the United States.

- Additionally, AstraZeneca and Abbott are continuing the joint development for the American market of a fixed-dose combined lipid treatment (Crestor® (rosuvastatin from AstraZeneca)/TriLipixTM). The new drug application is expected to be filed with the FDA in the second half of 2009. For its part, Solvay Pharmaceuticals is also pursuing development of a fixed-dose combined lipid treatment (simvastatin/fenofibrate) for Europe and the rest of the world outside the United States. The application is expected to be filed at the start of 2010.

Two other molecules are in phase-II development: SLV320 (acute cardiac failure) and Daglutril (SLV306: pulmonary hypertension).

In **neuroscience**, phase-III studies of pardoprunox (SLV308) are continuing, with a goal of submitting a registration application by 2012. With regard to Duodopa®, the phase-III studies began in the United States. In Japan, this molecule has obtained the status of "Orphan Drug". The development program for bifeprunox with Lundbeck in Europe is continuing. Development activities in the United States are on hold. Additionally, in November 2008, Solvay Pharmaceuticals acquired from the company Depomed. Inc. exclusive rights to Gabapentin ER® for the United States, Canada, Mexico and Puerto Rico. Gabapentin ER®, currently in phase-III development, will offer, once approved, a new alternative for treatment of post-therapeutic neuralgia.

In the area of **pancreatic enzymes**, Solvay Pharmaceuticals has obtained the approval from the FDA for Creon® in April 2009. With this approval, Creon® is the first and currently only pancreatic enzymes product approved in the US. It should be recalled that FDA has made compulsory the approval of all pancreatic enzymes currently sold on the American market before April 2010. Phase-III studies are under way in Japan in collaboration with our partner, Eisai.

The new manufacturing plant for production of **cell-based flu vaccines**, located in the Netherlands, is being validated. This is a necessary preliminary to any commercialization. This new plant began producing vaccines for clinical trials. The first commercialization of this new category of flu vaccines is set for 2009 in the Russian market.

In the United States, the American department of Health and Human Services (HHS) notified Solvay Pharmaceuticals to stop work related to the contract for design of a production unit in the United States and clinical development of a cell-based flu vaccine. This notification follows the decision by Solvay not to participate in the second round of bids with the HHS for construction of a vaccine-manufacturing facility in the United States. The development program of the vaccine for Europe and the United States is continuing.

In the area of **hormone replacement therapy**, Solvay Pharmaceuticals decided in March 2009 to stop the distribution of ESTRATEST® and ESTRATEST® H.S. This decision is part of the strategy of the Pharmaceuticals Sector to focus more of its resources in two key therapeutic areas: cardiometabolic and neuroscience. It is to be noted that increased competition in this market segment over the past years put pressure on sales of this drug, which amounted to EUR 38 million in 2008.

(c) 2008 in brief

In 2008, **Pharmaceuticals Sector sales** amounted to EUR 2,699 million, up by 4% compared to 2007. At constant exchange rates, they would have increased by 8%. The important sales growth of major products and miscellaneous income largely compensated for negative exchange rate effects (EUR -91 million) and the significant pressures from generic drugs competition, especially in France (EUR -24 million) and in the United States (Marinol®: EUR -58 million).

Sales are divided primarily between Europe (European Union: 36%) and Nafta (40%). In the United States, sales improved by 14% in USD (+7% in EUR); prescriptions and prices of the principal drugs continued to evolve favorably. Sales in Europe improved overall, due to the geographic expansion of our portfolio of products. Sales in emerging markets (Eastern Europe, Latin America, Asia Pacific and the Middle East) continued to grow. These markets represent in 2008 about 20% of sales.

Sales in cardiometabolics improved by 12% in EUR. Earnings from fenofibrate (TrilipixTM, TriCor®, Lipanthyl®) amounted to EUR 511 million, up by 18% (+24% at constant exchange rates). In the United States, sales of TriCor® 145mg NFE and TrilipixTM (USD 1,341 million) recorded by Abbott improved by 10% in 2008. It should be noted that the approval of TrilipixTM at mid-December generated revenues of EUR 39 million as a result of sales in the United States among others in order to fill the distribution network. Outside the United States, sales of fenofibrate were sharply up in other countries such as Australia, Turkey, Romania and Italy.

In neuroscience, sales declined by 6%. This reflects primarily the drop in sales of Marinol® (which became generic in June 2008) in its primary market, the United States.

Pancreatic enzymes (Creon®) improved by 9% and Gastroenterology by 4%.

In Men's and Women's Health, sales of Androgel® on the American market improved by 9% in EUR (and by +17% in USD).

Sales of flu vaccines were lower (Influvac® -9%) than last year due to a lower production volume compared to last year.

Operating result (EUR 509 million) improved by 11% compared to 2007. Two non-strategic products (Baldrian® and Alvityl®) were sold during the first half of 2008, generating results of EUR 44 million. These sales partially compensated for the unfavorable exchange rates, the expenses linked to co-promotion of Simcor® in the United States (EUR 58 million) and a reserve for bad debts of 10 MEUR recorded in December. R&D investments (EUR 428 million) were up by EUR 13 million compared to 2007.

The following table shows the sales of the flagship products in the Pharmaceuticals sector in 2008:

Sales in M EUR		**2007**	**2008**	**2008 / 2007**
PHARMACEUTICALS		2,591	2,699	+4%
Cardiometabolic	Fenofibrate	433	511	+18%
Men's / Women's health	Androgel®	308	337	+9%
Pancreatic enzymes	Creon®	198	217	+9%
Neuroscience	Serc®	150	165	+10%
Influenza vaccines	Influvac®	127	116	-9%
Cardiometabolic	Teveten®	106	116	+9%
Neuroscience	Marinol®	105	47	-56%
Gastroenterology	Duphalac®	99	104	+6%
Men's / Women's health	Duphaston®	90	96	+7%
Neuroscience	Luvox®	83	89	+7%

(d) Pharmaceutical research

Research and Development costs amounted to EUR 428 million (16% of sales) compared to EUR 415 million in 2007, used primarily for development of molecules in cardiometabolic and neuroscience.

The following table shows the key projects under development.

	Preclinical	**Phase I**	**Phase II**	**Phase III**	**Filed/Approved**
Cardio-metabolic	SLV342, SLV352, SLV356, SLV358	SLV337, SLV338, SLV341	**Daglutril (SLV306)**: pulmonary hypertension **SLV320**: acute	**SLV285** (Zolip) **TriLipix™ ROW**	**TriLipix™ US** **PULZIUM® intravenous EU**

	Preclinical	Phase I	Phase II	Phase III	Filed/Approved
			cardiac failure		
Neuroscience	SLV338, SLV354, SLV357, SLV359, SLV360		**SLV334** **Anatibant**: traumatic brain injury	**bifeprunox** **DUODOPA® US**: severe Parkinson's disease **pardoprunox (SLV308)**: mid-moderate Parkinson's disease **Gabapentine GR**	
Influenza vaccines	Adjuvants, H5N1 TC	**INFLUVAC® TC US**		**INFLUVAC® TC EU** **GRIPPOL® TC**	**GRIPPOL® Plus**
Pancreatic enzymes	**Optimized pancreatic enzymes (non-animal sourced)** **SLV340**		**SLV339**: pancreatic insufficiency	**CREON® JPN**: pancreatic insufficiency	**CREON® US**: pancreatic insufficiency
INNOGENETICS	*Targets for biomarkers and assay prototyping*	LiPA HBV DR v3 IB AlzBio3 (EU/US) LiPA CFPlus	LIA process LIA/LIPA platform (US)	**HCV Versant (US)**	**LiPA HPV GT (EU)**

10. THE CHEMICALS SECTOR

(a) Key figures (EUR million)

	2006	2007	**2008**
Sales	2 998	3 031	**3 096**
REBIT	315	345	**238**
Depreciation	201	248	**85**
Capital expenditures	270	315	**410**
R&D	33	37	**37**

Headcount (FTE)[7]	8 691	8 395	**8 966**

(b) Recent Strategic Developments

A4 – 5.1.5

The Chemicals portfolio consists of:

- The "Minerals" cluster: Soda ash and derived specialties, Advanced Functional Minerals[8].
- The "Electrochemistry and Fluorinated Products" cluster: caustic soda, fluorinated chemicals.
- The "Oxygen" cluster: hydrogen peroxide and detergents.
- The "Organic" cluster: Molecular Solutions.

The strategy of the Chemicals Sector is characterized:

- by **continuous reinforcement of competitiveness** (operating excellence, world-class plants and high-performance management of energy and of the portfolio of products)

  With the goal of permanently optimizing its portfolio of products, Solvay decided in 2008 to sell its precipitated calcium carbonate activity. This sale is delayed to wait for some stability to return to the financial markets.

  Several restructuring measures are currently under way, following those announced and deployed in 2008. Thus at the start of April 2009, Solvay announced its intention to shut down the hydrogen peroxide unit at Bitterfeld (Germany). The small size of this plant meant that it could no longer be operated competitively in the context of restructuring of the European pulp and paper industry.

  The Chemicals Sector is particularly attentive to the rapidly changing energy situation and is multiplying initiatives to mitigate these negative effects (technological leadership, high-performance industrial infrastructures, cogeneration units, coverage through medium- and long-term supply contracts, participation in the consortium Exeltium, etc.). Recently, Solvay formed a partnership with the company Tönsmeier for construction of a cogeneration unit using secondary fuels on the site at Bernburg (Germany) as well as development of its partnership with the company Dalkia at Tavaux (France) for construction of a cogeneration unit supplied by biomass. These two cogeneration units will be operational respectively in 2010 and 2011.

