

## Solvay discloses unaudited pro forma financial information in connection with the intended Cytec acquisition

**Brussels, November 16, 2015, 08:00** --- Solvay disclosed today unaudited pro forma consolidated financial information for the impact of the intended acquisition of Cytec.

Since the acquisition is expected to have a material impact on the financial position and results of operations of Solvay, unaudited pro forma consolidated financial information was prepared by the Group, comprising:

- Unaudited pro forma consolidated income statement and statement of comprehensive income for the year ended December 31, 2014;
- Unaudited pro forma consolidated income statement and statement of comprehensive income for the nine months ended September 30, 2015;
- Unaudited pro forma consolidated statement of financial position as of September 30, 2015.

This Unaudited Pro Forma Information is presented for illustrative purposes only. Its purpose is to show the material effects that the acquisition would have had on the historical consolidated financial statements of the Group as if it had occurred as of January 1, 2014 with respect to the unaudited pro forma consolidated income statements, and as of September 30, 2015 with respect to the unaudited pro forma consolidated statement of financial position.

The unaudited pro forma adjustments are based on available information and certain assumptions that Solvay believes are reasonable and give effect to events that are directly attributable to the acquisition and its financing and are factually supportable. In addition, the unaudited pro forma consolidated financial information does not purport to represent what Solvay's financial position or results of operations would have actually been if the acquisition and the financing had been completed on January 1, 2014 or any other date, nor does it purport to represent Solvay's results of operations for any future period or its financial condition at any future date. The unaudited pro forma consolidated financial information does not reflect any cost savings or other synergies that may result from the acquisition, nor does it reflect any special items such as restructuring and integration costs that may be incurred as a result of the acquisition.

On July 28, 2015, Solvay entered into a definitive merger agreement with U.S.-based Cytec to acquire 100% of its share capital for \$75.25 per share in cash. The merger is subject to customary closing conditions, including regulatory approvals and Cytec shareholders' approval. The transaction is expected to close before the current year end.

The Unaudited Pro Forma Consolidated Financial Information can be obtained at [www.solvay.com/en/investors/news\\_and\\_results/results/20151116-pro-forma.html](http://www.solvay.com/en/investors/news_and_results/results/20151116-pro-forma.html). This document is currently only available in English. French and Dutch translations will be made available shortly.

*Ce communiqué de presse est également disponible en français. - Dit persbericht is ook in het Nederlands beschikbaar.*

Income statement (IFRS) for the year ended 31/12/2014	Cytec historical information under Solvay presentation	Cytec historical information under Solvay presentation converted into €	Purchase price allocation adjustments	US GAAP to IFRS adjustments and accounting policies alignment	Cytec pro forma financial information	Solvay historical information	Pro forma adjustments	Pro forma consolidated financial information
	(in US\$ m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)
<b>Sales</b>	<b>2,008</b>	<b>1,511</b>	-	-	<b>1,511</b>	<b>10,629</b>	-	<b>12,140</b>
Revenues from non-core activities	-	-	-	-	-	416	-	416
<b>Net sales</b>	<b>2,008</b>	<b>1,511</b>	-	-	<b>1,511</b>	<b>10,213</b>	-	<b>11,724</b>
Cost of goods sold	(1,404)	(1,057)	(24)	30	(1,051)	(8,070)	-	(9,120)
<b>Gross margin</b>	<b>604</b>	<b>455</b>	<b>(24)</b>	<b>30</b>	<b>460</b>	<b>2,559</b>	-	<b>3,019</b>
Commercial & administrative costs	(299)	(225)	(4)	14	(215)	(1,225)	-	(1,440)
Research & innovation costs	(57)	(43)	(3)	4	(41)	(247)	-	(288)
Other operating gains & losses	(18)	(13)	(112)	-	(125)	(94)	-	(219)
Earnings from associates & joint ventures accounted for using the equity method	-	-	-	-	-	(34)	-	(34)
Non-recurring items	(3)	(2)	-	-	(2)	(308)	(109)	(419)
<b>EBIT</b>	<b>227</b>	<b>171</b>	<b>(143)</b>	<b>48</b>	<b>76</b>	<b>652</b>	<b>(109)</b>	<b>619</b>
Cost of borrowings	(15)	(11)	-	-	(11)	(151)	(63)	(226)
Interest on loans & short-term deposits	-	-	-	-	-	36	-	37
Other gains & losses on net indebtedness	(23)	(17)	-	-	(17)	(30)	-	(47)
Cost of discounting provisions	-	-	-	(1)	(1)	(163)	-	(164)
Income/loss from available-for-sale financial assets	-	-	-	-	-	(1)	-	(1)
<b>Result before taxes</b>	<b>190</b>	<b>143</b>	<b>(143)</b>	<b>47</b>	<b>47</b>	<b>343</b>	<b>(172)</b>	<b>218</b>
Income taxes	(46)	(35)	44	(11)	(2)	(84)	52	(33)
<b>Result from continuing operations</b>	<b>144</b>	<b>108</b>	<b>(99)</b>	<b>36</b>	<b>46</b>	<b>259</b>	<b>(120)</b>	<b>185</b>
Result from discontinued operations	10	7	-	-	7	(246)	-	(239)
<b>Net income</b>	<b>154</b>	<b>116</b>	<b>(99)</b>	<b>36</b>	<b>53</b>	<b>13</b>	<b>(120)</b>	<b>(54)</b>
Non-controlling interests	-	-	-	-	-	67	-	67
<b>Net income Solvay share</b>	<b>154</b>	<b>116</b>	<b>(99)</b>	<b>36</b>	<b>53</b>	<b>80</b>	<b>(120)</b>	<b>13</b>
<b>REBITDA</b>	<b>312</b>	<b>235</b>	<b>9</b>	<b>48</b>	<b>291</b>	<b>1,783</b>	<b>-</b>	<b>2,074</b>

