

Shaping our future

The strength to change

9m10 results

October 28th 2010



9m10 Group results – Continuing operations

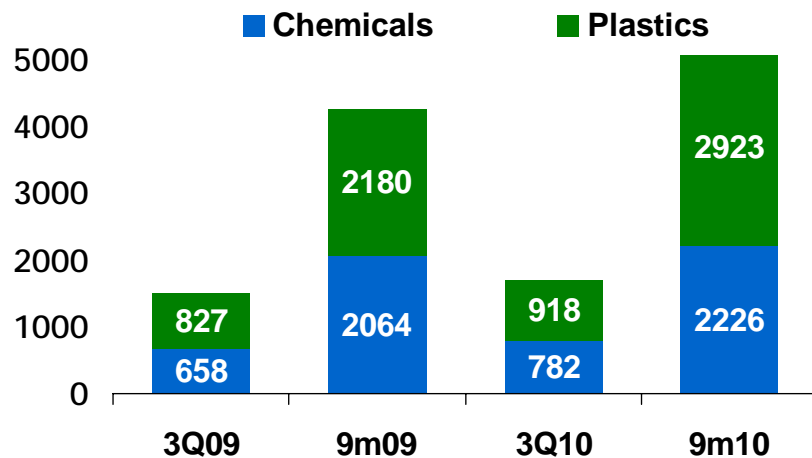
Sales and operating result

SOLVAY GROUP

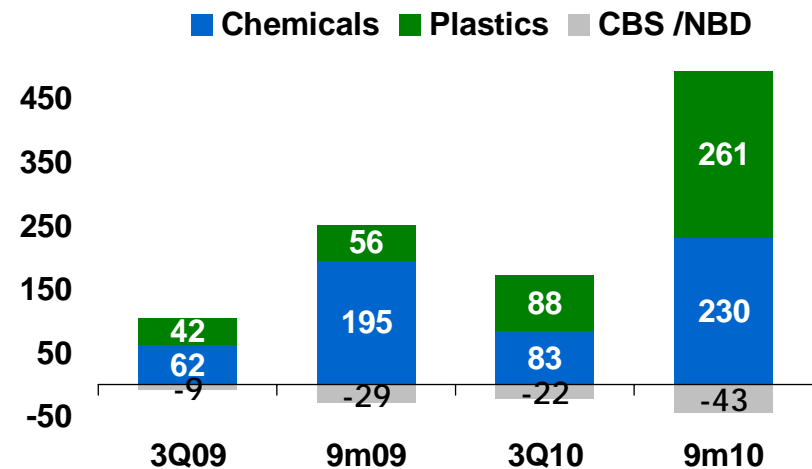
Sales: EUR 5.1b, up 22%*

REBIT: EUR 447m, up 98%*

3Q and 9m sales (in EURm)



3Q and 9m REBIT (in EURm)



Chemicals: +8% - Higher volumes (+14%) compensate lower sales prices (-10%)

Plastics: +36%¹ - Strong volume improvement, especially in Specialty Polymers (+42%)

Energy expenses under control

Cost and cash control across the board

Inergy Automotive Systems: since July 2010 no longer consolidated
(3Q09 contribution to Solvay: sales: EUR 115m; REBIT: EUR 6m)

*At constant scope

9m10 Group results

Net income

SOLVAY GROUP



Net income: EUR 1,807m

- **Net capital gains** on the sale of pharmaceutical activities (EUR 1.7b) and on the sale of Inergy Automotive Systems (EUR 130m)
- **Impairments on industrial assets**, primarily in soda ash in Europe; net impact of EUR -197m
- **Other non recurring items**: EUR -117m
- **Financial charges**: EUR -139m; **low yield on cash**: 0.4%
- **Effective tax rate** (excl. impairments & capital gains): 24%

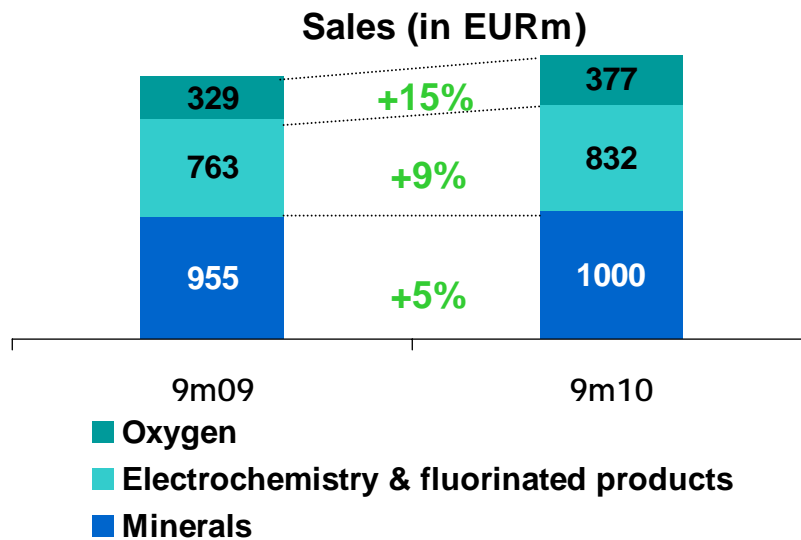
2010 interim dividend stable at EUR 1.2 gross/share