- by **technological innovation and geographic expansion**

  In the context of a partnership with BASF and Dow Chemical Company, construction of a first high-yield mega-plant for hydrogen peroxide (230,000 tons/year) was successfully completed in July 2008 at Antwerp (Belgium). Production officially started up on March 1, 2009. Construction, in partnership with Dow Chemical Company, of a second high-yield mega-plant (330,000 tons/year) began in Thailand (startup scheduled for 2011). These two plants will ensure supply of

[7] Full-time equivalents at 1 January of the following year ,except for in 2008 (as of December 31 2008)

[8] Combining derivatives of Barium Strontium and Advanced Functional Minerals as of 01/01/2007

hydrogen peroxide for propylene oxide production units. They mark a new step in production technology for this product: lower investments, economies of scale and optimized energy and raw material consumption.

Also in Thailand, the decision was made to build an epichlorhydrin production unit (100,000 tons/year) based on natural glycerin (EPICEROL® process). It will help meet the demand for epichlorhydrin in the Asia-Pacific region.

In Bulgaria, the capacity of the soda ash production unit will be increased in 2009 (+300,000 tons/year to reach 1,500,000 tons/year) and modernization of steam production is under way.

In Egypt, in October 2008, Solvay acquired Alexandria Sodium Carbonate Company (soda ash unit; current capacity: 130,000 tons/year). It will help meet the growing demand for soda ash from Egyptian customers and from Middle Eastern and North African countries.

- by **growth in specialties**

In sodium bicarbonate, a new production unit is being built at Rosignano (Italy) in order to respond to the dynamic growth of this market. Its startup is expected in 2009. Another product is SOLVAIR® Select 300, specifically designed for treatment of sulfur dioxide (SO2), for which a new 125,000 tons/year production unit is being built in the United States and will start up in 2010.

Continuing the expansion of its portfolio of fluorinated specialties, Solvay launched F1EC, an electrolyte additive capable of prolonging the life cycle of lithium-ion batteries. The pilot unit at Bad Wimpfen perfected and optimized the production process, for its transfer to the plant at Onsan, where an industrial-scale production unit is currently under construction with startup planned in 2009.

(c) 2008 in brief

(millions EUR)	**Sales**			**REBIT change**
	2007	2008	2008 / 2007 (%)	2008 / 2007
CHEMICALS[9]	**3,031**	**3,096**	**+2%**	**-31%**
"Minerals" cluster[10]	1,336	1,426	+7%	↘
"Electrochemistry and fluor chemicals" cluster	1,103	1,154	+5%	↘
"Oxygen" cluster[11]	528	448	-15%	↘

In 2007, results from the Chemicals Sector and the Oxygen cluster included results from the caprolactones activity (with sales of EUR 79 million and REBIT of EUR 23 million).

[9] Including the Molecular Solutions SBU

[10] Including the Soda Ash and associated specialties SBUs as well as Advanced Functional Minerals

[11] Including the Hydrogen Peroxide, Detergents and Caprolactones SBUs (the latter until 12/31/2007).

- Sales were up despite the slowdown in demand during the fourth quarter, in the context of the global economic crisis.
- Results were down: high energy and raw material costs, partially compensated for by increases in sales prices.
- In Europe, significant price increase for soda ash in 2009.

In 2008, sales in the **Chemicals Sector** (EUR 3,096 million) improved by 2% (+5% at constant scope) due to the sustained demand during the first 10 months and to price hikes for certain products. They improved by 3% in the fourth quarter, despite the economic crisis. Operating result for 2008 (EUR 238 million) was down by 31% taking into account increased energy, coal, coke and product distribution costs as well as the global economic crisis. This downturn however was limited by different measures: price hikes in order to reflect rising costs (energy, raw materials), continued reorganization of fluorinated products activities, sale of Girindus activities in Germany (Kuensebeck), reduction in production of some units, etc.

Minerals Cluster

The Minerals cluster continued its growth in sales. In soda ash, demand remained very steady during the first ten months of the year, in particular in Europe. The effects of the economic recession started to be felt since the end of the year. Growth in specialties from soda ash, especially bicarbonate, continued during the entire year due to development of the portfolio of applications and geographic expansion. The rising energy costs had an impact in 2008 on results in these activities. In Europe, price hikes (annual) instituted at the start of 2008 did not compensate for the increase in these costs. In the United States, gradual price hikes were made during 2008. It is to be emphasized that in January 2009, significant price hikes were implemented for this product in Europe.

Electrochemisty and fluorinated products

- In **Electrochemistry**, demand for caustic soda was sustained until the end of the third quarter. In the fourth quarter, the drop in demand for caustic soda was less than that of production. This is linked to the drop in demand for chlorine, the byproduct of caustic soda used as a raw material for PVC. Consequently, the trend for strong price hikes, initiated in the third quarter (to cover the significant rise in energy costs), continued during the fourth quarter.
- In the Allylics activities, the demand for epichlorhydrin dropped significantly at the end of the year. In this context, Solvay decided to reduce its production. Epichlorhydrin margins have been impacted, since the start of the year, by the high cost of raw materials (especially propylene), by strong competitive pressures and depressed demand.
- Results from **fluorinated products** benefited from the effects of restructuring of fluorinated commodities as well as efforts under way for the development of fluorinated specialties. The commodities market continued to undergo significant competitive pressures accentuated by the strength of the Euro and energy and raw material costs. Production in some plants was reduced at the end of the year (especially in Europe) to take into account the drop in demand.

Oxygen cluster

During the first three quarters of 2008, the Oxygen cluster benefited from overall sustained demand and sales prices were maintained at good levels in all regions, except in Europe which underwent pressures from restructuring of the paper industry. The economic crisis has had an impact for several months on demand, especially in Europe and in the United States. High costs of raw materials and energy, in particular in the fourth quarter in Europe, also weighed heavily on the results for this activity.

11. THE PLASTICS SECTOR

(a) Key figures (EUR million)

	2006	2007	**2008**
Sales	3 800	3 950	**3 695**
REBIT	409	441	**264**
Depreciation	192	195	**201**
Capital expenditures	367	334	**393**
R&D	88	87	**79**
Headcount (FTE)[12]	8 889	8 977	**8 816**

(b) Recent Strategic Developments A4 – 5.1.5

The **Plastics Sector** is continuously reinforcing its broad range of plastics and innovative materials in order to propose solutions to the numerous environmental, economic and human challenges of tomorrow, in close partnership with its customers. Its strategy is characterized by:

- **Specialties:** Creation and capture of growth in high-performance polymers, innovation as well as globalization and selective capacity expansion.

  The Group is emphasizing expansion of its portfolio of high-performance Specialty Polymers, especially in Asia. In 2008, the new plant for micronized polytetrafluoroethylene (PTFE) powder started up in China, as did the new polyetheretherketone (PEEK) production unit in India. These latter plastics present a combination of some of the highest mechanical, thermal, chemical and/or electrical properties, which give access to numerous applications replacing traditional materials.

  Innovation and research play a key role in this activity, in order to enlarge the range of polymers as well as to optimize the processes and the production costs. It should be noted that a co-development agreement was concluded in September 2008 with Strategic Polymer Sciences, regarding production of materials for ultra-high-density energy condensers based on polyvinylidene fluoride (PVDF).

  In March 2009, a new production unit of DIOFAN® (PVDC latex), with annual capacity of 20,000 tons, was successfully started up at Tavaux (France). The PVDC latex is, in particular, a barrier material used for coating of packages when integrity of the merchandise over time is critical, in particular in food and pharmaceuticals sectors. Other selective production capacity expansions will

[12] Full-time equivalents at 1 January of the following year, except for in 2008 (as of December 31 2008)

be done during the year, especially with SOLEF® at Tavaux (France) and with FLUOROLINK® at Spinetta (Italy). These capacity expansions will allow, among other things, continued growth of FLUOROLINK® in the paper-coating and textile markets as well as SOLEF® in new applications such as photovoltaic cells, sensors and lithium-ion batteries.

For Inergy Automotive Systems13, significant efforts made in 2008 in terms of cost reduction and improvement in competitiveness are continuing in 2009 and are bearing fruit. The decrease in headcount continued during the first quarter; shutdown of the Nucourt plant (France) and resizing of the entire organization will be implemented during the course of the year. Also, developments in high-growth areas are under way (Russia, China, India, etc.). It should also be noted that Inergy signed several major contracts over the past few months with different manufacturers and its technological leadership was recognized by the orders for its new "Selective Catalytic Reduction" system aiming to reduce NOx emissions from diesel engines.

- **Vinyls:** Completely integrated and competitive production units, operating excellence and development in high-growth countries.

  In Europe, SolVin[14] continued to reinforce its competitiveness by decreases in costs, energy savings and low-cost increases in capacity. In this context, the unit at Ludwigshafen (200,000 tons/year) was shut down in 2006 and the PVC capacity at Jemeppe (Belgium) will be taken in 2009 from 400,000 tons/year to 475,000 tons/year. This policy enabled Solvin to reinforce its leadership position in competitiveness among the European producers.

  PVC compounds (BENVIC) in Europe are going to refocus their production in 2009 on three sites (which implies the shutdown of a unit at Jemeppe in Belgium), in order to reinforce their competitiveness.

  Additionally, SolVin took a significant step in its geographic development in 2007 by concluding a joint venture contract (50/50) with Sibur. This contract provides for the construction in Russia of an entirely integrated plant, with an initial capacity of 330,000 tons/year of PVC, with the possibility of subsequent expansion to 500,000 tons/year. The severity of the global crisis led to a postponement of startup of the plant.

  In Brazil, in the framework of a vast production modernization project, PVC capacities at Solvay Indupa were increased from 245,000 to 300,000 tons/year, in line with VCM capacities, in order to accommodate long-term growth in this market. A second phase of development at the site will give an integrated PVC capacity of 360,000 tons/year and will in part be supplied by ethylene made from a bioethanol base.

