SOLVAY
asking more from chemistry®

asking more from chemistry®

FULL YEAR AND 4TH QUARTER 2012 FINANCIAL REPORT*

REGULATED INFORMATION
FEBRUARY 14TH 2013
7.30 AM BRUSSELS TIME

A global leader committed to sustainable chemistry

Today's Solvay is the result of a 16-month integration process with Rhodia and a far-reaching transformation. Solvay is now a highly decentralized group, global in its vision, local in its actions, robust in its size, and agile in the way it operates.

A well defined vision and a value creative growth strategy

Solvay is committed to build a stronger leader participating in the reshaping of the global chemical industry and develop a model of sustainable chemistry.

The Group's value creative ambition targets a recurring EBITDA of € 3 bn in 2016, at constant scope. Profitability expansion will be primarily driven by operational excellence, innovation capacity and organic growth based on focused investments in fast-growing regions and business segments.

A decentralized and agile organization to support its ambitions

Solvay redesigned its organization with a focus on simplifying and decentralizing its management structure. The new business organisation effective as from January 1st 2013 is structured around five Operating Segments that reflect the different business models most adequate to the diverse business drivers and competitive dynamics across the Group's portfolio.

Asking more from chemistry®, both a vision and a commitment

Solvay's new corporate identity and tagline *Asking more from chemistry®* express the pride in being a chemical company and suggests the different levers used by the Group to become a model for sustainable chemistry: innovation, continuous progress, operational excellence, social and corporate responsibility.

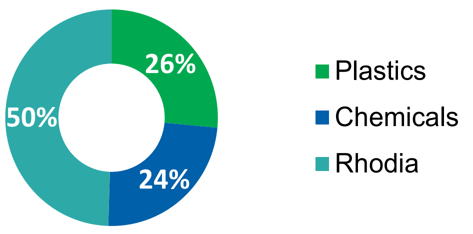
A new organisation supporting our growth ambition

Effective as from January 1st 2013

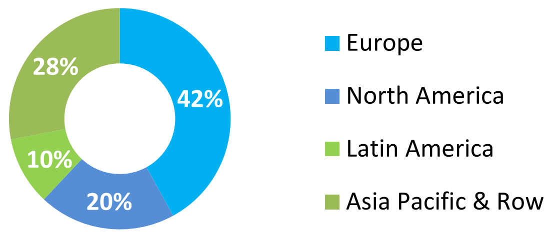
Solvay Group[1]

Net sales[2] 2012 = € 12,435 m

- By Sector (excluding CBS and NBD)

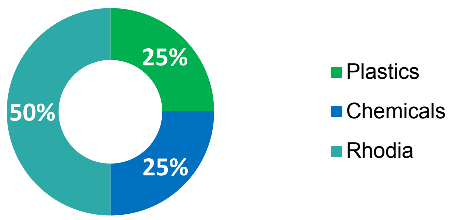


- Split by region

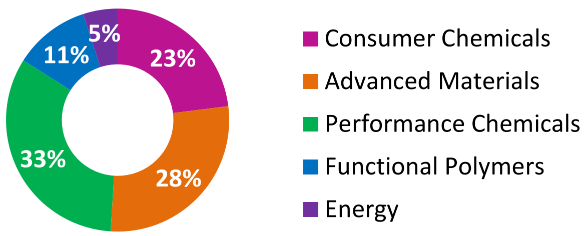


Adj. REBITDA[3] 2012 = € 2,067 m

- By Sector (excluding CBS and NBD)



- Restated by Operating Segment (Organization effective as from 1/1/2013)



Free Cash Flow[4] 2012 = € 787 m

Footnotes

1. Solvay Indupa, Vinyls South America activity is reported as "Assets held for sale" as from Q4'12. As a consequence and for comparability purposes, all historical references within this report has been restated to present Solvay Indupa as discontinued activities and as "Assets held for sale".

2. Net sales comprise the sales of goods and value-added services corresponding to Solvay's know-how and core business. Net sales exclude other revenues primarily comprising commodity and utility trading transactions and other revenue deemed as incidental by the Group.

3. Adj. REBITDA: Operating result before depreciation and amortization, non-recurring items, financial charges and income taxes
Adjusted Profit & Loss indicators exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.

4. Cash flow from operating activities (including dividends from associates and joint ventures) + cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments).

All references to year-on-year (yoy) evolution must be understood on a pro forma basis for 2011, as if the acquisition of Rhodia had become effective from the 1st of January 2011. On a pro forma basis Solvay 2011 historical figures were restated in order to harmonize accounting policies among the two Group Legacies. Pro forma results exclude impacts from i) purchase price allocation entries; ii) non-recurring acquisition costs related to the Rhodia transaction and iii) financial revenues on cash deposits and investments.

All period changes throughout this document are to be deemed on a yoy pro forma 2011 basis unless otherwise stated.

Solvay Group
FY AND Q4 2012 BUSINESS REVIEW

Highlights Q4 2012

- Net sales € 2,989 m, up 4% yoy with stable volumes, prices +2%, forex +2%
- Adj. REBITDA at € 430 m, up 22% yoy
    - Specialty Polymers and Consumer Chemicals continued delivering yoy double-digit growth, whilst Essential Chemicals remained very robust and Acetow & EcoServices resilient
    - Difficult market conditions prevailed for Polyamide and Vinyls, and Rare Earths still suffered from Lighting market's slow down
- Partial reversal of soda ash impairment of € 149 m
- Adj. EBIT at € 349 m compared to € 196 m last year
- Free Cash Flow of € 251 m
- Solvay Indupa reported as Assets held for sale as from Q4'12

Highlights FY 2012

- Net sales up 2% yoy to € 12,435 m, with volumes (4)%, prices +2%, forex +3% and scope +1%.
- Adj. REBITDA at € 2,067 m, up 2% yoy
- Confirmed pricing power[1]
- Integration completed and faster delivery of cost efficiencies (€ 170 m in 2012 and € 400 m anticipated to 2014, vs 2010 cost base)
- Adj. EBIT at € 1,451 m compared to € 1,420 m last year
- Adj. Net Income (Group Share) of € 710 m compared to € 727 m in 2011 pro forma
- Free Cash Flow of € 787 m and improved Net Debt to € 1.1 bn versus € 1.8 bn in 2011

Dividend proposed: EUR 3.20 gross per share, +4.3% compared to 2011

IFRS measures (non-PPA adjusted)

PPA charges relate to the impacts from the step-up of inventories and the Depreciation & Amortization from Rhodia's revalued assets upon the acquisition. Overall net after-tax impact amounted to € (126) m in 2012.

- EBIT: FY'12 at € 1,275 m vs € 555 m in 2011; Q4'12 at € 317 m versus € 7 m the last year quarter;
- Net Income (Group Share): FY'12 at € 584 m vs € 247 m in 2011; Q4'12 at € 181 m versus € (23) m the last year quarter;

Quote of the CEO

Despite the difficult trading conditions experienced by our cycle sensitive businesses throughout the year, the mobilization of our teams and the strong delivery in cost efficiencies and integration synergies allowed us to meet profitability and exceed cash generation expectations. Beyond this performance, 2012 achievements were instrumental in strengthening Solvay's foundations. We successfully completed the integration and the transformation of the Group, set up a clear strategic vision and put in place a more agile and decentralized organization to support our value creative ambition.

Outlook

The macroeconomic environment remains contrasted in the beginning of the year, in line with the preceding quarter. The situation in Asia is improving and North America is pursuing its recovery path. However, the situation remains uncertain in Latin America and challenging in Europe. In this context, the Group will continue reshaping its business portfolio, optimizing its industrial footprint, and enhancing the implementation of operational excellence initiatives across the board. Solvay is committed to deliver on its €3 billion REBITDA ambition in 2016 at constant perimeter and will maintain selective investments to support its growth engines.

1. Pricing power impact in REBITDA of the year-on-year evolution of selling prices versus evolution of raw material and energy costs in Cost of Goods Sold.

Solvay Group
FY 2012 Business Review

Key data (in million €)	Adjusted[1] FY 2012	Pro Forma[2] FY 2011	YoY evolution (%)	IFRS FY 2012	IFRS FY 2011
Net Sales[3]	12,435	12,149	2%	12,435	7,455
REBITDA[4]	2,067	2,022	2%	2,022	1,004
REBIT	1,403	1,399	0%	1,227	579
Non-recurring items	48	21	128%	48	(24)
EBIT	1,451	1,420	2%	1,275	555
Net financial expenses	(356)	(331)	8%	(356)	(190)
Result before taxes	1,095	1,089	1%	919	365
Income taxes	(328)	(254)	(29)%	(278)	(22)
Net result from continuing operations	767	836	(8)%	640	343
Net result from discontinued operations[5]	(40)	(52)	24%	(40)	(47)
Net income	727	784	(7)%	601	296
Non controlling interests	(17)	(57)	70%	(17)	(50)
Net income, Group share	710	727	(2)%	584	247
EPS (basic)	8.63	8.95	(4)%	7.10	7.04
Free cash flow[6]	787	656	20%	787	327

1. Adjusted performance indicators exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.

2. Pro forma figures shown in the income statement (a) as if the acquisition had become effective from 1st of January 2011, (b) harmonizing accounting principles and (c) excluding the Purchase Price Allocation (PPA) impacts.