Statement of comprehensive income (IFRS) for the year ended 31/12/2014	Cytec historical information under Solvay presentation	Cytec historical information under Solvay presentation converted into €	Purchase price allocation adjustments	US GAAP to IFRS adjustments and accounting policies alignment	Cytec pro forma financial information	Solvay historical information	Pro forma adjustments	Pro forma consolidated financial information
	(in US\$ m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)
<b>Net income</b>	<b>154</b>	<b>116</b>	<b>(99)</b>	<b>36</b>	<b>53</b>	<b>13</b>	<b>(120)</b>	<b>(54)</b>
Hyperinflation	-	-	-	-	-	(11)	-	(11)
Available-for-sale financial assets	-	-	-	-	-	1	-	1
Cash flow hedge derivatives	-	-	-	-	-	(60)	-	(60)
Currency translation differences	-	-	-	-	-	231	-	231
Unrecognised actuarial gains and losses on defined pension plans	(4)	(3)	-	(47)	(50)	(497)	-	(547)
Income tax relating to items of other comprehensive income	1	1	-	11	12	72	-	85
<b>Other comprehensive income, net of related tax effects</b>	<b>(2)</b>	<b>(2)</b>	<b>-</b>	<b>(36)</b>	<b>(37)</b>	<b>(264)</b>	<b>-</b>	<b>(301)</b>
<b>Total Comprehensive income</b>	<b>152</b>	<b>114</b>	<b>(99)</b>	<b>-</b>	<b>15</b>	<b>(251)</b>	<b>(120)</b>	<b>(355)</b>

Ce communiqué de presse est également disponible en français. - Dit persbericht is ook in het Nederlands beschikbaar.

Income statement (IFRS) for the 9 months ended 30/09/2015	Cytec historical information under Solvay presentation	Cytec historical information under Solvay presentation converted into €	Purchase price allocation adjustments	US GAAP to IFRS adjustments and accounting policies alignment	Cytec pro forma financial information	Solvay historical information	Pro forma adjustments	Pro forma consolidated financial information
	(in US\$ m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)
<b>Sales</b>	<b>1,521</b>	<b>1,365</b>	-	-	<b>1,365</b>	<b>8,374</b>	-	<b>9,739</b>
Revenues from non-core activities	-	-	-	-	-	338	-	338
<b>Net sales</b>	<b>1,521</b>	<b>1,365</b>	-	-	<b>1,365</b>	<b>8,036</b>	-	<b>9,401</b>
Cost of goods sold	(1,040)	(934)	(3)	14	(923)	(6,241)	-	(7,164)
<b>Gross margin</b>	<b>480</b>	<b>431</b>	<b>(3)</b>	<b>14</b>	<b>442</b>	<b>2,133</b>	-	<b>2,574</b>
Commercial & administrative costs	(198)	(177)	4	3	(170)	(985)	-	(1,155)
Research & innovation costs	(37)	(33)	-	-	(33)	(204)	-	(237)
Other operating gains & losses	(12)	(11)	(101)	-	(112)	(74)	-	(186)
Earnings from associates & joint ventures accounted for using the equity method	-	-	-	-	-	(8)	-	(8)
Non-recurring items	(6)	(5)	-	-	(5)	(126)	41	(90)
<b>EBIT</b>	<b>227</b>	<b>204</b>	<b>(100)</b>	<b>16</b>	<b>120</b>	<b>737</b>	<b>41</b>	<b>898</b>
Cost of borrowings	(12)	(11)	-	-	(11)	(81)	(56)	(148)
Interest on loans & short-term deposits	1	1	-	-	1	7	-	8
Other gains & losses on net indebtedness	-	-	-	-	-	(27)	-	(27)
Cost of discounting provisions	-	-	-	(2)	(2)	(66)	-	(68)
<b>Result before taxes</b>	<b>216</b>	<b>194</b>	<b>(100)</b>	<b>15</b>	<b>108</b>	<b>570</b>	<b>(15)</b>	<b>663</b>
Income taxes	(58)	(52)	30	(4)	(25)	(204)	20	(209)
<b>Result from continuing operations</b>	<b>158</b>	<b>142</b>	<b>(70)</b>	<b>11</b>	<b>83</b>	<b>366</b>	<b>6</b>	<b>455</b>
Result from discontinued operations	(1)	(1)	-	-	(1)	50	-	49
<b>Net income</b>	<b>157</b>	<b>141</b>	<b>(70)</b>	<b>11</b>	<b>82</b>	<b>416</b>	<b>6</b>	<b>503</b>
Non-controlling interests	-	-	-	-	-	(48)	-	(48)
<b>Net income Solvay share</b>	<b>157</b>	<b>141</b>	<b>(70)</b>	<b>11</b>	<b>82</b>	<b>368</b>	<b>6</b>	<b>456</b>
<b>REBITDA</b>	<b>299</b>	<b>268</b>	<b>9</b>	<b>16</b>	<b>293</b>	<b>1,526</b>	-	<b>1,819</b>