  In Argentina, Solvay Indupa continued its project to construct a combined-cycle unit to provide a reliable and competitive supply of electricity for the site. The unit will become operational during 2009 with a capacity of 120 MW; it will later go to 165 MW.

  In Thailand, Vinythai in 2008 increased its PVC production capacity by 70,000 tons/year at its plant at Map Ta Phut, to achieve 280,000 tons/year. This will enable it to sustain the growth projects of its customers in the dynamic Southeast Asian markets.

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13 Joint venture 50% Solvay / 50% Plastic Omnium in fuel systems.

14 Joint venture 75% Solvay / 25% BASF

Alongside Europe, Southeast Asia, Mercosur and, in the future, Russia constitute significant areas of growth for vinyls.

The strategy of Pipelife15 is focused around geographic deployment, especially in Central and Eastern Europe, operating excellence, reinforcement of competitiveness (decrease in costs and restructuring, especially in Ireland and Spain) and innovation.

(c) 2008 in brief

(millions EUR)	Sales			REBIT changes
	2007	2008	2008 / 2007	2008 / 2007
PLASTICS	**3,950**	**3,695**	**-6%**	**-40%**
Specialties[16]	1,737	1,512	-13% (*)	↘
Vinyls[17]	2,213	2,183	-1%	↘

(*) including EUR -142 million following sale of Solvay Engineered Polymers in February 2008

- Impact of world economic crisis:
- Within the Specialties cluster, good resistance in Specialty Polymers
- Noted downturn in Vinyls; loss in the fourth quarter of 2008

In 2008, sales (EUR 3,695 million) in the **Plastics Sector** were down by 6% compared to 2007, following a significant drop in demand in the fourth quarter. The economic crisis had an impact on operating results in 2008 (EUR 264 million, down by 40% compared to the excellent results of 2007). The loss in vinyls in the fourth quarter explained the operating results of the Sector (EUR -26 million in the fourth quarter). It is explained by the abrupt drop in demand and prices while the cost of ethylene still remained at a high level. The reduction of production in this context weighed on the results but avoided a high surplus of inventory. As a consequence, negative adjustments in inventory valuation, done at the end of the year following the drop in selling prices (EUR -30 million), were limited to a minimum. Additionally, during the year, headcount in the Sector was reduced by 550 people (at constant scope).

Specialties

- During the first three quarters of 2008, **Specialty Poly**mers benefited from sustained demand. The fourth quarter was marked by a significant slowdown in demand (primarily from the automobile and construction markets). It should be noted in this regard that the sale of Solvay Engineered Polymers in February 2008 reduced the exposure of the SBU to the automobile market. Other markets better resisted the world economic crisis, such as for example the oil & gas (PVDF) market, ultra pure plastics (PEEK), pharmaceuticals (PVDC) and polysulfones. Overall for the year, volumes were up by 2% compared to 2007. Evolution of currencies reduced the growth in sales. This also explains in part the decline in operating result for 2008,

15 Joint venture 50% Solvay / 50% Wienerberger in pipes and fittings.

[16] Including the Specialty Polymers and Inergy Automotive Systems (fuel systems) SBUs

[17] Including the Vinyls and Pipelife (pipes and fittings) SBUs

lower than that of 2007. In order to confront this difficult economic environment, various measures were taken to further reinforce their competitiveness and sustain their results (such as gradual increases in selling prices in order to lessen the impact of the increase in raw material costs). Considering the global context, the Specialty Polymers showed a good resistance. R&D efforts remained steady (5% of sales; stable compared to 2007).

- **Inergy Automotive Systems** in 2008 posted a significant decline in its volumes (11,2 million fuel systems, or -12% compared to 2007); this decline was accelerated during the last quarter (-30%), reflecting the substantial slowdown in the world automobile market. Results for 2008 were also affected by the increase in costs of raw materials (in particular, polyethylene). Significant efforts in cost reduction and industrial redeployment partially compensated for these two negative effects. A plant in China (Wuhan) was successfully started up and there is a startup scheduled for the beginning of 2009 for another plant in Russia (Stavrovo).

Vinyls

- Results for **Vinyls**[18] in 2008 were sharply down compared to the record results of 2007. In Europe, demand remained steady overall during the first nine months, before strongly contracting in the fourth quarter. Vinyls recorded a loss in Europe in the fourth quarter. This is explained by the abrupt drop in demand and prices while the cost of ethylene still remained at a high level. The reduction in production in this context weighed on results but avoided a high surplus in inventory. As a consequence, negative adjustments in inventory valuation, taken at the end of the year following the drop in sales price, were limited to a minimum. In Mercosur, demand remained steady in 2008, especially in Brazil, despite a slowdown in the fourth quarter. Operating results were down, following an increase in American and Asian imports, the shutdown of installations by our ethylene suppliers (for major maintenance) in the third quarter and the devaluation of the Brazilian real. In Asia, 2008 net results were up following the improvement of its competitive position against the Chinese competition.

- Results from **Pipelife** in 2008 were down compared to 2007, especially in the fourth quarter, in the context of a difficult market in construction and civil engineering. Pipelife managed to generate sales that were up by 2% compared to 2007, despite a drop in demand (especially in the USA, Spain and Ireland). The strong commercial presence in Central and Eastern Europe – including Russia – (more than 40% of the sales volume in Europe) almost compensated for the sales decline in Western and Northern Europe. Targeted measures to reinforce competitiveness and development of the product range helped mitigate the impact of the crisis.

A4 – 5.1.5

12. INVESTMENTS, RESEARCH AND DEVELOPMENT – NEW BUSINESS DEVELOPMENT

Investments in 2008 represented EUR 1,320 million, of which about EUR 100 million were for acquisition of the "Alexandria Sodium Carbonate Company" soda ash plant in Egypt and about EUR 190 million for acquisition of the biotechnology company Innogenetics nv. These two amounts were not included in the announced budget of EUR 1,091 million. Initiatives were also taken for development of specialty polymers in India and China and, in Vinyls, for capacity expansion in Thailand and modernization of the production unit in Brazil. Other capital projects targeted improvement in our energy performance.

The **2009 capital expenditures** budget was adapted to the current economic crisis. It amounts to EUR 638 million. It was developed on the basis of the following two principles: limitation of investments to

[18] Including since July 2008 the consolidation of Solvin at 100% (compared to 75% before)

the level of depreciation, while maintaining those related to health, safety and the environment, and beyond that, concentration of investments on a very limited number of strategic projects. These projects were oriented by priority toward geographic expansion of the Group and toward choices made in terms of sustainable development.

Research and Development (R&D) expenditures reached EUR 564 million in 2008 of which about 75% was for the Pharmaceuticals Sector. R&D efforts for the latter represented EUR 428 million, or 16% of sales. The R&D expenditures budget for 2009 is EUR 590 million, of which EUR 435 million, or about 75% of the total, is for the Pharmaceuticals Sector.

The **innovation process** is at the heart of the Group's strategy. Three new innovation goals for 2009 have been set: "new sales" ratio of 30%, 50% of partnerships for innovative projects and full participation by employees (100%).

Solvay has access to a wide range of sources of funds to finance its future investments. Its primary sources of liquidity include its cash balance (EUR 883 million as of end of 2008) and its expected generation of operating cash flow. In addition to the above-mentioned financing sources, the Group also has access to the following instruments:

- a Belgian Treasury Bill program in an amount of EUR 1 billion, of which EUR 455 million was used at the end of 2008, or as an alternative a US commercial paper program in an amount of USD 500 million, unused at the end of 2008. In addition to the credit lines mentioned below, the higher ceiling of the two programs is also covered by back-up credit lines (EUR 592 million) and a EUR 400 million bank credit line, maturing in October 2013. Both were unused at the end of 2008.

- A EUR 850 million bank credit line (unused at end-2008), maturing in 2011.

In addition, in early 2009, Solvay drew down EUR 300 million at fixed rate and maturing in 2016, under a EUR 350 million credit facility with the European Investment bank for the financing of pharmaceutical research in Europe.

A4 – 5.2.1

13. PRINCIPAL INVESTMENTS MADE SINCE THE DATE OF THE LAST PUBLISHED FINANCIAL STATEMENTS

The most recent information in that respect is included in Q1/09 results press release published on 12 May 2009.

A4 – 5.2.2
A4 – 5.2.3

14. PRINCIPAL FUTURE INVESTMENT

The most recent information in that respect is included in the strategic developments of the three sectors (in the business description) and in the Q1/09 results press release published on 12 May 2009.

15. HEALTH, SAFETY AND ENVIRONMENT (HSE) – SUSTAINABLE DEVELOPMENT

For Solvay, Sustainable Development means conducting its activities in a way that balances respect for the environment with economic and social development that is sustainable in the long term.

The Group is integrating Sustainable Development into its industrial strategy by progressively taking into account the impact of its activities in the broadest sense.

As previously detailed, the June 2008 strategic review made Sustainable Development the key point of focus. The anticipatory approach followed during this review aimed to prepare the Group to its long term future. A serie of short, medium and long term objectives have been set in order to prepare the Group to answer the global challenges of tomorrow in terms of Sustainable Development.

The action the Group will take for the coming years will be guided by the five following aims:

- Developing, in partnership, essential products that are more sustainable and are consistent with social and regulatory changes;
- Having the Group recognized as a reference standard for sustainability and innovation in industrial investment;
- Achieving success in the program for changing human resource management, and improving all aspects of working conditions: safety, health, well-being and skills development, in strict conformity with our Values;
- Applying a rigorous policy for risk management, with programs to reduce risks and environmental impact, together with structured dialogue with communities living adjacent to our manufacturing sites;
- Minimizing our consumption of energy and of natural resources.