3. Net sales comprise the sales of goods and value added services corresponding to Solvay's know-how and core business. Net sales exclude other revenues primarily comprising commodity and utility trading transactions and other revenue deemed as incidental by the Group.

4. REBITDA: operating results before depreciation and amortization, non-recurring items, financial charges and income taxes.

5. The net results from discontinued operations are linked to the classification of Sovay Indupa as «Assets held for sale» as well as post-closing adjustments subsequent to the sale of the pharmaceutical activities .

6. Cash flow from operating activities (including dividends from associates and joint ventures) + cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments).

Following the consultation of ESMA (European Securities and Markets Authority) experts, namely EECS (European Enforcers Coordination Sessions) on the application of IAS 1 § 103, IAS 2 § 38, the FSMA requested the reclassification of the adjustment relating to Rhodia revalued inventories (€ 160 m) with the corresponding indication, to the line «Cost of goods sold». 2011 has been adjusted in accordance with IAS 8.

Net sales
€ 12,435 million
+2%

Adj. REBITDA
€ 2,067 million
+2%

Adj. Net Income
€ 710 million

Adj. EPS (basic)

€ 8.63

YoY evolution (%) compared with pro forma FY'11

Solvay Group
Q4 2012 Business Review

Key data (in million €)	Adjusted[1] Q4 2012	Pro Forma[2] Q4 2011	YoY evolution (%)/times	IFRS Q4 2012	IFRS Q4 2011	YoY evolution (%)/times
Net Sales[3]	2,989	2,872	4%	2,989	2,872	4%
REBITDA[4]	430	352	22%	430	192	124%
REBIT	258	189	37%	226	0	n.m
Non-recurring items	91	7	13x	91	7	13x
EBIT	349	196	78%	317	7	45x
Net financial expenses	(85)	(81)	(5)%	-85	-81	(5)%
Result before taxes	263	114	130%	231	-74	n.m
Income taxes	(80)	17	n.m	-70	64	n.m
Net result from continuing operations	183	131	39%	161	-10	n.m
Net result from discontinued operations[5]	(1)	(14)	(91)%	-1	-10	86%
Net income	181	117	55%	160	-20	n.m
Non controlling interests	21	(4)	n.m	21	-4	n.m
Net income, Group share	203	113	79%	181	-23	n.m
Free cash flow[6]	251	184	36%	251	184	36%

1. Adjusted performance indicators exclude Purchase Price Allocation (PPA) non-cash accounting impacts related to the Rhodia acquisition.

2. Pro forma figures shown in the income statement (a) as if the acquisition had become effective from 1st of January 2011, (b) harmonizing accounting principles and (c) excluding the Purchase Price Allocation (PPA) impacts.

3. Net sales comprise the sales of goods and value added services corresponding to Solvay's know-how and core business. Net sales exclude other revenues primarily comprising commodity and utility trading transactions and other revenue deemed as incidental by the Group.

4. REBITDA: operating results before depreciation and amortization, non-recurring items, financial charges and income taxes.

5. The net results from discontinued operations are linked to the classification of Solvay Indupa as «Assets held for sale» as well as post-closing adjustments subsequent to the sale of the pharmaceutical activities .

6. Cash flow from operating activities (including dividends from associates and joint ventures) + cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments).

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Net sales

€ 2,989 million

+4%

Adj. REBITDA

€ 430 million

+22%

Adj. net income

€ 203 million

Adj. EPS (basic)

€ 2.45

YoY evolution (%) compared with pro forma Q4'11

Solvay Group
FY and Q4 2012 Business Review by Sector

Key data (in million €)	Adjusted FY 2012	YoY evolution (%)	Adjusted Q4 2012	YoY evolution (%)
Net Sales	**12,435**	**2%**	**2,989**	**4%**
Plastics	3,292	5%	764	10%
Chemicals	2,987	5%	734	6%
Rhodia	6,156	0%	1,491	2%
REBITDA	**2,067**	**2%**	**430**	**22%**
Plastics	552	1%	107	65%
Chemicals	575	17%	137	33%
Rhodia	1,112	(1)%	244	5%
New Business Development	(56)	19%	(18)	5%
Corporate and Business Support	(117)	37%	(39)	31%
EBIT	**1,451**	**2%**	**349**	**78%**

Business review — FY 2012

In 2012, net sales reached € 12,435 m, up by 2% versus last year. Net sales increased by 5% in the Plastics and Chemicals sectors, whilst remained stable in Rhodia. For the Group, the (4)% lower sales volumes were more than compensated by average selling price increases of +2%, favorable currency effects of +3% and scope changes of +1%. The volume decline is to be ascribed to Plastics and Rhodia, primarily due to the global economic slowdown and the demanding last year's comparison basis for Rare Earths. Overall volume at Chemicals increased slightly + 1%. Favorable forex impacts were fairly spread across the Group

Adj.REBITDA amounted to € 2,067 m, up by 2% despite a difficult trading context and despite the demanding comparable of last year in the Plastics and Rhodia sectors. The adverse impact from the overall volume decline and the severe margin erosion at Solvay's cycle sensitive segments were compensated by the healthy dynamics of its growth engines and resilient businesses. The Group also benefited from the faster delivery of savings from the integration-related synergies and other efficiency plans (Horizon), which amounted to € 170 m in the year (vs. the 2010 cost base reference). Synergies in the domain of purchases and logistics were well ahead of initial plans, allowing to offset difficult trading conditions at our cycle sensitive businesses. Hence, Solvay confirmed its pricing power: in an inflationary context, selling price increases more than compensated rise in raw material and energy costs yoy, resulting in an overall € 35 m positive impact in REBITDA. By Sectors, the decline of (1) % in Rhodia reflects the margin squeeze reported in Polyamide Materials and the exceptional situation at Rare Earths in 2011, which was not fully compensated for by the good growth in Consumer Chemicals and Acetow & Eco Services. In Plastics, REBITDA increased by 1%, the strong results in Specialty Polymers more than compensated the demand decrease and margin erosion in Vinyls. REBITDA of the Chemicals sector came in at € 575 m, a 17% increase year on year explained by the resilient business dynamics of Essential Chemicals and improved pricing.

Adjusted REBITDA amounted to € (56) m for NBD and to € (117) m for CBS, and combined included one-time items of € (30) m related to the Rhodia transaction and other exceptional charges like self-insured losses. CBS and NBD 2011 Adjusted REBITDA amounted to € (53) m and € (79) m, respectively.

The Group's adjusted REBITDA margin on net sales amounted to 16.6% compared with 16.7% in 2011.

Adjusted EBIT amounted to € 1,451 m, up 2% versus last year with Amortization and Depreciation charges amounting to € 663 m. On an IFRS basis, EBIT amounted to € 1,275 m.

Solvay Group
FY and Q4 2012 Business Review

Business review — Q4 2012

Net sales reached € 2,989 m, up by 4% versus 2011. Improvements were reported in the three sectors against an undemanding last years period's performance affected by the priority given to cash under a severe end-of the year destocking context. Volumes stood slightly higher +0.5%, whilst selling price increased by +1.5%, favorable currency effects accounted for +2% and scope changes for +0.5%.

Adj. REBITDA amounted to € 430 m, up by 22% versus a poor comparison. In Plastics, REBITDA significantly increased by 65% due to last year's very weak demand and inventory adjustments in Vinyls. Specialty Polymers reported continued REBITDA growth by 17%. REBITDA of the Chemicals sector came in at € 137 m, a 33% improvement yoy that was supported by the sustained performance of Essential Chemicals and the low comparison base in Special Chemicals. REBITDA of the Rhodia sector amounted to € 244 m, up by 5% reflecting the good growth in Consumer Chemicals, Acetow&Eco Services and Energy (higher sales volume of CER). Rhodia also benefited from a one-time € 15 m positive impact relating to the monetization of a litigation (reported in Rhodia's Corporate & Others).

Adjusted REBITDA amounted to € (18) m for NBD and to € (39) m for CBS, and combined included one-time items of € (12) m related to the Rhodia transaction and other charges like from self-insured losses.