Statement of comprehensive income (IFRS) for the year ended 30/09/2015	Cytec historical information under Solvay presentation	Cytec historical information under Solvay presentation converted into €	Purchase price allocation adjustments	US GAAP to IFRS adjustments and accounting policies alignment	Cytec pro forma financial information	Solvay historical information	Pro forma adjustments	Pro forma consolidated financial information
	(in US\$ m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)
<b>Net income</b>	<b>157</b>	<b>141</b>	<b>(70)</b>	<b>11</b>	<b>82</b>	<b>416</b>	<b>6</b>	<b>503</b>
Hyperinflation	-	-	-	-	-	21	-	21
Available-for-sale financial assets	-	-	-	-	-	4	-	4
Cash flow hedge derivatives	-	-	-	-	-	(22)	-	(22)
Currency translation differences	-	-	-	-	-	103	-	103
Unrecognised actuarial gains and losses on defined pension plans	(2)	(2)	-	(14)	(16)	285	-	269
Income tax relating to items of other comprehensive income	1	1	-	4	5	(19)	-	(14)
<b>Other comprehensive income, net of related tax effects</b>	<b>(1)</b>	<b>(1)</b>	-	<b>(10)</b>	<b>(12)</b>	<b>372</b>	-	<b>360</b>
<b>Total Comprehensive income</b>	<b>155</b>	<b>140</b>	<b>(70)</b>	-	<b>70</b>	<b>788</b>	<b>6</b>	<b>864</b>