The various initiatives taken by the Group and the outcomes are described in the "Towards Sustainable Development 2008-2012" report, which was published in October 2008 and is available to all stakeholders (http://www.solvay.com/services/library/hse/0,,2286-2-0,00.htm).

A4 – 10

16. THE MANAGEMENT AND "CORPORATE GOVERNANCE"

(a) The Board of directors

The Board of Directors is the highest management body of the company. The law grants it all powers not given, by law or by the by-laws, to the Shareholders' Meeting.

In the case of Solvay SA, the Board of Directors has reserved certain key areas for itself and has delegated the remainder of its powers to an Executive Committee.

The Ordinary Shareholders Meeting of 12 May 2009 approved the renewal of the mandates of Aloïs Michielsen, Christian Jourquin, Bernard de Laguiche, Nicolas Boël, Karel Van Miert and Chevalier Guy de Selliers de Moranville, as Directors for four-year terms. It also approved the appointment of :

- Baron Hervé Coppens d'Eeckenbrugge, as a non independent director, to replace Baron Hubert de Wangen, who will retire in the customary manner with respect to the age limit;
- Ms. Petra Mateos-Aparicio Morales, as an independent director, to replace Mr. Uwe-Ernst Bufe who arrives at the end of its present mandate.

A4 – 10.1

At 1 January 2009, the Board of Directors consisted of 16 members and was composed of:

	Year of birth	Year of 1st appointment	Solvay SA mandates, and expiry date of directorship	Diplomas and activities outside Solvay	Presence at meetings in 2008 as a function of date of appointment
Mr. Aloïs Michielsen (B)	1942	1990	2009 Chairman of the Board of Directors and of the Finance and Compensation/Appointments Committees	Civil engineering degree in chemistry and MA in Applied Economics (Catholic University of Louvain), Business Administration (University of Chicago) ; Director of Miko, Director of Fortis.	9/9
Mr. Denis Solvay (B)	1957	1997	2010 Independent Director, Vice-Chairman of the Board of Directors and member of the Compensation/Appointments Committee	Commercial Engineering degree (Free University of Brussels), Director (and Member of the Audit Committee) of Eurogentec, Director and Chairman of Abelag Holding.	9/9
Mr. Christian Jourquin (B) (*)	1948	2005	2009 Chairman of the Executive Committee, Director, member of the Finance Committee and guest of the Compensation/Appointments Committee	Commercial Engineering degree (Free University of Brussels), ISMP Harvard.	9/9
Mr. Bernard de Laguiche (F) (*)	1959	2006	2009 Member of the Executive Committee, Director and member of the Finance Committee	Commercial Engineering degree, MA in economics HSG (University of St. Gallen, Switzerland).	9/9
Baron Hubert de Wangen (F)	1938	1981	2009 Independent Director	Chemical engineering degree (Ecole Polytechnique Fédérale de Lausanne), Former Executive Director of Kowasa and non-executive Director of Jotace (Spain).	7/9
Mr. Jean-Marie Solvay (B)	1956	1991	2012 Independent Director Member of the New Business Board	CEO of Albrecht RE Immobilien GmbH&Co. KG.	9/9
Chevalier Guy de Selliers de Moranville (B)	1952	1993	2009 Independent Director Member of the Finance Committee and the Audit Committee	Civil engineering degree in mechanical engineering, and MA in Economics (Catholic University of Louvain), Executive Chairman of Hatch Corporate Finance (UK), Member of the Supervisory Board and Chairman of the Audit Committee of Advanced Metal Group (Netherlands), Director and Chairman of the Governance ; Committee of Wimm-Bill Dann Foods OJSC (Russia).	9/9
Mr. Nicolas Boël (B)	1962	1998	2009 Independent Director Member of the Compensation/ Appointments Committee	MA in Economics (Catholic University of Louvain), Master of Business ;, Administration (College of William and Mary – USA), Managing Director of BMF-Participations SA, Director of Sofina.	9/9
Mr. Whitson Sadler (US)	1940	2002	2011 Independent Director Chairman of the Audit Committee	Bachelor of Arts in Economics (University of the South, Sewanee – USA), Master of Business Administration Finance (Harvard),	9/9

				Retired General Manager of Solvay SA for the NAFTA region.	
Mr. Jean van Zeebroeck (B)	1943	2002	2010 Independent Director Member of the Compensation/ Appointments Committee	Doctorate of Law and diploma in Business Administration (Catholic University of Louvain), MA in Economic Law (Free University of Brussels), Master of Comparative Law (University of Michigan – USA), General Counsel of 3B Fibreglass Company.	9/9
Mr. Jean-Martin Folz (F)	1947	2002	2010 Independent Director Member of the Compensation/ Appointments Committee	Ecole Polytechnique and Mining Engineer (France), Chairman of the Association Française des entreprises privées (AFEP), Director of Saint-Gobain, of Société Générale, of Carrefour and Alstom, Member of the Supervisory Board of Axa.	7/9
Mr. Karel Van Miert (B)	1942	2003	2009 Independent Director Member of the Finance Committee	MA in Diplomacy (University of Ghent), Former Competition Commissioner for the European Commission, Board Member of Agfa Gevaert, the Persgroep group and Sibelco SA, member of the Supervisory Boards of Royal Philips Electronics, RWE AG, Munchner Ruck and Anglo American Vivendi Universal, Member of the Advisory Boards of Eli Lilly Holdings Ltd, and Goldman Sachs International, former Chairman of the Executive Board of the University of Nijenrode (Netherlands).	8/9
Dr Uwe-Ernst Bufe (D)	1944	2003	2009 Independent Director member of the Finance Committee	Doctorate in Chemistry (Technical University of Munich), Member of the Supervisory Boards of UBS Deutschland AG, Akzo Nobel NV, Umicore SA, Sunpower Inc. and Kali+Salz AG.	8/9
Prof. Dr. Bernhard Scheuble (D)	1953	2006	2010 Independent Director Member of the Audit Committee	MSc,Nuclear Physics & PhD, Display Physics (Freiburg University). Former Chairman of the Executive Board of Merck KgaA, Darmstadt and Former Member of the E. Merck OHG Board.	8/9
Mr. Anton van Rossum (Nl)	1945	2006	2010 Independent Director Member of the Audit Committee	MA in Economics and Business Administration (Erasmus University Rotterdam), Board member of Crédit Suisse (Zurich), Chairman of the Supervisory Board of Royal Vopak (Rotterdam), Member of the Supervisory Board of Rodamco Europe (Schiphol), Chairman of the Supervisory Board of Erasmus University Rotterdam. Trustee of the Conference Board (New York) and Special Advisor to General Atlantic	8/9

				(London).	
Mr. Charles Casimir-Lambert (B/CH)	1967	2007	2011 Director Member of the Audit Committee	MBA Columbia Business School (New York)/London Business School (London), Master's degree (lic.oec.HSG) in economics, management and fi nance (University of St.Gallen – Switzerland), supervising family interests across the world.	9/9

**Full-time activity in the Solvay Group*

(b) The Executive Committee (as of 1 January 2009)

	Year of birth	Year of 1st appointment	Term of office ends	Diplomas and main Solvay activities	Presence at meetings (as a function of date of appointment)
Mr. Christian Jourquin (B)	1948	1996	2010	Commercial Engineering degree (Free University of Brussels), ISMP Harvard, Chairman of the Executive Committee.	20/20
Mr. Bernard de Laguiche (F)	1959	1998	2010	Commercial engineering degree – MA in economics HSG (University of St Gallen - Switzerland), Executive Committee member in charge of Finance/IT.	20/20
Mr. René Degrève (B) until May 2008	1943	1994	2008	Commercial engineering degree (Free University of Brussels), Master of Business Administration (INSEAD). Executive Committee Member in charge of NAFTA Regional Management.	7/7
Mr. Jacques van Rijckevorsel (B)	1950	2000	2011	Civil Engineering degree in Mechanics (Catholic University of Louvain) ; Advanced studies in Chemical Engineering (Free University of Brussels), AMP Harvard, Executive Committee Member in charge of the Plastics Sector.	20/20
Mr. Werner Cautreels (B)	1952	2005	2011	Bachelor and Master of Science in Chemistry and Doctorate in Chemistry (University of Antwerp), AMP Harvard, Executive Committee Member in charge of the Pharmaceuticals sector.	20/20
Mr. Vincent De Cuyper (B)	1961	2006	2010	Chemical engineering degree (Catholic University of Louvain Master in Industrial Management (Catholic University of Louvain), AMP Harvard, Executive Committee Member in charge of the Chemicals sector.	19/20
Mr. Jean-Michel Mesland (F)	1957	2007	2010	Engineering degrees from the Ecole Polytechnique and the Ecole des Mines (Paris) – AMP Harvard. Executive Committee member in charge of Research and Technology.	20/20
Mr. Roger Kearns (US) – from July 2008	1963	2008	2010	Bachelor of Science – Engineering Arts (Georgetown College - Georgetown), Bachelor of Science – Chemical Engineering (Georgia Institute of Technology - Atlanta), MBA (Stanford University).	10/10

				Executive Committee Member in charge of Asia-Pacific Regional Management.	

(c) **Business address of the Management** is at Solvay Headquarters, 33 rue du Prince Albert, B-1050 Brussels.

(d) **Governance principles** A4 – 11.2

Governance rules are described in the Annual Report 2008 (available on www.solvay-investors.com). This report presents the application of the Solvay Group's "Corporate Governance" rule according to the Belgian code of Corporate governance.

(e) **Administrative, management, and supervisory bodies conflicts of interests** A4 – 10.2

Administrative, management and supervisory bodies conflicts of interests are described in the Report on the application of the Corporate Governance rules in the Annual Report 2008 (available on www.solvay-investors.com).