Group REBITDA margin on net sales amounted to 14.4% compared with 12.2% in Q4'11.

Adjusted EBIT amounted to € 349 m versus € 196 m last year with Amortization and Depreciation charges amounting to € 172 m. On an IFRS basis, EBIT amounted to € 317 m.

Major achievements in Research & Innovation (R&I)

Innovation plays an important role to meet with Solvay's growth ambition. In 2012, R&I was marked by key achievements among which:
- New capabilities in Asia: opening of a major centre in India; groundbreaking of a new centre in South Korea ; extension of China's centre to host polymer processing platform and food laboratory
- New products: guar-based Tiguar® solutions for oil & gas stimulation; Govanil™ range of vanilla flavours; new PVDF® and specialty lithium salt grades for electric car batteries…
- Technology breakthroughs: the largest fuel cell of 1 megawatt built on our Lillo plant in Belgium; efficiency record reached in Organic Photovoltaic on inverted solar cells
- Registration of 300 new patents
- Venturing capital: 5 M€ in Sofinnova Green Seed Fund for renewable chemistry.

PLASTICS

FY and Q4 2012 Business Review

Highlights FY 2012

Specialty Polymers

- Strong Performance in Smart Devices, Oil & Gas, Healthcare and Automotive markets.
- Operational excellence programs contributed to the results growth

Vinyls

- Challenging market conditions adversely impacting both volumes and prices
- Very differentiated business dynamics by region

Highlights Q4 2012

Specialty Polymers

- Good Performance with Net Sales and REBITDA above Q4'11 levels at respectively € 311 m and € 89 m

Vinyls

- Continued challenging market conditions adversely impacting margins

Key data (in million €)	Adjusted FY 2012	YoY evolution (%)	Adjusted Q4 2012	YoY evolution (%)
Net Sales	**3,292**	**5%**	**764**	10%
Specialty Polymers	1,345	7%	311	2%
Vinyls	1,948	3%	453	16%
Vinyls Europe	1,424	2%	328	17%
Vinyls Asia	372	13%	91	18%
Plastics Integration	152	(8)%	34	3%
REBITDA	**552**	**1%**	**107**	**65%**
Specialty Polymers	401	10%	89	17%
Vinyls	151	(13)%	19	254%
EBIT	435	16%	61	110%

Key data (in million €)	FY 2012	YoY evolution (%)	Q4 2012	YoY evolution (%)
EBIT IFRS	**435**	**118%**	**61**	**18%**

FY'12

Net sales

€ 3,292 million

+5%

Adj. REBITDA

€ 552 million

+1%

YoY evolution (%) compared with pro forma FY'11

Q4'12

Net sales

€ 764 million

+10%

Adj. REBITDA

€ 107 million

+65%

YoY evolution (%) compared with pro forma Q4'11

FY and Q4 2012 Business review

FY 2012

Specialty Polymers

Net sales of Specialty Polymers increased by 7% yoy and reached € 1,345 m in 2012. Prices increased by 3% and volumes by 1%. 2012 benefited also from positive foreign exchange impacts of 4%. During the year, the most dynamic end markets were Smart Devices, Oil & Gas, Healthcare and Automotive. Advanced Transportation and Consumer Applications remained resilient, while Construction, Photovoltaic and Semicon suffered. Numerous operational excellence programs implemented over the year contributed to the results growth. The innovation development pool remains healthy with significant new promising projects to be launched in the following months.

Specialty Polymers recorded a strong performance over the year, delivering a **REBITDA** of € 401 m, up by 10% compared to 2011. The profitability of these activities was driven by favorable product mix and pricing power through strong alignment with customers' needs.

Vinyls

Net sales of Vinyls amounted to € 1,948 m, up by 3% compared to last year. In Europe, Global PVC market was down by (6)% impacted by the sluggish construction sector and the important ethylene price movements occurred during the year. Solvin's sales volumes in Europe were down by (2.5) %. In Thailand, volumes increased compared to last year, benefiting from a good demand in South East Asia. Vinythai operated at full capacity. The Latin America PVC was reported as "Assets held for sale" in 2012 accounts.

REBITDA amounted to € 151 m, a decrease of (13) % compared to 2011. In Europe, SolVin's spreads continued to decrease. Vinythai delivered strong set of results. The REBITDA margin on net sales stood at 8%, versus 9% reached in 2011.

Q4 2012

Specialty Polymers

Net sales of Specialty Polymers amounted to € 311 m, up by 2% yoy. This increase was mainly to be ascribed to the positive foreign exchange impacts of 2%. The most dynamic end markets were Smart Devices and Consumer Applications. The Automotive industry and the industrial markets suffered while Oil & Gas reduced sequentially.

REBITDA amounted to € 89 m, up 17% yoy. Operational excellence programs contributed to this good profitability.

Vinyls

Net sales of Vinyls amounted to € 453 m, up by 16% compared to last year. Europe benefited from higher volumes and a favorable mixed spreads evolution compared to last year. In Thailand, demand remained strong with good selling prices.

REBITDA amounted to € 19 m, compared to the negative contribution of 2011 (€ (12) m). In Europe, results were positively impacted by better production and lower energy costs. In Thailand, volumes increased as well, compared to the low 2011 demand which was impacted by the flood. Overall, Vinyls reported a slight increase in volumes and positive pricing power.

FY'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Specialty Polymers	1%	3%	4%	0%	**7%**
Vinyls	(6)%	0%	2%	7%	**3%**

Q4'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Specialty Polymers	0%	0%	2%	0%	**2%**
Vinyls	1%	7%	1%	7%	**16%**

Investments geared towards growth

Solvay's capital expenditure serves two main purposes: fuel growth by investing selectively in capacity expansions and upgrade production facilities. Last year, several investments came on stream to follow demand growth :
- In Asia, Solvay commissioned a new world-class bio-sourced Epichlorohydrin plant based on innovative Epicerol® technology in Thailand, increased its specialty polymers PEEK and PEAK in India by 70% and started a new specialty polymers compounding unit in China.
- In the United States, Solvay boosted its derivatized guar facility to serve the dynamic North American oil and gas market.
- In Europe, Solvay completed several expansion projects to increase production of specialty polymers PVDF, highly dispersible silica and specialty fluorinated aliphatic derivatives. It also started two rare earth recycling units.

CHEMICALS
FY and Q4 2012 business review

Highlights FY 2012

- Essential Chemicals
  - REBITDA at € 520 m improved by 24% yoy based on pricing power and volume growth
  - REBITDA margin of 22%
  - Partial reversal of soda ash past impairment of € 149 m booked as non recurring items
- Special Chemicals
  - Slowdown in demand and operating margins under pressure
  - Life Science activities being restructured

Highlights Q4 2012

- Essential Chemicals
  - Growth performance: REBITDA at € 126 m improved by 25% yoy
- Special Chemicals
  - Significant improvement yoy driven by undemanding last year's comparable

Key data (in million €)	Adjusted FY 2012	YoY evolution (%)	Adjusted Q4 2012	YoY evolution (%)
Net Sales	2,987	5%	734	6%
Essential Chemicals	2,358	5%	584	5%
EMEA[1]	1,473	3%	366	6%
North America	514	8%	123	2%
South America	156	20%	44	28%
Asia Pacific	215	6%	50	(11)%
Special Chemicals	629	5%	150	9%
REBITDA	575	17%	137	33%
Essential Chemicals	520	24%	126	25%
Special Chemicals	55	(14)%	11	na
EBIT	545	53%	238	287%

Key data (in million €)	FY 2012	YoY evolution (%)	Q4 2012	YoY evolution (%)
EBIT IFRS	**545**	**56%**	**238**	**293%**

1. Europe, Middle-East and Africa

FY'12

Net sales
€ 2,987 million
+5%

Adj. REBITDA
€ 575 million
+17%

YoY evolution (%) compared with pro forma FY'11

Q4'12

Net sales
€ 734 million
+6%

Adj. REBITDA
€ 137 million
+33%

YoY evolution (%) compared with pro forma Q4'11

FY and Q4 2012 Business Review

FY 2012

Essential Chemicals

Net sales of Essential Chemicals amounted to € 2,358 m, up by 5% versus last year, due to volume growth of 2% (growth in Latin America and Asia more than compensated slightly lower volumes in Europe), pricing and forex.

• The demand for soda ash remained stable overall in 2012. The strong performance of the container glass sector offset the slowdown of the flat glass in construction and automotive. In the USA, strong production and sales were motivated by good export to Asia and Latin America. Demand in China somewhat weakened. Bicarbonate sales remained at a high level. Net sales of soda ash and its derived specialties also benefited from the price increases, both in Europe and in the USA.