9m10 Chemicals results



9m10 Chemicals results

■ Sales: EUR 2.226m, up 8%



■ REBIT: EUR 230m, up 18%

Minerals	Down
Electrochemistry & fluorinated products	Up
Oxygen	Up

- Overall volume improvement (+14%)
- Lower sales prices (-10%), primarily in soda ash
 - ➔ Expected price increase of caustic soda in 4Q10
- Energy expenses under control
 - ➔ Expected energy expenses increase as from 4Q10
- Strong REBIT improvement in electrochemistry, hydrogen peroxide and fluor; soda ash results remain depressed in Europe

Chemicals

Strategic developments



Sustainable development and environmental footprint

- | | |
|---|---------------------|
| ▪ Construction of Epicerol [®] plant in Thailand (2012) | Ongoing |
| ▪ Bicarbonate from unused soda ash by-products in USA | Started 2Q10 |
| ▪ Fluor specialty for Li-ion batteries in South Korea | Started end of 2009 |
| ▪ Construction of electronic grade hydrogen fluoride production unit in China (end of 2010) | Ongoing |
| ▪ Refuse Derived Fuel cogeneration plant in Germany | Started early 2010 |

Innovation and geographic expansion

- | | |
|---|---------|
| ▪ New HPPO plant with Dow Chemicals in Thailand (3Q11) | Ongoing |
| ▪ Construction of H ₂ O ₂ plant in China with Huatai Group (2011) | Ongoing |

Continued focus on competitiveness

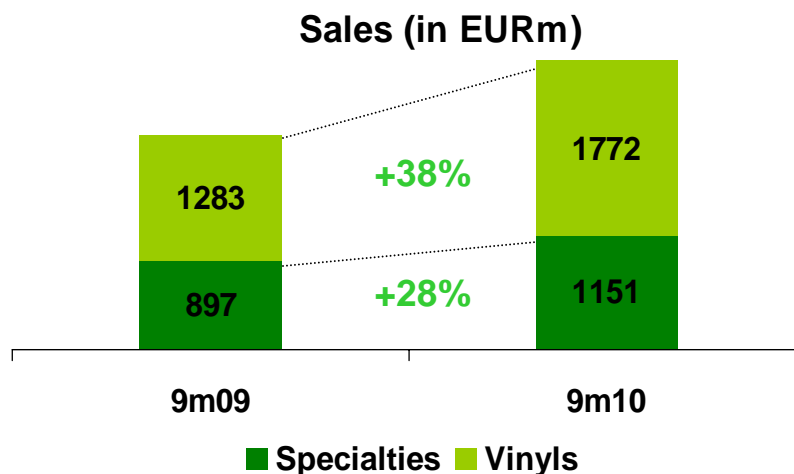
- | | |
|--|------|
| ▪ Closure of hydrogen peroxide plant in Germany | 2009 |
| ▪ Restructuration of Fluor activities in Italy & Germany | 2010 |

9m10 Plastics results



9m10 Plastics results

- Sales: EUR 2.923m, up 34%
(at constant scope, up 36%)



- REBIT: EUR 261m, significantly up

Specialties	Up
Vinyls	Up

- Significant volume improvement
 - ➔ Primarily in Specialty Polymers (+42%); strong growth in Asia
 - ➔ And, to a lesser extent, in PVC; construction remains weak in some European countries
- Prices up in PVC in Europe (margin improvement)
- Strong REBIT improvement, in particular in Specialty Polymers
- Inergy Automotive Systems: results not included since July 2010 following sale

Plastics

Strategic developments



Sustainable development and environmental footprint

- Successful launch of new PVDF for Lithium-ion batteries **2010**

Innovation and geographic expansion

- Specialty polymers compounding plant in China (4Q12) **Ongoing**
- RusVinyl: foundation stone laying and EBRD commitment to financing **July 2010**

Growth in Specialty Polymers

- Capacity extension of TECNOFLON® in Italy (1H12) **Ongoing**
- Success of new DIOFAN® unit in France **2010**
- Full benefit of capacity extensions of SOLEF® in France & of FLUOROLINK® in Italy **2010**

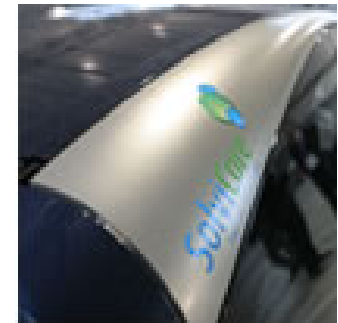
Continued focus on competitiveness

- Decision to close Pipelife production plants in Spain, Portugal, Croatia and Romania **Ongoing**

New Business Development

2010 developments:

- 4Q10: EUR 13m investment in Korean technology venture capital fund focusing on renewable energy, printed electronics, clean technologies & green chemistry
- 3Q10: USD 4m minority stake in Polyera Corporation, a leading materials developer for the printed electronics market
- 1Q10: Further GBP 1.75m investment in UK-based fuel cell developer ACAL Energy Ltd
- 1Q10: Construction of a semi-industrial fuel cell with a capacity of about 1 MW on the SolVin site at Antwerp.



2010 NBD expenses for the future:

- 2010 budgeted REBIT: EUR -30m = R&D costs
- 2010 budgeted CAPEX: ≈ EUR 25m

“The Group's operating result benefits from the improvements in competitiveness and in sales volumes. Solvay expects a higher REBIT in Chemicals compared to last year. Taking into account the significantly stronger demand for specialty polymers experienced in the first nine months, Solvay will realize a sharply improved REBIT in Plastics compared to the low level of last year.

This year, the priority continues to go to the optimal reinvestment after the disposal of the pharmaceuticals activities.”

Press release of October 28, 2010

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