(f) **Audit committee** A4 – 11.1

Information about the Audit Committee are provided in the Report on the application of the Corporate Governance rules in the Annual Report 2008 (available on www.solvay-investors.com).

17. ADDITIONAL INFORMATION: SIGNIFICANT LITIGATION AND ARBITRATION PROCEEDINGS A4 – 13.6

(a) Chemicals

Following the decision of the European Commission to impose a fine on Solvay in May 2006 for infringing competition rules on the peroxides market (against which Solvay has appealed), some European customers filed joint claims against Solvay at the beginning of 2009. The investigation of these claims is in a preliminary phase.

(b) Pharmaceuticals

Fournier Laboratories Ireland Ltd (LFI) and Laboratories Fournier S.A. (LFSA), wholly-owned subsidiaries of Solvay Pharmaceuticals, continued patent infringement litigation against Teva Pharmaceuticals in the United States, which had requested marketing authorization for a generic version of TriCor® (fenofibrate) 145 mg NFE. Similar procedures were initiated against Biovail and Lupin, including for 48mg NFE.

Pending litigation against Abbott and Laboratories Fournier with regard to application of competition rules linked to changes in formulation (200 mg and 160 mg) of fenofibrate in the USA initiated by civil plaintiffs, and joined by a certain number of American states, continued in 2008. In the framework of the acquisition of Fournier completed in 2005, these risks were the subject of contractual indemnities. Settlements were made at the end of 2008 with certain plaintiffs; these settlements were covered by contractual indemnities. The related investigation by the federal Trade Commission ("FTC") is still pending.

Following the recent publication of the EMEA19 decision regarding, among other things, the revision of indications for the class of fibrates in the European Union, Solvay Pharmaceuticals believes that this decisions does not appropriately reflect the benefits-to-risks ratio of fenofibrate, and will take the necessary actions to guarantee that patients can continue to benefit from the total therapeutic value of the product.

In Canada, Apotex and Cipher seek damages as a result of prior patent litigation brought by Fournier in relation with fenofibrate formulations. These claims are also subject to certain indemnification provisions from the sellers in the context of the acquisition of Fournier by Solvay in 2005 providing coverage deemed as adequate for these risks.

In the area of hormone replacement therapy, regarding AndroGel ®, Solvay Pharmaceuticlas , Inc. was informed in January 2009 that the U.S. Federal Trade Commission (FTC) and the Attorney General of California filed suit in the U.S. District Court of California (since then, transferred to the U.S. District Court of Georgia) contesting the validity of agreements concluded in 2006 with Watson Pharmaceuticals, and Par Pharmaceuticals. Subsequently, tentative class action suits were filed on behalf of purchasers of this drug in different jurisdictions in the United States. Solvay Pharmaceuticals is disputing the merits of this case and will defend its actions in court. Solvay believes that the Androgel® settlement is legal and is defending the case vigorously.

Concerning the risks attached to the ongoing litigation in the USA in relation to our pharmaceutical products in the field of female hormone treatments in the USA, following the publication of study reports on female hormone treatments by the "Women's Health Initiative" in 2002, Solvay considers that the amounts provisioned reflects the current estimate of the number of plaintiffs treated with products manufactured by its Subsidiaries. The number of cases continues to evolve, though it has tended to stabilize since 2007. The status of this litigation did not change significantly in 2008. Proceedings can be expected to continue in 2009 and after.

(c) General

Furthermore, Solvay and some of its affiliates are involved in legal and administrative proceedings relating to various health, regulatory, safety and environmental matters. Those proceedings are not at present sufficiently material and/or advanced to be the subject of separate and individual disclosures. However, Solvay has established adequate financial reserves (according to the relevant IFRS definition) that are recorded in the 2008 accounts to meet their then current estimated financial consequences under applicable laws and regulations.

18. BUSINESS EVOLUTION, FINANCIAL STATEMENTS AND GENERAL INFORMATION A4 – 3.1

(a) General information about the Solvay Group is available on www.solvay.com.

The Annual Report 2008 (including business comments, full financial statements and related notes) and the "By-laws" of the company are available on the internet: www.solvay-investors.com or on request at the headquarters:

Solvay SA
Rue du Prince Albert 33
B 1050 Brussels (Belgium)

19 EMEA = European Agency for the Evaluation of Medicinal products

Telephone: +32 2 509 60 16
Telefax: +32 2 509 72 40
also by Email: investor.relations@solvay.com

Financial press releases (including quarterly and/or annual financial statements, business comments and outlook) are also available on the internet: www.solvay-investors.com.

The major recent developments of the Group are detailed in the press releases published on the internet: www.solvaypress.com.

(b) Financial statements A4 – 13.1 A4 – 13.2

Consolidated income statement

EUR Million	**2007**		**2008**
Net sales	**9 572**		**9 490**
REBIT	**1 192**		**965**
EBIT	**1 223**		**985**
Earnings before taxes	**1 165**		**592**
Net income of the Group	**828**		**449**
Net income (Solvay share)	**781**		**405**
Earnings per share (EUR)	**9.46**		**4.92**
Diluted earnings per share (EUR)	**9.40**		**4.91**
RATIOS			
Gross margin as a % of sales	34.8		32.8
Times charges earned	14.6		10.3
Income taxes / Earnings before taxes (%)	28.9		24.1

Times charges earned = REBIT / charges on net indebtedness.

Earnings before taxes = Group net income - income from discontinued operations + income taxes.

Explanatory notes are found after the 2008 and 2007 annual reports of the Issuer, incorporated by reference into this Prospectus.

Consolidated balance sheet

EUR Million	**2007**		**2008**
ASSETS			
Non-current assets	**6 999**		**7 752**
Current assets	**4 180**		**4 513**
Total assets	**11 180**		**12 264**
EQUITY & LIABILITIES			
Total equity	**4 459**		**4 745**
Non current liabilities	**3 963**		**4 185**
Current liabilities	**2 758**		**3 334**
Total equity & liabilities	**11 180**		**12 264**
RATIOS			
Return on equity (ROE)	18.4		9.5
Net debt to equity ratio	29.3		33.7

ROE = net income of the Group / total equity before direct allocation to equity.

Net debt to equity ratio = net debt / total equity.

Net debt = short and long-term financial debt less cash and cash equivalents.

Explanatory notes are found after the 2008 and 2007 annual reports of the Issuer, incorporated by reference into this Prospectus.

Consolidated cash flow statement

EUR Million	2007		2008
Cash flow from operating activities	**852**		**1 277**
Cash flow from investing activities	**-445**		**-1 200**
Cash flow from financing activities	**-250**		**239**
Net change in cash and cash equivalents	**157**		**316**
Currency translation differences	-15		-8
Opening cash balance	**433**		**575**
Ending cash balance	**575**		**883**

Explanatory notes are found after the 2008 and 2007 annual reports of the Issuer, incorporated by reference into this Prospectus.

The most recent information are included in Q1/09 results press release published on May 12, 2009.

USE OF PROCEEDS

The net proceeds of the issue of the Bonds, expected to amount to approximately EUR 149,864,000 for a nominal amount of EUR 150,000,000 (subject to increase), will be used for the general corporate purpose of the Issuer. A5 - 3.2

The expenses in connection with the transaction are described under Section 3 of the heading "Subscription and Sale" below.

TAXATION

A5 - 4.14

1. BELGIAN TAXATION

The following is a general description of the principal Belgian tax consequences for investors receiving interest in respect of, or disposing of, the Bonds and is of a general nature. It does not purport to be a complete analysis of tax considerations relating to the Bonds whether in Belgium or elsewhere.

This general description is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date. Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below. Investors should consult their professional advisers on the possible tax consequences of subscribing for, purchasing, holding or selling the Bonds under the laws of their countries of citizenship, residence, ordinary residence or domicile.

(a) Belgian Withholding Tax

All payments by or on behalf of the Issuer of interest on the Bonds are in principle subject to the 15 per cent. Belgian withholding tax on the gross amount of the interest. In this regard, ''interest'' means the periodic interest income, any amount paid by the Issuer in excess of the issue price (whether or not on the maturity date) and, in case of a realisation of the Bonds between two interest payment dates, the pro rata of accrued interest corresponding to the detention period.

However, payments of interest and principal under the Bonds by or on behalf of the Issuer may be made without deduction of withholding tax in respect of the Bonds if and as long as at the moment of payment or attribution of interest they are held by certain eligible investors (the ''**Eligible Investors**'', see hereinafter) in an exempt securities account (an ''**X Account**'') that has been opened with a financial institution that is a direct or indirect participant (a ''**Participant''**) in the X/N Clearing System operated by the National Bank of Belgium (the ''**X/N System**'' and the ''**NBB''**). Euroclear and Clearstream, Luxembourg are directly or indirectly Participants for this purpose.

Holding the Bonds through the X/N System enables Eligible Investors to receive the gross interest income on their Bonds and to transfer the Bonds on a gross basis.

Participants to the X/N system must enter the Bonds which they hold on behalf of Eligible Investors in an X Account.

Eligible Investors are those entities referred to in article 4 of the *Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier* (Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax) which include, inter alia:

(i) Belgian corporations subject to Belgian corporate income tax;

(ii) institutions, associations or companies specified in article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in 1° and 3° subject to the application of article 262, 1° and 5° of the Income Tax Code of 1992;

(iii) state regulated institutions (*institutions parastatales / parastatalen*) for social security, or institutions which are assimilated therewith, provided for in article 105, 2° of the Royal Decree implementing the Income Tax Code 1992;

(iv) non-resident investors provided for in article 105, 5° of the same decree;

(v) investment funds, recognised in the framework of pension savings, provided for in article 115 of the same decree;

(vi) tax payers provided for in article 227, 2° of the Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to article 233 of the same code;

(vii) the Belgian State in respect of investments which are exempt from withholding tax in accordance with article 265 of the Income Tax Code 1992;

(viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and

(ix) Belgian resident corporations, not provided for under (i), when their activities exclusively or principally consist of the granting of credits and loans.