• In hydrogen peroxide demand remained satisfactory over the year and selling prices rose globally. Lower demand from pulp and paper in Europe were more than compensated by a good performance in the other end markets such as chemicals, mining, alumina treatment and environmental applications.

• Demand for Caustic soda remained strong and continued benefiting from good volumes, coupled with higher selling prices over the year.

• Volumes in epichlorohydrin increased thanks to the new Epicerol® plant in Thailand but profitability was impacted by further declining selling prices and weak demand in epoxy resins.

REBITDA amounted to € 520 m, up by 24% versus the 2011. Overall strong selling prices, higher volumes, and operational performance accounted for the improved results. The REBITDA margin on net sales reached 22% versus 19% last year.

Special Chemicals

Net sales amounted to € 629 m, up by 5% compared to last year. Volumes declined by (3) % mainly due to PCC and Life Science. Refrigerants prices decreased versus the strong 2011 comparison base. Demand remained good in end-markets like Electronics, Agro/Food and Healthcare.

REBITDA amounted to € 55 m, compared to € 64 m in the 2011. Results were negatively impacted by pricing pressure in refrigerants and weak Life Science performance.

Q4 2012

Essential Chemicals

Performance of Essential Chemicals remained strong. Higher selling prices yoy, except for soda ash in Asia. Market slowdown observed in Europe and in Asia for soda ash and epichlorohydrin.

Special Chemicals

Net sales up by 9%, reached € 150 m. Volume increased by 7% yoy driven by resilience in key products.

REBITDA amounted to € 11 m compared to the € 1 m low level of last year. Volumes and pricing power are improving.

FY'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Essential Chemicals	2%	3%	2%	(2)%	**5%**
Special Chemicals	(3)%	(1)%	3%	6%	**5%**

Q4'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Essential Chemicals	1%	3%	1%	0%	**5%**
Special Chemicals	7%	(1)%	2%	2%	**9%**

Solwatt, a key lever to reduce Solvay's energy consumption by 10% in 2020

Solwatt is an original program developed and implemented by Solvay Energy Services. It contributes to the objective of reducing Solvay's energy consumption by 10% in 2020 versus 2011. Solwatt's approach integrates the whole energy value chain and focuses on 3 drivers:

- Consumption, by helping the production units to optimize their energy consumption and reduce the quantity of energy consumed per metric ton of production;
- Sourcing, by focusing on optimizing energy purchases for each plant. Various options such as changing suppliers, modifying the contract, adjusting the electricity consumption depending on the period may be assessed.
- Optimizing the economic value of the energy production assets (boilers, gas turbines, etc.). It may be advantageous to have them generate electricity when power prices are the highest (at times of peak consumption) and to sell this electricity on the market.

RHODIA
FY and Q4 2012 business review

Highlights FY 2012

- Net sales flat, with volume drop by (5)% yoy primarily linked to Rare Earths's stocking context in 2011 and CER sales activity, compensated by price increases +2% and Forex effects + 3%.
- Good REBITDA resilience, with contrasted dynamics across businesses.
  - Very good performance at Consumer Chemicals and Acetow, posting record profitability
  - Difficult trading conditions for Polyamide whilst Advanced Materials (Rare Earths) suffered from poor lighting market and severe destocking coupled with peak price comparison
  - Exceptional guar pricing conditions compensated Rare Earth's and Polyamide's challenging situation
  - Satisfactory overall pricing

Highlights Q4 2012

- Consumer Chemicals' volume increases offset by decreases in Advanced Materials and AES's decreases, while Forex impact + 2%
- Pricing power slightly positive

Key data (in million €)	Adjusted FY 2012	YoY evolution (%)	Adjusted Q4 2012	YoY evolution (%)
Net Sales	6,156	0%	1,491	2%
Consumer Chemicals	2,548	10%	642	14%
Advanced Materials	826	(7)%	181	(17)%
Polyamide Materials	1,702	(6)%	388	(4)%
Acetow & Eco Services	929	7%	237	4%
Energy Services	166	(20)%	56	0%
REBITDA	1,112	(1)%	244	5%
Consumer Chemicals	531	51%	107	29%
Advanced Materials	173	(35)%	36	(36)%
Polyamide Materials	99	(49)%	2	(86)%
Acetow & Eco Services	246	22%	55	2%
Energy Services	131	(20)%	48	12%
Corporate & Others[1]	(67)	10%	(4)	79%
EBIT	694	(16)%	125	(18)%

Key data (in million €)	FY 2012	YoY evolution (%)	Q4 2012	YoY evolution (%)
EBIT IFRS	**516**	**n.m**	**92**	**n.m**

1. Corporate and Others include a € 15 m one-time gain in Q4'12 related to the monetization of an old litigation.

FY'12

Net sales

€ 6,156 million

Stable

Adj. REBITDA

€ 1,112 million

(1) %

YoY evolution (%) compared with pro forma FY'11

Q4'12

Net sales

€ 1,491 million

+2%

Adj. REBITDA

€ 244 million

+5%

YoY evolution (%) compared with pro forma Q4'11

FY and Q4 2012 Business review

FY 2012

Consumer Chemicals

Net sales amounted to € 2,548 m, up by 10% yoy. The strong performance was mainly driven by Novecare. The latters' differentiating integrated position in guar allowed to enhance its commercial offering in guar derivatives and enabled to benefit from soaring prices in native guar during the second and third quarters of 2012. Furthermore, all Novecare's business segments performed well and its re-pricing efforts bore fruit. Coatis posted lower net sales due to lowest phenol volumes and prices while Aroma Performance fully benefited from its strategic food safety repositioning and gained market shares.

REBITDA amounted to € 531 m, up by 51% yoy, This was mainly driven by Novecare's good dynamics across segments and its enhanced guar-derivative formulation business, coupled with the exceptional pricing conditions enjoyed by its Indian native-guar JV. The latter represented an improvement of about € 100 m versus last year that may not be sustained going forward as the new guar crop season has contributed to price normalization. Coatis posted lower REBITDA due to weak phenol demand while Aroma delivered a similar performance, volume growth offset by lower prices.

Overall, both volume and price increased and the REBITDA margin improved to 21% in 2012 compared to 15% in 2011.

Advanced Materials

In 2012, Advanced Materials reported **net sales** of € 826 m, down by (7) % yoy, due to lower volumes and tough yoy comparisons after Rare earths price spikes in 2011. Overall volume decreased by (19) % mostly to be ascribed to the Electronics business in Rare Earths whereas demand remained stable in catalysis applications. In Silica, somewhat lower volumes caused by lower activity in Europe were more than offset by better selling prices and positive FX conversion.

REBITDA amounted to € 173 m, down by (35) % compared to a strong 2011 comparable. Silica pricing power was positive. Overall, REBITDA margin decreased to 21%, against the 30% achieved in 2011 under exceptional pricing conditions.

Q4 2012

Consumer Chemicals

During Q4'12, Consumer Chemicals reported **net sales** of € 642 m, up by 14% versus last year. Novecare sales were up, with all segments showing good dynamics. Oil and Gas reported strong volumes, Agro benefited from innovative solution, coatings segments confirmed a recovery while industrial performed satisfactory. Coatis' sales were up as well, compared to a low reference of Q4'11. Aroma Performance posted strong sales and increased market share in food thanks to its repositioning and shown good dynamics in Agro and Pharma.

REBITDA amounted to € 107 m, up 29% compared to Q4'11. Novecare remained the main driver, all businesses enjoyed good volumes and pricing power. Coatis and Aroma, both posted higher REBITDA driven by positive volumes and pricing power yoy. REBITDA margin improved to 17% versus 15% last year.

Advanced Materials

Net sales amounted to € 181 m, down by (17) % yoy. Both volumes (7) % and prices (12) % declined compared to last year. In Silica, volumes resisted with lackluster demand whereas Rare Earth volumes are still impacted by very low demand in the Lighting activity.

REBITDA amounted to € 36 m, down by (36) % compared to Q4'11. Silica benefited from strong selling prices which were partially offset by lower volumes. Rare Earth Systems was impacted by negative pricing power.

FY'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Consumer Chemicals	1%	3%	6%	0%	**10%**
Advanced Materials	(19)%	7%	5%	0%	**(7)%**

Q4'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Consumer Chemicals	5%	6%	3%	0%	**14%**
Advanced Materials	(7)%	(12)%	2%	0%	**(17)%**

FY and Q4 2012 Business review

FY 2012

Polyamide Materials

2012 **net sales** of € 1,702 m were down by (6) % compared to 2011. Overall volumes dropped by (5) % reflecting lower activity, mostly in the automobile industry and a very tough competitive environment.