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Statement of financial position (IFRS) on 30/09/2015	Cytec historical information under Solvay presentation (in US\$ m)	Cytec historical information under Solvay presentation converted into € (in € m)	Purchase price allocation adjustments (in € m)	US GAAP to IFRS adjustments and accounting policies alignment (in € m)	Cytec pro forma financial information (in € m)	Solvay historical information (in € m)	Pro forma adjustments (in € m)	Pro forma consolidated financial information (in € m)
<b>Non-current assets</b>	<b>1,933</b>	<b>1,726</b>	<b>4,519</b>	<b>(46)</b>	<b>6,198</b>	<b>11,985</b>	-	<b>18,183</b>
Intangible assets	186	166	2,279	-	2,446	1,480	-	3,926
Goodwill	502	448	2,072	-	2,520	3,201	-	5,721
Tangible assets	1,111	991	114	-	1,106	5,623	-	6,729
Available-for-sale financial assets	-	-	-	-	-	42	-	42
Investments in joint ventures & associates – equity method	-	-	-	-	-	363	-	363
Other investments	-	-	-	-	-	84	-	84
Deferred tax assets	72	64	53	(24)	94	710	-	804
Loans & other non-current assets	63	56	-	(23)	33	482	-	515
<b>Current assets</b>	<b>875</b>	<b>781</b>	<b>42</b>	<b>(29)</b>	<b>795</b>	<b>5,309</b>	<b>1,242</b>	<b>7,346</b>
Inventories	322	288	-	-	288	1,521	-	1,808
Trade receivables	286	255	-	-	255	1,575	-	1,831
Income tax receivables	5	5	-	-	5	69	21	96
Dividends receivable	-	-	-	-	-	-	-	-
Other current receivables – Financial instruments	6	5	-	-	5	89	-	94
Other current receivables – Other	84	75	-	(29)	47	632	(10)	669
Cash & cash equivalents	171	153	42	-	195	1,132	1,230	2,558
Assets held for sale	-	-	-	-	-	291	-	291
<b>TOTAL ASSETS</b>	<b>2,808</b>	<b>2,507</b>	<b>4,561</b>	<b>(75)</b>	<b>6,993</b>	<b>17,294</b>	<b>1,242</b>	<b>25,529</b>
<b>Total equity</b>	<b>1,298</b>	<b>1,158</b>	<b>3,840</b>	<b>(32)</b>	<b>4,965</b>	<b>7,227</b>	<b>(2,542)</b>	<b>9,650</b>
Equity Solvay share	1,298	1,158	3,840	(32)	4,965	6,957	(2,542)	9,380
Non-controlling interests	-	-	-	-	-	271	-	271
<b>Non-current liabilities</b>	<b>1,160</b>	<b>1,036</b>	<b>686</b>	<b>(48)</b>	<b>1,674</b>	<b>5,518</b>	<b>3,677</b>	<b>10,869</b>
Long-term provisions: employees benefits	250	223	-	-	223	2,871	-	3,094
Other long-term provisions	107	95	-	(25)	70	810	-	880
Deferred tax liabilities	35	31	674	(12)	693	368	-	1,060
Long-term financial debt	740	661	-	(5)	655	1,243	3,678	5,576
Other non-current liabilities	29	26	12	(6)	33	227	-	259
<b>Current liabilities</b>	<b>350</b>	<b>313</b>	<b>36</b>	<b>6</b>	<b>354</b>	<b>4,549</b>	<b>107</b>	<b>5,010</b>
Other short-term provisions	16	14	-	6	20	347	-	367
Short-term financial debt	14	13	-	-	13	1,451	-	1,464
Trade liabilities	179	160	-	-	160	1,354	-	1,514
Income tax payable	9	8	-	-	8	173	-	182
Dividends payable	-	-	-	-	-	3	-	3
Other current liabilities	132	118	36	-	154	933	107	1,194
Liabilities linked to assets held for sale	-	-	-	-	-	287	-	287
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>2,808</b>	<b>2,507</b>	<b>4,561</b>	<b>(75)</b>	<b>6,993</b>	<b>17,294</b>	<b>1,242</b>	<b>25,529</b>

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Detail of equity, Solvay share (IFRS) on 30/09/2015	Cytec historical information under Solvay presentation	Cytec historical information under Solvay presentation converted into €	Purchase price allocation adjustments	US GAAP to IFRS adjustments and accounting policies alignment	Reclassifications (a)	Cytec pro forma financial information	Solvay historical information	Pro forma adjustments (b)	Pro forma consolidated financial information
	(in US\$ m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)	(in € m)
Share capital & issue	483	431	-	-	(431)	-	1,289	1,477	2,766
Treasury shares	(960)	(857)	-	-	857	-	(231)	-	(231)
Hybrid bonds	-	-	-	-	-	-	1,194	991	2,185
Retained earnings	1,829	1,633	3,840	20	(527)	4,965	5,834	(5,011)	5,789
Currency translation	(59)	(53)	-	-	53	-	(434)	-	(434)
Cash flow hedges	-	-	-	-	-	-	(61)	-	(61)
Defined benefit pension plan	5	4	-	(53)	48	-	(635)	-	(635)
<b>Equity attributable to equity holders</b>	<b>1,298</b>	<b>1,158</b>	<b>3,840</b>	<b>(32)</b>	<b>-</b>	<b>4,965</b>	<b>6,957</b>	<b>(2,542)</b>	<b>9,380</b>

(a) Reclassification of Cytec historical positions in relation to share capital and issue premiums, treasury shares, currency translation differences and defined benefit pension plan

(b) The effect of pro forma adjustments on the equity is made of the following:

- Rights issue of € 1,500 m, net of issuance cost of € 23 m;
- Hybrid bond issue of € 1,000 m, net of issuance cost of € 9 m;
- Impacts on the Retained earnings for an amount of € (5,011) m, composed of:
  - estimated acquisition costs not included in the Group historical information, net of tax, for € 40 million (€ 91 million less incurred costs of € 33 million, net of € 18 million of tax effect), and bridge loan costs not charged to the historical income statement, net of tax, for € 6 million (€ 10 million cost, net of € (4) million of tax effect), and
  - elimination of the investment in Cytec for € 4,965 million.

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