Eligible Investors do not include, inter alia, Belgian resident investors who are individuals or non-profit making organisations, other than those mentioned under (ii) and (iii) above.

Participants to the X/N System must keep the Bonds which they hold on behalf of the non-Eligible Investors in a non-exempt securities account (an "**N Account**"). In such instance all payments of interest are subject to the 15 per cent. withholding tax. This withholding tax is withheld by the NBB and paid to the Belgian Treasury.

Upon opening of an X Account for the holding of Bonds, the Eligible Investor is required to provide the Participant with a statement of its eligible status on a form approved by the Minister of Finance. There is no ongoing declaration requirement to the X/N System as to the eligible status.

These identification requirements do not apply to Bonds held in Euroclear or Clearstream, Luxembourg as Participants to the X/N Clearing System, provided that Euroclear or Clearstream only hold X Accounts and that they are able to identify the holders for whom they hold Bonds in such account.

(b) Belgian tax on income and capital gains

Belgian resident individuals

For natural persons who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax (*Personenbelasting / Impôt des personnes physiques*) and who hold the Bonds as a private investment, payment of the 15 per cent. withholding tax fully discharges them from their personal income tax liability with respect to these interest payments (*précompte mobilier libératoire / bevrijdende roerende voorheffing*). This means that they do not have to declare the interest obtained on the Bonds in their personal income tax return, provided withholding tax was levied on these interest payments.

Belgian resident individuals may nevertheless elect to declare the interest in their personal income tax return. Where the beneficiary opts to declare them, interest payments will normally be taxed at the interest withholding tax of 15 per cent. plus communal surcharges (or at the progressive personal tax rate taking into account the taxpayer's other declared income, whichever is lower). If the interest payment is declared, the withholding tax retained by the NBB may be credited.

Capital gains realised on the sale of the Bonds are in principle tax exempt, unless the capital gains are realised outside the scope of the management of one's private estate or unless the capital gains qualify as interest (as defined in the section ''Belgian Withholding Tax'). Capital losses are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Bonds as a private investment.

Belgian resident companies

Interest attributed or paid to corporations Bondholders who are Belgian residents for tax purposes, i.e. who are subject to the Belgian Corporate Income Tax (*Vennootschapsbelasting / impôt des sociétés*), as well as capital gains realised upon the sale of the Bonds are taxable at the ordinary corporate income tax rate of in principle 33.99 per cent. Capital losses realised upon the sale of the Bonds are in principle tax deductible.

Belgian legal entities

Belgian legal entities subject to the Belgian legal entities tax (*rechtspersonenbelasting / impôt des personnes morales*) which do not qualify as Eligible Investors (as defined in the section ''Belgian Withholding Tax'') are subject to a withholding tax of 15 per cent. on interest payments. The withholding tax constitutes the final taxation.

Belgian legal entities which qualify as Eligible Investors (as defined in the section ''Belgian Withholding Tax'') and which consequently have received gross interest income are required to pay the withholding tax themselves.

Capital gains realised on the sale of the Bonds are in principle tax exempt, unless the capital gains qualify as interest (as defined in the section ''Belgian Withholding Tax''). Capital losses are in principle not tax deductible.

Organisations for Financing Pensions

Interest paid or attributed to Organisations for Financing Pensions in the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision is in principle subject to a 15 per cent. withholding tax. This Belgian withholding tax is fully creditable against any corporate income tax due and any excess amount is in principle refundable.

Interest derived by OFP Bondholders on the Bonds and capital gains realised on the Bonds will be exempt from Belgian Corporate Income Tax.

Belgian non-residents

Bondholders who are not residents of Belgium for Belgian tax purposes and who are not holding the Bonds through their permanent establishment in Belgium, will not become liable for any Belgian tax on income or capital gains by reason only of the acquisition or disposal of the Bonds provided that they qualify as Eligible Investors and that they hold their Bonds in an X Account.

(c) Tax on stock exchange transactions

A stock exchange tax (*Taxe sur les opérations de bourse / Taks op de beursverrichtingen*) will be levied on the purchase and sale in Belgium of the Bonds on a secondary market through a professional intermediary. The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.07 per cent. with a maximum amount of Euro 500 per transaction and per party. The tax is due separately from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

However, the tax referred to above will not be payable by exempt persons acting for their own account, including investors who are Belgian non-residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors, as defined in Article 126/1,2º of the Code of various duties and taxes (*Code des droits et taxes divers / Wetboek diverse rechten en taksen*).

(d) European Directive on taxation of savings income in the form of interest payments

On 3 June 2003, the Council of the European Union adopted the Council Directive 2003/48/EC regarding the taxation of savings income (hereinafter, the ‘‘**Savings Directive**’’), which has been implemented in Belgium by the law of 17 May 2004. The Savings Directive entered into force on 1 July 2005.

Under the Savings Directive, Member States are since 1 July 2005 required to provide to the tax authorities of other Member States or the tax authorities of the Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands (hereinafter, the ‘‘**Dependent and Associated Territories**’’, each a ‘‘**Dependent and Associated Territory**’’) details of payments of interest and other similar income paid by a paying agent (within the meaning of the Savings Directive) to (or under certain circumstances, to the benefit of) an individual resident in another Member State or resident in a Dependant and Associated Territory, except that Belgium, Austria and Luxembourg are instead required (unless they elect otherwise) to impose a source tax (*woonstaatheffing / prélèvement pour l'Etat de residence*, hereinafter ‘‘**Source Tax**’’) for a transitional period, unless the beneficiary of the interest payments elects for the exchange of information. The ending of such transitional period depends on the conclusion of certain other agreements relating to exchange of information with certain other countries. However, according to public statements from the Belgian Minister of Finance, Belgium will switch to exchange of information before the end of the transitional period, on a date expected to be 1 January 2010 (before the withholding rate reaches 35 per cent.).

The rate of the Source Tax was 15 per cent. until 30 June 2008 and has increased to 20 per cent. on 1 July 2008. The rate of the Source Tax will increase to 35 per cent. on 1 July 2011.

Bondholders who are individuals or certain other persons and receive interest on the Bonds should note that additional amounts which may become due as described in Condition 7 "Taxation", will not be due in respect of the Source Tax.

Individuals not resident in Belgium

A Belgian paying agent will withhold a tax at source at the current rate of 20 per cent. on the interest payments made to an individual, beneficial owner of the interest payments and resident in another EU Member State or resident in one of the Associated and Dependant Territories.

The Source Tax is levied in addition to the Belgian withholding tax which has been withheld.

The Source Tax is levied pro rata to the period of holding of the Bonds by the beneficial owner of the interest payments.

No Source Tax will be applied if the investor provides the Belgian paying agent with a certificate drawn up in his name by the competent authority of his state of residence for tax purposes. The certificate must at least indicate: (i) name, address and tax or other identification number or, in the absence of the latter, the date and place of birth of the beneficial owner; (ii) name and address of the paying agent; and (iii) the account number of the beneficial owner, or where there is none, the identification of the security.

Individuals resident in Belgium

An individual resident in Belgium will be subject to the provisions of the Savings Directive, if he receives interest payments from a paying agent (within the meaning of the Savings Directive) established in another EU Member State, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, the Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, Anguilla, the Cayman Islands or the Turks and Caicos Islands.

If the interest received by an individual resident in Belgium has been subject to a Source Tax, such Source Tax does not liberate the Belgian individual from declaring the interest income in the personal income tax declaration. The Source Tax will be credited against the personal income tax. If the Source Tax withheld exceeds the personal income tax due, the excessive amount will be reimbursed, provided it reaches a minimum of Euro 2.5.

2. LUXEMBOURG TAXATION

The following discussion is a summary of the Luxembourg tax consequences to potential purchasers or holders of Bonds, based on current law and practice in Luxembourg. This discussion is for general information purposes only and does not purport to be a comprehensive description of all possible tax consequences that may be relevant. Potential purchasers of Bonds should consult their own professional advisers as to the consequences of making an investment in, holding or disposing of the Bonds and the receipt of any amount in connection with the Bonds.

Luxembourg Withholding Tax

Under Luxembourg tax laws currently in effect and with the possible exception of interest paid to individuals and to certain residual entities (as described below), there is no Luxembourg withholding tax on payments of interest, including accrued but unpaid interest. There is also no Luxembourg withholding tax, with the possible exception of payments made to individuals and to certain residual entities (as described below), upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Bonds.

Individuals not resident in Luxembourg

Under the Luxembourg laws dated 21 June 2005 implementing the Savings Directive and several agreements concluded between Luxembourg and certain dependent or associated territories of the European Union ("EU"), a Luxembourg based paying agent (within the meaning of the Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for an exchange of information or for the tax certificate procedure. The same regime applies to payments of interest and other similar income made to certain so-called "residual entities" within the meaning of Article 4.2 of the Savings Directive (i.e. an entity without legal personality (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose), whose profits are not taxed under the general arrangements for the business taxation and that is not, or has not opted to be considered as, a UCITS recognised in accordance with Council

Directive 85/611/EEC) established in a Member State or in certain EU dependent or associated territories.

The withholding tax rate is 20 per cent. as from 1 July 2008 increasing to 35 per cent. as from 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Individuals resident in Luxembourg

A 10 per cent. withholding tax is levied on interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EC or for the exchange of information regime).

Pursuant to the Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Savings Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic Area or in a State or territory which has concluded an international agreement directly related to the Savings Directive.