REBITDA stood at € 99 m compared to € 196 m last year. Profitability erosion resulted from lackluster demand, deteriorated operating leverage, and poor pricing power.

Acetow & Eco Services

Acetow & Eco Services reported **net sales** of € 929 m, up by 7% compared to 2011. While overall volume declined by (5) %, the mix improved (less low value co-products). Selling prices were 6% higher and foreign exchange favorable of 6%. Acetow reported a strong performance driven by continuous solid demand. Eco Services reported good activity levels and benefited from favorable forex conversion.

REBITDA amounted to € 246 m, up by 22% compared to last year driven by strong pricing power and more positive mix in both segments. Within the cluster, Acetow posted record profitability and benefited from good take-off of innovative products with higher value added. Acetow & Eco Services REBITDA margin improved to 26% versus 23% last year.

Q4 2012

Polyamide Materials

Net Sales of € 388 m were down by (4) % yoy. Overall volumes were similar to a low comparison. Difficult market conditions remained in Polyamide and Intermediates and Engineering Plastics, though Fibras suffered from strong pressure from foreign competitors.

REBITDA amounted to € 2 m vs. € 14 m last year. The main factors of this drop are the negative pricing power resulting from poor demand and strong pressure from competitors and unfavorable fixed costs evolution.

Acetow & Eco Services

Net sales amounted to € 237 m, up by 4% yoy. Volumes were slightly down but fully offset by strong selling prices. At Acetow, prices are pushed by favorable customers mix level. Eco Services reported weak activity which is to be ascribed to 5 turnarounds and normal low seasonality.

REBITDA amounted to € 55 m, up by 2% yoy. Acetow REBITDA was driven again by strong pricing power and favorable mix. Eco Services was impacted by higher fixed costs resulting from further year-end turnarounds.

FY’12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Polyamide Materials	(5)%	(2)%	1%	0%	**(6)%**
Acetow & Eco Services	(5)%	6%	6%	0%	**7%**

Q4’12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Polyamide Materials	0	(5)%	1%	0%	**(4)%**
Acetow & Eco Services	(5)%	5%	4%	0%	**4%**

FY and Q4 2012 Business review

FY 2012

Energy Services

Energy Services reported a **REBITDA** of € 131m compared to € 163 m in 2011. The level of CER* volumes sold in 2012 reached 14 m tons as expected and were sold at an average price of € 11.1 per ton compared to € 11.5 per ton realized last year. CER volumes sold were significantly lower than last year by close to (30) %.

Going forward into 2013, 4.5 m tons of CERs are in the pipeline relative to 2012 industrial efforts and are already hedged at an average price of € 13.2 per ton.

Q4 2012

Energy Services

REBITDA of Energy Services came in at € 48 m compared to € 43 m in Q4'11. CER price realized over the quarter was high at € 11.1 per ton versus € 9.5 in the Q4'11.

*CER: Certified Emission Reductions

FY'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Energy Services	(30)%	(2)%	1	11%	**(20)%**

Q4'12 Net Sales % YoY evolution	Volume	Price	Forex	Scope	Total
Energy Services	1%	7%	(1)%	(7)%	**0%**

Our commitments to become a model of sustainable chemistry

In 2012, Solvay and Rhodia legacies put together their best practices to create a single and common sustainable development approach. This new and in-house approach, named Solvay Way, aims to develop a strong culture of responsibility within the group. Solvay Way is designed as a self-assessment tool which allows teams within the Group to measure its own progresses on the basis of 47 best practices structured around six stakeholders (customers, employees, investors, suppliers, communities as well as the planet). Each team can therefore identify its areas of improvement and implement a specific action plan to further progress.

In the following months Solvay will present its sustainable development objectives for the next four years.

CONSOLIDATED FINANCIAL STATEMENTS
INCOME STATEMENT FULL YEAR

Forenote applicable to the IFRS financial statements: Following the consultation of ESMA (European Securities and Markets Authority) experts, namely EECS (European Enforcers Coordination Sessions) on the application of IAS 1 § 103, IAS 2 § 38, the FSMA requested the reclassification of the adjustment relating to Rhodia revalued inventories (€ 160 m) with the corresponding indication, to the line «Cost of goods sold». 2011 has been adjusted in accordance with IAS 8.

	IFRS		Adjusted[1]	Pro forma[2]
	2012	2011	2012	2011
Sales	12,831	7,564	12,831	12,535
Other non-core revenues	395	108	395	386
Net sales	12,435	7,455	12,435	12,149
Cost of goods sold	(10,270)	(6,204)	(10,225)	(9,838)
Gross margin	2,560	1,360	2,605	2,697
Commercial and administrative costs	(1,131)	(641)	(1,131)	(1,109)
Research and development costs	(261)	(154)	(261)	(216)
Other operating gains and losses	(124)	(47)	7	(51)
Earnings from associates and joint ventures accounted for using the equity method	183	60	183	77
REBITDA	2,022	1,004	2,067	2,022
REBIT	1,227	579	1,403	1,399
Non-recurring items	48	(24)	48	21
EBIT	1,275	555	1,451	1,420
Cost of borrowings	(171)	(143)	(171)	(195)
Interest on lendings and short-term deposits	16	38	16	28
Other gains and losses on net indebtedness	(8)	(16)	(8)	(33)
Cost of discounting provisions	(191)	(71)	(191)	(132)
Income/loss from available-for-sale investments	(3)	1	(3)	1
Result before taxes	919	365	1,095	1,089
Income taxes	(278)	(22)	(328)	(254)
Result from continuing operations	640	343	767	836
Result from discontinued operations	(40)	(47)	(40)	(52)
Net income	601	296	727	784
Non-controlling interests	(17)	(50)	(17)	(57)
Net income Solvay share	584	247	710	727
Basic earnings per share from continuing operations	7.08	3.58	8.62	9.55
Basic earnings per share from discontinued operations	0.02	(0.54)	0.02	(0.60)
Basic earnings per share	7.10	3.04	8.63	8.95
Diluted earnings per share from continuing operations	7.04	3.57	8.57	9.52
Diluted earnings per share from discontinued operations	0.02	(0.54)	0.02	(0.60)
Diluted earnings per share	7.06	3.03	8.59	8.92

1. Adjusted figures exclude Purchase Price Allocation (PPA) non-cash accounting impacts related to the Rhodia acquisition.
2. 2011 figures were restated to show the income statement (a) as if the acquisition of Rhodia had become effective from 1st of January 2011, (b) harmonizing the accounting principles and (c) eliminating the Purchase Price Allocation (PPA) impacts.

CONSOLIDATED FINANCIAL STATEMENTS
INCOME STATEMENT 4TH QUARTER

Forenote applicable to the IFRS financial statements: Following the consultation of ESMA (European Securities and Markets Authority) experts, namely EECS (European Enforcers Coordination Sessions) on the application of IAS 1 § 103, IAS 2 § 38, the FSMA requested the reclassification of the adjustment relating to Rhodia revalued inventories (€ 160 m) with the corresponding indication, to the line «Cost of goods sold». 2011 has been adjusted in accordance with IAS 8.

	IFRS		Adjusted[1]	Pro forma[2]
	2012	2011	2012	2011
Sales	3,119	2,963	3,119	2,963
Other non-core revenues	130	91	130	91
Net sales	2,989	2,872	2,989	2,872
Cost of goods sold	(2,527)	(2,586)	(2,527)	(2,427)
Gross margin	592	376	592	536
Commercial and administrative costs	(298)	(285)	(298)	(285)
Research and development costs	(66)	(62)	(66)	(62)
Other operating gains and losses	(27)	(55)	5	(26)
Earnings from associates and joint ventures accounted for using the equity method	25	25	25	25
REBITDA	430	192	430	352
REBIT	226	(0)	258	189
Non-recurring items	91	7	91	7
EBIT	317	7	349	196
Cost of borrowings	(33)	(48)	(33)	(48)
Interest on lendings and short-term deposits	3	8	3	8
Other gains and losses on net indebtedness	(5)	(6)	(5)	(6)
Cost of discounting provisions	(50)	(35)	(50)	(35)
Income/loss from available-for-sale investments	(2)	0	(2)	0
Result before taxes	231	(74)	263	114
Income taxes	(70)	64	(80)	17
Result from continuing operations	161	(10)	183	131
Result from discontinued operations	(1)	(10)	(1)	(14)
Net income	160	(20)	181	117
Non-controlling interests	21	(4)	21	(4)
Net income Solvay share	181	(23)	203	113
Basic earnings per share from continuing operations	1.82	(0.20)	2.08	1.53
Basic earnings per share from discontinued operations	0.37	(0.08)	0.37	(0.14)
Basic earnings per share	2.19	(0.29)	2.45	1.39
Diluted earnings per share from continuing operations	1.80	(0.20)	2.06	1.53
Diluted earnings per share from discontinued operations	0.37	(0.08)	0.37	(0.14)
Diluted earnings per share	2.17	(0.29)	2.43	1.39

1. Adjusted figures exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.
2. Q4'11 figures were restated to show the income statement (a) as if the acquisition of Rhodia had become effective from 1st of January 2011, (b) harmonizing the accounting principles and (c) eliminating the Purchase Price Allocation (PPA) impacts.