SUBSCRIPTION AND SALE

Fortis Bank NV/SA (having its registered office at Montagne du Parc, 3 B-1000 Brussels), ING Belgium SA/NV (having its registered office at Avenue Marnixlaan, 24 B-1000 Brussels) and KBC Bank NV (having its registered office at Havenlaan, 8 B-1080 Brussels) (the "**Managers**" or the "**Joint Lead Managers**") have, pursuant to a Underwriting Agreement dated 15 May 2009 (the "**Underwriting Agreement**"), agreed with the Issuer, subject to the satisfaction of certain conditions, to place the Bonds with third parties on a best effort basis at the issue price and at the conditions specified below. The Underwriting Agreement entitles the Managers to terminate their obligations in certain circumstances prior to payment being made to the Issuer. A5 - 5.4.1 A5 - 5.4.3 A5 - 5.4.4

1. OFFER PERIOD

The Bonds will be offered to the public in the Grand Duchy of Luxembourg and in the Kingdom of Belgium. The Bonds will be issued on 12 June 2009 (the "**Issue Date**"). A5 – 5.2.1

The Public Offer will start on 18 May 2009 at 9.00 a.m. (Brussels time) and end on 9 June 2009 at 4.00 p.m. (Brussels time) (the "**Offer Period**"), or such earlier date as the Joint Lead Managers and the Issuer may agree. In this case, such closing date will be announced by or on behalf of the Issuer on the website www.solvay.com, on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of the Joint Lead Managers (www.fortisbank.be, www.ing.be, www.kbc.be). A5 - 5.1.3 A5 - 5.1.7

The Issuer and the Joint Lead Managers reserve the right to reduce or withdraw the Public Offer, if the expected minimum amount of EUR 150,000,000 is not placed or if there are market or other disruptions not enabling a smooth placement or settlement of the Bonds, as agreed by the three Joint Lead Managers pursuant to the provisions of the Underwriting Agreement. A5 - 5.1.2

Except in case of oversubscription, a prospective subscriber will receive 100 per cent. of the amount of the Bonds allocated to it during the Offer Period.

Prospective subscribers will be notified of their allocations of Bonds by the applicable financial intermediary in accordance with the arrangements in place between such financial intermediary and the prospective subscriber. A5 - 5.2.2

No dealings in the Bonds on a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC may take place prior to the Issue Date.

After having read the entire Prospectus and, on the basis of this, among other things, having decided to subscribe to the Bonds, the investors can subscribe to the Bonds via the branches of the following distributors appointed by the Issuer, using either the subscription form provided by the distributor (if any) or the subscription form attached to this Prospectus (as indicated by the relevant distributor): Fortis Bank (including Fintro), ING, KBC (including CBC S.A.), KBL European Private Bankers S.A., Centea NV and KBC Securities NV. A5 - 5.4.1

The applications can also be submitted via agents or any other financial intermediaries in the Kingdom of Belgium and in the Grand Duchy of Luxembourg. In this case, the investors must obtain information concerning the commission fees that the financial intermediaries can charge. These commission fees are charged to the investors.

2. CONDITIONS TO WHICH THE PUBLIC OFFER IS SUBJECT

The Public Offer is subject to a number of conditions set out in the Underwriting Agreement, among which the principals are: A5 - 5.1.1

(i) the correctness of the representations and warranties made by the Issuer in the Underwriting Agreement;

(ii) receipt, by the Managers, of a comfort letter issued by the auditors of the Issuer and addressed to the Managers;

(iii) the due diligence carried out by the Managers on the Issuer is satisfactory to the Managers;

(v) the Underwriting Agreement, the Clearing Agreement and the Agency Agreement have been executed by all parties thereto prior to the Issue Date;

(vi) the Issuer has provided the National Bank of Belgium all the information required to obtain the clearing of the Bonds in the X/N system;

(vii) the listing of the Bonds on the regulated market of the Luxembourg Stock Exchange and on NYSE Euronext, Brussels, has been granted on or prior to the Issue Date;

(viii) at the latest on the Issue Date, the Managers, having received the following documents:

- a copy of the up-to-date articles of association of the Issuer;

- a signed copy of an extract of the resolution of the Board of Directors of the Issuer authorizing the issue of the Bonds;

- a bring down comfort letter issued by the auditors of the Issuer and addressed to the Managers, in form and substance satisfactory to the Managers, with as cut-off date a date that is between 3 to 5 Brussels business days prior to the Issue Date;

- a document evidencing the authority of the representative of the Issuer (including his title and a specimen of his signature) to act on behalf of the Issuer in relation to the Bonds and to execute on behalf of the Issuer any document related to the issue of the Bonds;

- a legal opinion, in form and substance satisfactory to the Managers, from the Issuer's legal adviser;

- a legal opinion, in form and substance satisfactory to the Managers, from the Managers' legal adviser;

- a certificate signed by a duly authorised officer of the Issuer;

(ix) there having been, as at the Issue Date, no material adverse change (as defined in the Underwriting Agreement) affecting the Issuer and no event making any of the representations and warranties contained in the Underwriting Agreement untrue or incorrect in any material respect on the Issue Date as if they had been given and made on such date and the Issuer having performed all the obligations to be performed by it under the Underwriting Agreement on or before the Issue Date.

These conditions can be waived (in whole or in part) by the Joint Lead Managers.

3. ISSUE PRICE

The issue price will be of 101.851% (the "**Issue Price**"). A5 - 5.3.1

The investors who are not Qualified Investors (as defined in the Prospectus Law[20] and the Luxembourg Act dated 10 July 2005[21]) will pay the Issue Price.

The Qualified Investors will pay the Issue Price less a discount or plus a margin, such resulting price being subject to change during the Offer Period based among others on (i) the evolution of the credit quality of the Issuer (credit spread), (ii) the evolution of interest rates, (iii) the success (or lack of success) of the placement of the Bonds, and (iv) the amount of Bonds purchased by an investor, each as determined by each Joint Lead Manager in its sole discretion.

The yield of the Bonds is 4.64% on an annual basis. The yield is calculated as at 12 June 2009 on the basis of the Issue Price. It is not an indication of future yield. A5 - 4.9

4. PAYMENT DATE AND DETAILS A5 – 5.1.6

The payment date is 12 June 2009. The payment for the Bonds can only occur by means of debiting from a current account.

On the date that the subscriptions are settled, the X/N settlement system of the NBB will credit the custody account of the Domiciliary Agent according to the details specified in the rules of the X/N settlement system.

Subsequently, the Domiciliary Agent, at the latest on the settlement date, credits the amounts of the subscribed securities to the account of the participants for onward distribution to the subscribers, in accordance with the usual operating rules of the X/N settlement system.

5. COSTS AND FEES

The net proceeds (before deduction of expenses) will be an amount equal to the aggregate nominal amount of the Bonds issued (the "**Aggregate Nominal Amount**") multiplied by the Issue Price expressed in percentage; minus (i) the total selling and distribution commission of 1.875 per cent. of the Aggregate Nominal Amount and (ii) the fixed lump sum of EUR 100,000 mentioned below. A5 – 3.2 A5 – 5.4.3 A5 – 5.3.1

The Issue Price shall include the selling and distribution commission described below, such commission being borne and paid by the subscribers. The Issuer has agreed to pay to the Managers a fixed lump sum of EUR 100,000 covering the expenses in connection with the issue of the Bonds.

Expenses specifically charged to the subscribers:

(i) the subscribers who are not Qualified Investors (as defined in the Prospectus Law) will bear a selling and distribution commission of 1.875 per cent., included in the Issue Price; and

[20] Loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés du 16 juin 2006/ Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt van 16 juni 2006.

[21] Luxembourg Act dated 10 July 2005 on prospectuses for securities.

(ii) the subscribers who are Qualified Investors will normally bear a distribution commission of 0.875 per cent., subject to the discount or margin foreseen under section 3 of the heading Subscription and Sales. Such commission will be included in the issue price applied to them.

6. FINANCIAL SERVICES

The financial services will be provided free of charge by Fortis Bank, KBC and ING.

The costs for the custody fee for the Bonds in custody account are charged to the subscribers. Investors must inform themselves about the costs their financial institutions might charge them.

Investors must inform themselves about the costs the other financial institutions might charge them.

7. OVER-SUBSCRIPTION IN THE BONDS

A5 – 5.1.4
A5 – 5.2.2

In case of early termination of the Offer Period due to oversubscription or to changes in market conditions as agreed between the Joint Lead Managers and the Issuer, allotment of the Bonds will be made with the following objective allotment criteria:

(i) the subscriptions received from retail applicants via the Joint Lead Managers will be first handled and allocated according to the principle “first comes, first served” (as determined together between the Joint Lead Managers);

(ii) then the subscriptions received via other financial intermediaries than the Joint Lead Managers or from institutional applicants will be served in the chronological order of their receipt by each Joint Lead Manager (as determined together between the Joint Lead Managers); and

(iii) if required, the last subscription (or the last subscriptions if received exactly at the same time) mentioned under (i) and (ii), if any, will be reduced in order to correspond with the Aggregate Nominal Amount, as determined by the Issuer and the Joint Lead Managers in their sole discretion (it being understood that such Aggregate Nominal Amount will depend on the wishes of the Issuer and on the demand from prospective investors, but with a minimum of EUR 150,000,000 to the extent there is sufficient demand from the investors).

Any payment made by an applicant in connection with the subscription of Bonds which are not allotted will be refunded within seven Brussels Business Days (where Brussels Business Day means a day on which banks are open for general business in Brussels) after the date of payment in accordance with the arrangements in place between such relevant applicant and the relevant financial intermediary, and the relevant applicant shall not be entitled to any interest in respect of such payments.