Reconciliation between IFRS and Adjusted data

The table hereafter reconciles IFRS results (which include PPA impacts related to the Rhodia acquisition) with Adjusted Results (which exclude non cash PPA impacts) for the FY and Q4 2012.

	IFRS FY 2012	PPA impacts[1]	Adjusted FY 2012	IFRS Q4 2012	PPA impacts[1]	Adjusted Q4 2012
Net Sales	12,435		12,435	2,989		2,989
REBITDA	2,022	(45)	2,067	430		430
REBIT (a)	1,227	(176)	1,403	226	(32)	258
Non-recurring items (b)	48		48	91		91
EBIT	1,275	(176)	1,451	317	(32)	349
Net financial expenses	(356)		(356)	(87)		(87)
Result before taxes	919	(176)	1,095	231	(32)	263
Income taxes (c)	(278)	50	(328)	(70)	10	(80)
Net result from continuining operations	640	(126)	767	161	(22)	183
Net result from discontinued operations	(40)		(40)	(1)		(1)
Net income	601	(126)	727	160	(22)	181
Non controlling interests	(17)		(17)	21		21
Basic earnings per share						
Net income, Group share	584	(126)	710	181	(22)	203

PPA impacts concerned (a) depreciation of PPA on fixed assets of € (131) m in 2012, € (32) m in Q4'12; (b) residual depreciation in Q1'12 of Rhodia inventory step-up of € (45) m; and (c) € 50 m of associated tax impacts on the aforementioned items in 2012, € 10 m in Q4'12.

Additional comments on the Group Consolidated Income Statement of the FY'12 (IFRS/Adjusted)

Non-recurring items amounted to € 48 m both, on a IFRS and on an Adjusted basis. They primarily comprised a € 149 m partial reversal of impairments relating to Soda Ash & Derivatives cash generating unit (after the anticipated improvement following our intented global industrial footprint rationalization), € 98 m capital gains relating to the sale of Pipelife and of corporate buildings, € (102) m charges related to restructuring actions in the framework of the ongoing integration and cost savings programs, and € (40) m additional Environmental and Litigation provisions.

Net financial expenses amounted to € (356) m on an Adjusted and an IFRS basis. The cost of borrowings amounted to € (171) m, which is a decrease compared to € (195) m in 2011 due to the reduction of the gross financial debt (€ 3,652 m and € 4,168 m at YE'12 and YE'11, respectively). In 2012, it included € 17 m one-off non cash income effect related to the decision to exercise the 2014 call option of the € 500 m Rhodia High Yield senior bond maturing in 2018.

Interest income on available cash amounted to € 16 m in 2012 compared to € 28 m at the end of 2011, the decrease is explained by the very low interest yield on the available cash.

The cost of discounting provisions rose to € (191) m versus pro forma € (132) m last year. It included exceptional € (50) m charges caused by a reduction in discount rates for environmental provisions in Europe and Brazil versus the rates prevailing in December 2011.

Income taxes amounted to € (278) m in the IFRS accounts. On an adjusted basis, income taxes totaled € (328) m representing a 30% effective tax rate. Excluding non-recurring items, effective tax rate in 2012 resulted in 34%. The € (50) m difference between IFRS and adjusted figures reflects the tax impact of PPA adjustments.

Adjusted Net Income amounted to € 727 m compared to € 784 m pro forma last year. On an IFRS basis, Net Income in 2012 amounted to € 601 m, the difference between adjusted and IFRS Net Income is explained by the after-tax global PPA impact.

Results from discontinued operations in 2012 and 2011 recorded Solvay Indupa's discontinued operations and post-closure adjustments linked to the sale of the pharma operations. In 2012, those elements represented € (145) m and € 105 m, respectively.

Adjusted Net Income (Group share), amounted to € 710 m, resulting in € 8.63 Adjusted basic earnings per share. On an IFRS basis, Net Income (Group share), amounted to € 584 m. The difference is explained by the after-tax global PPA impact.

Additional comments on the income statement of the Q4'12 (IFRS/Adjusted)

Non-recurring items amounted to € 91 m. They primarily comprised a € 149 m impact related to the partial reversal of impairments relating to Soda Ash & Derivatives cash generating unit, € (36) m charges related to restructuring actions in the framework of the ongoing integration and cost savings programs, and € (9) m additional Environmental and litigation provisions.

Net financial expenses amounted to € (85) m both on an Adjusted and an IFRS basis. The cost of borrowings amounted to € (33) m. Gross financial debt (€ 3,652 m at YE'12) is for 86% covered at a fixed average rate of 5.6% with duration of 4 years. Interest on cash deposits and investments amounted to € 3 m.
The cost of discounting provisions rose to € (50) m versus pro forma € (35) m last year. It includes the one-time effect of € (16) m caused by a reduction in discount rates for some Environmental reserves versus the rates prevailing at the end of september 2012.

Income taxes amounted to € (70) m in the IFRS accounts. On an adjusted basis, income taxes totaled € (80) m representing a 30% effective tax rate. The € (10) m difference between IFRS and adjusted figures reflects the tax impact of PPA adjustments.

Adjusted Net Income amounted to € 181 m compared to € 117 m pro forma last year. On an IFRS basis, Net Income amounted to € 160 m in 2012, the difference is explained by the after-tax global PPA impact.

Results from discontinued operations in Q4'12 and Q4'11, recorded Solvay Indupa's discontinued operations and post-closure adjustments linked to the sale of the pharma operations. In Q4'12, those elements represented € (106) m and € 105 m, respectively.

Adjusted Net Income (Group share) amounted to € 203 m, resulting in € 2.45 adjusted basic earnings per share. On an IFRS basis, Net Income (Group share), amounted to € 181 m in Q4'12. The difference is explained by the after-tax global PPA impact.

STATEMENT OF COMPREHENSIVE INCOME (IFRS)

Million EUR	FULL YEAR		4th quarter	
	2012	2011	2012	2011
Net income	601	296	160	(20)
Gains and losses on available-for-sale financial assets	14	(8)	1	(2)
Gains and losses on hedging instruments in a cash flow hedge	11	3	5	7
Actuarial gains and losses on defined benefit pension plans[1]	(442)	(105)	(208)	(70)
Currency translation differences	(145)	58	(68)	139
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	17	(30)	(9)	10
Income tax relating to components of other comprehensive income	49	28	33	14
Other comprehensive income, net of related tax effects	(496)	(54)	(245)	98
Comprehensive income attributed to	105	242	(85)	78
Owners of the parent	104	202	(55)	61
Non-controlling interests	1	40	(30)	17

1. Increase in Net Pension Liabilities compared to the 2011 year-end situation primarily resulting from the reduction in discounting interest rates by 150 basis-points for EURO pension-related liabilities, 100 basis points for USD pension related liabilities and 50 basis-points for GBP pension-related liabilities.

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) IFRS

Million EUR	2012	2011 Published	Final PPA allocation[1]	2011 Restated
Non-current assets	11,600	12,064	33	12,097
Intangible assets	1,462	1,705	(86)	1,619
Goodwill	2,717	2,599	118[2]	2,717
Tangible assets	5,393	5,652	(12)	5,641
Available-for-sale investments	66	80		80
Investments in joint ventures and associates – equity method	869	704		704
Other investments	123	125	(2)[2]	123
Deferred tax assets	546	780	16	796
Loans and other non-current assets	424	420		420
Current assets	6,728	7,373	(8)	7,364
Inventories	1,422	1,578		1,578
Trade receivables	1,657	2,311		2,311
Income tax receivables	13	43		43
Dividends receivable	0	0		0
Other current receivables - Financial instruments*	758	464		464
Other current receivables – Other	685	938	(8)	929
Cash and cash equivalents*	1,768	1,943		1,943
Assets held for sale	425	95		95
TOTAL ASSETS	18,328	19,437	25	19,462
Total equity	6,596	6,653	(6)	6,647
Share capital	1,271	1,271		1,271
Reserves	4,882	4,885	(6)	4,879
Non-controlling interests	444	497		498
Non-current liabilities	8,202	8,179	30	8,208
Long-term provisions: employees benefits	2,962	2,595		2,595
Other long-term provisions	1,214	1,325	28	1,353
Deferred tax liabilities	489	710	2	712
Long-term financial debt*	3,321	3,374		3,374
Other non-current liabilities	216	174		174
Current liabilities	3,530	4,605	1	4,606
Short-term provisions: employees benefits	63	39		39
Other short-term provisions	243	230	(1)	229
Short-term financial debt*	331	794		794
Trade liabilities	1,617	2,232		2,232
Income tax payable	69	51	1	53
Dividends payable	103	100		100
Other current liabilities	768	1,159		1,159
Liabilities linked to assets held for sale	337	0		0
TOTAL EQUITY & LIABILITIES	18,328	19,437	25	19,462

*Net debt is the sum of Other current receivables- Financial Instruments Cash and cash equivalents, Long-term financial debt and Short-term financial debt
1. In accordance with IFRS-3R, the Statement of financial position at the end of 2011 has been restated to take into account retrospectively the completion of the provisional accounting for the Rhodia acquisition presented in the 2011 annual financial statements. See Note to the accounts n° 5 page 28 for more details.
2. including a PPA adjustement related to the acquisition in December 2011 of Orbeo shares for EUR 2 million.

STATEMENT OF CHANGES IN EQUITY

Equity attributable to equity holders of the parent

						Fair value differences					
Million EUR	Share capital	Issue premiums	Retained earnings	Treasury shares	Currency translation diff.	Available for sale investments	Cash flow hedges	Defined benefit pension plans	Total	Non-controlling interests	Total equity
Balance – 31/12/2010	1,271	18	5,791	(301)	(374)	11	4	(131)	6,289	419	6,708
Net profit for the period			247						247	50	296
Income and expenses directly allocated to equity					42	(8)	8	(86)	(44)	(10)	(54)
Comprehensive income	0	0	247	0	42	(8)	8	(86)	202	40	242
Cost of stock options			9						9		9
Dividends			(250)						(250)	(14)	(263)
Acquisition/sale of treasury shares				10					10		10
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control			(100)						(100)	52	(48)
Other			(4)						(4)	0	(4)
Balance – 31/12/2011	1,271	18	5,693	(292)	(332)	3	12	(217)	6,156	497	6,653
Net profit for the period			584						584	17	601
Income and expenses directly allocated to equity					(121)	14	3	(376)	(480)	(16)	(496)
Comprehensive income	-	-	584	-	(121)	14	3	(376)	104	1	105
Cost of stock options			11						11		11
Dividends			(255)						(255)	(25)	(280)
Acquisition/sale of treasury shares				143					143		143
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control			(1)						(1)	(31)	(32)
Other			5	(11)					(6)	3	(3)
Balance – 31/12/2012	1,271	18	6,038	(160)	(453)	17	15	(593)	6,152	444	6,596

CASH FLOW STATEMENT (IFRS)

Million EUR	FULL YEAR		4TH quarter	
	2012	2011	2012	2011
EBIT	1,281	515	349	(5)
Depreciation, amortization and impairments	794	455	178	192
Changes in working capital	54	303	221	506
Changes in provisions	(310)	(187)	(102)	(56)
Dividends received from associates and joint ventures accounted for using equity method	53	56	5	19
Income taxes paid	(179)	(163)	(70)	(74)
Equity earnings (-)	(184)	(61)	(25)	(26)
Others	(51)	(68)	(47)	(39)
Cash flow from operating activities	1,457	850	508	518
Acquisition (-) of subsidiaries	(2)	(3,984)	(2)	(31)
Acquisition (+) of Rhodia's cash	-	931	-	-
Acquisition (+) of Orbeo's cash	-	67	-	67
Acquisition (-) of investments - Other	(39)	(212)	(15)	(29)
Sale (+) of subsidiaries	-	-	-	-
Sale (+) of investments - Others	191	40	13	39
Acquisition (-) of tangible and intangible assets	(785)	(602)	(285)	(350)
Sale (+) of tangible and intangible assets	109	17	34	12
Income from available-for-sale investments	1	1	0	-
Changes in non-current financial assets	4	60	(7)	3
Cash flow from investing activities	(520)	(3,681)	(261)	(288)
Capital increase (+) / redemption (-)	(28)	31	1	(1)
Acquisition (-) / sale (+) of treasury shares	142	10	31	(3)
Changes in borrowings	(379)	(97)	11	(221)
Changes in other current financial assets	(294)	3,278	82	(268)
Cost of borrowings	(193)	(159)	(39)	(51)
Interest on lendings and short-term deposits	16	39	3	8
Other	(67)	(16)	(9)	(6)
Dividends paid	(278)	(266)	(6)	(2)
Cash flow from financing activities	(1,081)	2,821	74	(543)
Net change in cash and cash equivalents	(144)	(10)	320	(312)
Currency translation differences	(22)	(1)	(13)	5
Opening cash balance	1,943	1,954	1,470	2,250
Closing cash balance	1,778	1,943	1,778	1,943
Free Cash Flow[1] from continuing operations	738	368	278	222
Free Cash Flow[1] from discontinued operations	49	(41)	**(27)**	**(38)**
Total Free Cash Flow[1]	**787**	**327**	**251**	**184**

1. Cash flow from operating activities (including dividends from associates and joint ventures) + cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments).

CASH FLOW FROM DISCONTINUED OPERATIONS

Million EUR	FULL YEAR		4TH quarter	
	2012	2011	2012	2011
Cash flow from operating activities	69	(10)	(20)	(26)
Cash flow from investing activities	(20)	(31)	(6)	(12)
Cash flow from financing activities	(29)	5	(6)	18
Net change in cash and cash equivalents	20	(37)	(20)	(21)

Additional comments on the cash flow statement of the FY'12

Cash flow from operating activities was € 1,457 m compared to € 850 m last year. Besides an EBIT of € 1,281 m it consisted of

- Depreciation, amortization and impairments amounted to € 794m
- Working capital decreased by € 54m

Cash flow from investing activities amounted to € (520)m including € (785)m of capital expenditures.

Free Cash Flow was € 787 m, and included cash flow from discontinued operations for € 49m linked to Solvay Indupa and post closing adjustments subsequent to the sale of the pharmaceutical activities.

Additional comments on the cash flow statement of the Q4'12

Cash flow from operating activities was € 508m compared to € 518m last year. Besides an EBIT of 349 m it consisted of

- Depreciation, amortization and impairments amounted to € 178 m
- Working capital decreased by € 221 m

Cash flow from investing activities amounted to € (261) m and capital expenditures amounted to € (285) m.

Free Cash Flow was € 251 m, and included cash flow from discontinued operations for € (27) m linked to Solvay Indupa and post closing adjustments subsequent to the sale of the pharmaceutical activities.

RESULTS BY SEGMENT BEFORE ELIMINATION OF INTER-COMPANY SALES

Million EUR	4TH quarter		FULL YEAR	
	2012	2011	2012	2011
Sales	3,119	2,963	12,831	7,564
Plastics				
Sales	824	748	3,544	3,401
Inter-segments sales	(60)	(51)	(252)	(260)
External sales	764	697	3,292	3,141
Chemicals				
Sales	780	734	3,174	2,997
Inter-segments sales	(42)	(34)	(171)	(139)
External sales	738	700	3,003	2,858
Rhodia				
Sales	1,643	1,569	6,603	1,569
Inter-segments sales	(26)	(4)	(68)	(4)
External sales	1,617	1,565	6,535	1,565
REBITDA	430	192	2,022	1,004
Plastics	107	64	552	538
Chemicals	137	101	575	484
Rhodia	244	71	1,067	71
New Business Development	(18)	(17)	(56)	(38)
Corporate and business support	(39)	(27)	(117)	(51)
REBIT	226	(0)	1,227	579
Plastics	63	24	386	382
Chemicals	97	63	416	334
Rhodia	125	(40)	607	(40)
New Business Development	(18)	(17)	(57)	(39)
Corporate and business support	(41)	(29)	(124)	(58)
EBIT	317	7	1,275	555
Plastics	61	28	435	369
Chemicals	238	60	545	349
Rhodia	92	(38)	516	(38)
New Business Development	(18)	(17)	(57)	(39)
Corporate and business support	(56)	(26)	(164)	(85)

NOTES TO THE ACCOUNTS

1. Consolidated financial statements

- The consolidated financial statements were prepared in conformity with IFRS standards as currently adopted in the European Union. The same accounting policies have been implemented as for the latest annual financial statements. The primary variations in scope between 2011 and 2012 were due to:
  - Treatment of the PipeLife stake in Solvay's accounts until its effective disposal in May 2012: PipeLife stake has been accounted for as an "investment held for sale" as of December 31st, 2011, following the decision to sell the 50% stake in PipeLife to Wienerberger in February 2012.
  - Solvay Indupa has been accounted for as "assets held for sale" as of December 31st 2012.