8. RESULTS OF THE OFFER

The results of the offer of the Bonds (including its net proceeds) shall be published as soon as possible after the end of the Offer Period and on or before the Issue Date on the website of the Luxembourg Stock Exchange (www.bourse.lu), on the website of the Issuer (www.solvay.com) as well as on the websites of the Joint Lead Managers (www.fortisbank.be, www.ing.be, www.kbc.be). A5 - 5.1.2 A5 - 5.1.7

The same method of publication will be used to inform the investors in case of early termination of the Offer Period.

9. OFFER TIMETABLE

The main steps of the timetable of the Offer are as follows:

18 May 2009: Publication of the Prospectus on the websites of the Luxembourg Stock Exchange and the Issuer

18 May 2009: Opening date of the Offer Period

9 June 2009: Closing date of the Offer Period

Between 9 and 12 June 2009: Expected publication date of the results of the offer of the Bonds (including its net proceeds), as specified under Clause 5 above

12 June 2009: Issue Date and listing of the Bonds on the regulated market of the Luxembourg Stock Exchange and on Euronext Brussels A5 - 4.12

10. COSTS

Each subscriber shall make his own enquiries with his financial intermediaries on the related or incidental costs (transfer fees, custody charges, etc.), which the latter may charge him with.

11. TRANSFER OF THE BONDS

Subject to compliance with any applicable selling restriction, the Bonds are freely transferable. A5 - 4.13

12. DISTRIBUTION OF THE PROSPECTUS – GENERAL SELLING RESTRICTION

In certain jurisdictions the distribution of the Prospectus, the offer of the Bonds and the participation in such offer may be subject to specific regulations or legal and regulatory restrictions. The Bonds are neither offered directly or indirectly to any persons subject to such restrictions nor can the Bonds be accepted by persons residing in a country subject to such restrictions. Consequently, any person in possession of the Prospectus must make sufficient enquiries in respect of any applicable local restrictions and act in accordance with them. The Prospectus constitutes neither an offer, nor an invitation to purchase Bonds in those jurisdictions where such offer or invitation would be illegal. The Issuer and the Managers expressly decline all responsibility in respect of any person violating local regulations applicable to them. A5 - 4.13

13. UNITED STATES

The Bonds have not been and will not be registered under the Securities Act or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from registration requirements. Accordingly, the Bonds are being offered and sold in offshore transactions to non-U.S. persons in reliance on Regulation S under the Securities Act ("**Regulation S**"). Terms used in this paragraph have the meaning given to them in Regulation S.

The Managers have agreed that they will not offer or sell the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date within the United States or to, or for the account or benefit of, U.S. persons, and they will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration (if any) to which they sell Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them in Regulation S.

The Managers have agreed that they have not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, the Bonds within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of the Bonds, the Managers have not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Managers or the prospective purchaser is within the United States or its possessions or otherwise involve a U.S. office of the Managers in the offer or sale of the Bonds. Further, each holder and each beneficial owner of a Bond, (a) as a condition to purchasing such Bond or any beneficial interest therein, will be deemed to represent that neither it nor any person for whose account or benefit the Bonds are being purchased is (i) located in the USA, (ii) is a U.S. Person or (iii) was solicited to purchase the Bonds while present in the USA and (b) will be deemed on purchase to agree not to offer, sell, deliver, pledge or otherwise transfer any Bonds at any time, directly or indirectly in the USA or to any U.S. Person. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including U.S. Treas. Reg. §1.163-5(c)(2)(i)(C).

14. PUBLIC OFFER SELLING RESTRICTION IN THE EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State other than the offers contemplated in the Prospectus in the Kingdom of Belgium and the Grand Duchy of Luxembourg from the time the Prospectus has been approved by the competent authority in the Grand Duchy of Luxembourg and published and notified to the relevant competent authority in accordance with the Prospectus Directive as implemented in the Kingdom of Belgium to, and including, the Issue Date, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Bonds to the public in that Relevant Member State:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Managers; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Bonds shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Bonds to the public**"** in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive"** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

15. UNITED KINGDOM

Each Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

GENERAL INFORMATION

1. Application has been made to the Luxembourg Stock Exchange for the Bonds to be listed on the Luxembourg Stock Exchange's regulated market. BGL Société Anonyme has been appointed as listing agent for that purpose. A5 - 6.1

2. Application has also been made for the Bonds to be listed on Euronext Brussels. Fortis Bank NV/SA has been appointed as listing agent for that purpose.

3. The issue of the Bonds was authorised by a resolution passed by the Board of Directors of the Issuer on 12 May 2009.

4. Except as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Issuer or of the Group since 31 December 2008 and no material adverse change in the prospects of the Issuer since 31 December 2008. A4 - 8.1 A4 - 13.7

5. Except as disclosed in section "Additional information: Significant litigation and arbitration proceedings" on page 61 of this Prospectus, neither the Issuer nor any of its subsidiaries is, nor has been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer or the Group. A4 - 13.6

6. The Bonds have been accepted for clearance through the clearing system of the National Bank of Belgium, as well as through Euroclear and Clearstream, Luxembourg systems with a Common Code of 043006053. The International Securities Identification Number (ISIN) for the Bonds is BE0002169358. A5 - 4.1

   The address of the National Bank of Belgium is 14 Boulevard de Berlaimont, 1000 Brussels, Belgium. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg. A5 - 4.3

7. So far as the Issuer is aware, no person involved in the Public Offer has any interest, including conflicting ones, that is material to the Public Offer. A5 - 3.1

8. Material contracts: save as disclosed herein, no member of the Solvay Group has entered into any contracts which could result in a company of the Solvay Group being under an obligation or entitlement that would be material to Solvay's ability to meet its obligations towards holders of the Bonds A4 - 15

9. Where information in this Prospectus has been sourced from third parties this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain, to its reasonable knowledge, from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading in any material respect. The source of third party information is identified where used. A4 - 16.2 A5 - 7.4

10. During the Offer Period and during the life of the Bonds, copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer: A4 - 17

    (a) the Memorandum and Articles of Association (*statuts/statuten*) of the Issuer, in French and in Dutch;

    (b) the published annual report and audited accounts of the Issuer for the year ended on 31 December 2008 and for the year ended on 31 December 2007;

(c) a copy of this Prospectus together with any Supplement to this Prospectus or further Prospectus; and

(d) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Prospectus.

The Prospectus will be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

11. Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises BV o.v.v.e. CVBA / SC s.f.d. SCRL, Avenue Louise 240, B-1050 Brussels, member of the "Institut des Réviseurs d'Entreprises/Instituut der Bedrijfsrevisoren has audited, and rendered unqualified audit reports on, the accounts of the Issuer for the year ended 31 December 2008 and 31 December 2007. A4 - 2.1

Subscription form

<u>Copy for the financial intermediary (financial agent)</u>

Solvay SA
Rue du Prince Albert 33
B-1050 Brussels

(VAT BE 403 091 220, RPM-RLP Brussels)

Public offer in Belgium and Luxembourg of 5.00% fixed rate bonds, due 12 June 2015, with a nominal value of €1,000, as defined in the Prospectus (the "Bonds")

ISIN CODE BE0002169358

SUBSCRIPTION FORM

(to be drawn up in duplicate, in accordance with the law)

I, the undersigned (name, first name) ....

, residing at ……………………........, street .... no. ....

have had the opportunity to become acquainted with the Prospectus of 15 May 2009 and declare that I subscribe to:

.... Bonds with a nominal value of 1,000 euros each, at the subscription price of 101.851% ,

or €1,018.51 for each Bond,

or €................... in total.

For my subscription and as countervalue for the securities that are subscribed to, I request the bank, ... , to debit my account no. .... with the total subscription price.

I require that the Bond(s) be delivered in the form of an entry on the custody account no. ....

The paid amounts for the Bonds subscribed to and not allocated, will be refunded by Fortis Bank NV/SA, ING Belgium NV/SA or KBC Bank NV, as the case may be, within seven (7) business days, without the subscribers being entitled to demand interest on their payments.

Drawn up in duplicate at .... on ..../.......... /...........

(subscriber's signature)

This page has been intentionally left blank.

Subscription form

<u>Copy for the subscriber</u>

Solvay SA
Rue du Prince Albert 33
B-1050 Brussels

(VAT BE 403 091 220, RPM-RLP Brussels)

Public offer in Belgium and Luxembourg of 5.00% fixed rate bonds, due 12 June 2015, with a nominal value of €1,000, as defined in the Prospectus (the "Bonds")

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For my subscription and as countervalue for the securities that are subscribed to, I request the bank, ... , to debit my account no. .... with the total subscription price.

I require that the Bond(s) be delivered in the form of an entry on the custody account no. ....

The paid amounts for the Bonds subscribed to and not allocated, will be refunded by Fortis Bank NV/SA, ING Belgium NV/SA or KBC Bank NV, as the case may be, within seven (7) business days, without the subscribers being entitled to demand interest on their payments.

Drawn up in duplicate at .... on ..../.......... /...........

(subscriber's signature)

Registered/Head Office of the Issuer

Solvay SA
Rue du Prince Albert 33
B-1050 Brussels

Auditors of the Issuer A4 - 2.1

Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises BV o.v.v.e. CVBA / SC s.f.d. SCRL
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B-1050 Brussels

Domiciliary and Paying Agent A5 - 5.4.2

Fortis Bank NV/SA
Montagne du Parc 3
B-1000 Brussels

Listing Agent

BGL Société Anonyme
50 avenue JF Kennedy
L-2951 Luxembourg

for the listing on the Luxembourg Stock Exchange

Fortis Bank NV/SA
Montagne du Parc, 3
B-1000 Brussels

for the listing on Euronext Brussels

Joint Lead Managers

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B-1000 Brussels

ING Belgium SA/NV
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KBC Bank NV
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Legal Advisers to the Joint Lead Managers A5 – 7.1

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