2. Content

This results report contains regulated information and is established in compliance with IAS 34. A risk analysis is included in the annual report, which is available on www.solvay.com.

3. Primary exchange rates

		Closing		Average	
1 Euro		2012	2011	2012	2011
Pound Sterling	GBP	0.816	0,835	0,811	0,868
American Dollar	USD	1.319	1,294	1,285	1,392
Argentine Peso	ARS	6,482	5,577	5,848	5,754
Brazilian Real	BRL	2,704	2,416	2,508	2,327
Thai Baht	THB	40,347	40,991	39,928	42,430
Japanese Yen	JPY	113,610	100,200	102,492	110,957

4. Solvay shares

	FY 2012	Q4 2012	FY 2011	Q4 2011
Number of shares issued at the end of the period	84,701,133	84,701,133	84,701,133	84,701,133
Average number of shares for IFRS calculation of earnings per share	82,304,773	82,712,264	81,223,941	81,205,971
Average number of shares for IFRS calculation of diluted income per share	82,695,868	83,287,889	81,546,384	81,282,980

5. Purchase Price Allocation related to the acquisition of Rhodia

Solvay acquired 95.9% shares and voting rights of Rhodia and 97.51% "OCEANE" convertible bonds on September 7, 2011. Solvay implemented the squeeze-out for the remaining shares (4.1%) and convertible bonds on September 15, 2011.

This transaction was accounted for in accordance with IFRS 3 – "Business Combinations". According to this standard, the acquirer has from the acquisition date a period of maximum one year to finalize the recognition and measurement at fair value of the assets acquired and liabilities assumed.

During the measurement period, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about the facts and circumstances that existed as at the acquisition date.

Thus, the provisional accounting recognized for the acquisition of Rhodia as presented in the 2011 annual financial statements were completed during the 3rd quarter of 2012. The adjustments retrospectively recorded at the acquisition date are detailed in the table below.

Million EUR	Provisional allocation (as published in FY 2011)	Adjustments	Final purchase price allocation	Acquisition of 95,9% of total shares	4,1% remaining shares squeeze out
Fixed assets	2,164	(12)	2,152	2,064	
Intangible assets	1,607	(84)	1,523	1,460	
Joint ventures - equity method	104	(2)	102	97	
Other long term assets	120		120	115	
Working capital	752	(8)	744	714	
Assets held for sale	34		34	33	
Provisions	(2,045)	(41)	(2,086)	(2,000)	
Contingent liabilities	(100)	14	(86)	(83)	
Deferred taxes	(504)	14	(490)	(470)	
Current taxes	(15)	(1)	(16)	(16)	
Long term financial assets	(72)		(72)	(69)	
Financial Debt	(1,578)		(1,578)	(1,513)	
Cash and cash equivalents	931		931	893	
Net Assets	1,398	(120)	1,278	1,225	52
Purchase consideration	3,876		3,876	3,876	137
Goodwill				2,651	
Reduction in equity					85
Cash flow statement reconciliation					
Consideration paid for Rhodia acquisition, net of cash and cash equivalents acquired				2,885	

Description of adjustments and retrospective impacts[1]

- The value of the technologies used in the activities of Polyamides and Intermediates, initially estimated at EUR 94 million, was after more detailed studies, not recognized in the final acquisition balance sheet. As a consequence, the depreciation charges recognized since 30 September 2011 were reversed (quarterly depreciation charge of EUR 2 million)
- Following a detailed review of the deferred taxes, no deferred tax asset was longer accounted for the activities of Rhodia Brazil (difference of EUR 38 million compared to the initial provisional booking)
- The fair value of the environmental provisions was reassessed for an additional amount of EUR 35 million

The goodwill primarily reflects the expected synergies in global procurement and logistics and in administrative and process efficiencies, as well as future developments of activities. Recurring yearly savings linked to synergies are estimated at EUR 255 million, a yearly run rate that is to be reached as at the start of 2015. Management's estimate of future synergies which are included in the goodwill are based on the expected cost reductions through integration of Solvay and Rhodia's best practices in terms of global procurement of raw materials and energy, logistics & packaging, general & IT expenses, technical goods and services.

The fair value of "loans and other non-current assets" and of "working capital" includes trade and other receivables for an amount of EUR 998 million. The gross contractual amount of these receivables is EUR 1,058 million, including EUR 60 million for which the collection is not expected.

In 2012, the goodwill allocation resulting from the acquisition of Rhodia (EUR 2,651 million) to CGUs (cash-generating units) and operating segments was completed as follows

Operating segments	Goodwill allocated
Chemicals segment	81
Plastics segment	345
Rhodia segment	456
Cash Generating Units	Goodwill allocated
Novecare	477
Polyamides	170
Rare Earths	161
Specialty Polymers	147
Acetow	120
Soda ash and derivatives Europe & MEA	120
ChloroVinyls	119
Aromas	82
Silica	72
Coatis	49
Energy Services	47
Fluoro Chemicals	42
Eco Services	42
Soda ash and derivatives Nafta	42
Hydrogen Peroxide Europe	20
Emerging Biochemicals	18
Hydrogen Peroxide Mercosul	14
Olefins	11
Hydrogen Peroxide Nafta	7
Hydrogen Peroxide Asia	5
Plastics integration	4
Total Goodwill	2,651

The impairment test of the corresponding CGUs have been performed at year-end.

1. Following developments under Horizon and Rhodia integration programs, the scope of some CGUs has been revised and regrouped resulting in a reduced number of CGUs

6. Auditor’s report

Deloitte confirmed that the fieldwork related to the audit of the consolidated financial statements of Solvay SA/NV (“the company”) and its subsidiaries (jointly “the Group”), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, is substantially completed. Deloitte confirmed that the financial information shown in this press release requires no comments on its part and is in agreement with the consolidated financial statements of the Group. The complete audit report related to the audit of the consolidated financial statements will be shown in the 2012 annual report that will be published on the Internet (www.solvay.com) at the end of March 2013

GLOSSARY

Adjusted performance indicators exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.

Adjusted basic earnings per share

Adjusted net income (Solvay share) divided by the weighted average number of shares, after deducting own shares purchased to cover stock option programs

Adjusted net income (Solvay share)

Net income (Solvay share) excluding non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition

Adjusted net result

Net result excluding non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition

Adjusted REBIT

REBIT excluding non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition

Basic earnings per share

Net income (Solvay's share) divided by the weighted average number of shares, after deducting own shares purchased to cover stock option programs

EBIT

Operating results

Free cash flow

Cash flow from operating activities (including dividends from associates and joint ventures)+ cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments).

IFRS

International Financial Reporting Standards

Net financial expenses

Net financial expenses comprises cost of borrowings minus accrued interests on lendings and short-term deposits, plus other gains (losses) on net indebtedness and costs of discounting provisions (namely, related to Post-employment benefits and HSE liabilities)

Net sales

Sales of goods and value added services corresponding to Solvay's know-how and core business. Net sales exclude other revenues primarily comprising commodity and utility trading transactions and other revenue deemed as incidental by the Group

Pro forma figures

Figures that represent (a) as if the acquisition had become effective from 1st of January 2011, (b) harmonizing accounting principles and (c) eliminating the Purchase Price Allocation (PPA) impacts.

REBIT

Operating result, i.e. EBIT before non-recurring items

REBITDA

REBIT before depreciation and amortization

Key dates for investors

March 29, 2013: Annual report 2012 on www.solvay.com
May 13, 2013: Announcement of 1st quarter 2013 results (at 6 pm)
May 14, 2013: Annual Shareholders' Meeting (at 10:30 am)
May 21, 2013: Payment of the balance of the 2012 dividend (coupon no. 92). Trading ex-dividend as from May 16, 2013
July 31, 2013: Announcement of the 2nd quarter and of the six months 2013 results (at 07:30 am)
October 25, 2013: Announcement of the 3rd quarter and the nine months 2013 results and the interim dividend for 2013 (payable in January 2014, coupon no. 93) (at 07:30)

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As an international chemical group, Solvay assists industry in finding and implementing ever more responsible and value-creating solutions. The Group is firmly committed to sustainable development and focused on innovation and operational excellence. Solvay serves diversified markets, generating 90% of its turnover in activities where it is one of the top three worldwide. The Group is headquartered in Brussels, employs about 29,000 people in 55 countries and generated 12.4 billion euros in net sales in 2012. Solvay SA SOLB.BE) is listed on NYSE Euronext in Brussels and Paris (Bloomberg: SOLB.BB - Reuters: SOLBt.BR).

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