FORENOTE

All 2013 data are restated for comparison purposes for the Group’s application of IFRS 11 effective January 1st 2014.

Furthermore, Solvay presents Adjusted Income Statement performance indicators that exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.
Sustained Earnings growth momentum

Solid demand dynamics
- Particularly at innovation-driven Growth engines
- Strong Chemlogics contribution

Strong operating leverage offset forex headwinds and CER phase out

Excellence programs momentum continued
- Sustained pricing power
- Fixed cost inflation offset

All operating segments contributing to profit expansion

Strong set of results
- REBITDA +10% YoY
- Margin +140bp to 18.4%
Strong set of results

**Q2 2014 financial highlights**

| € 2.6 bn | € 485 m |
| Net Sales | REBITDA |
| +2% yoy | +10% yoy |

- Organic volume growth, despite CER phase-out
- Strong Chemlogics contribution
- Stable pricing
- Forex headwinds

| € (292) m | € 148 m |
| Net Income | in 2013 |
| Adjusted, Group share | |

- Lower non-recurring costs
- Debt optimization led to lower cost of carry but offset by one-off HSE discounting charges
- Impairment related to Inovyn™ € (422) m (mainly non-cash)

| € 89 m | |
| FCF | +40% yoy |

- In line with seasonal patterns

---

31/07/2014

SOLVAY
asking more from chemistry®
Strategic portfolio management pursued
Initiated divestitures nearing completion

**Chlorovinyls exit**

- **Inovyn™ JV creation by YE 2014**
  - Conditional approval received from EU anti-trust authorities
  - Binding deal reached with JV partner Ineos
    - Simplified terms
    - Large part of targeted cash proceeds secured upfront
    - Exit after 3 years
  - JV creation expected by YE 2014

- **Benvic sale closed**
  - Sold to OpenGate in June 2014

- **Indupa sale to Braskem progressing**
  - Awaiting approval from Brazilian anti-trust authorities before YE 2014

**Eco Services exit**

- **Sale to CCMP Capital**
  - Sulphuric acid virgin production and regeneration business in US
  - Binding agreement reached with CCMP Capital
  - EV of US$ 890 m
  - EV/EBITDA* just over 8.0x
  - LTM as of June 2014

**Redeployment for Value**

31/07/2014
Demand and excellence momentum underpinning solid REBITDA growth despite headwinds

**Net Sales**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope</td>
<td>2,582</td>
<td>2,640</td>
</tr>
<tr>
<td>Volume</td>
<td>81</td>
<td>84</td>
</tr>
<tr>
<td>Price</td>
<td>(101)</td>
<td>(4)</td>
</tr>
</tbody>
</table>

**REBITDA**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2013</th>
<th>Q2 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope</td>
<td>440</td>
<td>2,640</td>
</tr>
<tr>
<td>Volume</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>Price</td>
<td>(101)</td>
<td>(16)</td>
</tr>
</tbody>
</table>

**Net pricing**

- € 4 m
- € 4 m

**Organic volume growth**

- Despite CER phase-out.
- Sales of € 44 m in Q2 2013.

**Strong Chemlogics contribution**

**Forex headwinds**

- Primarily from USD, BRL, THB, CNY and JPY.

**Operating results**

- Underpinned by demand and Excellence programs.
- Sustained pricing power.
- Inflation of fixed costs offset.

**REBITDA margin**

- Increased by 140 bp.
Record performance underpinned by innovation-driven volume growth and operational efficiency

Strong Chemlogics and volume growth largely offset forex and weak performance in Coatis

Pricing power and volume growth offset by fixed cost inflation and forex

Improved demand and strong manufacturing excellence program delivery

Advanced Formulations

Advanced Materials

Functional Polymers

Performance Chemicals

* Excluding Corporate & Business Services
Result form continued operations increased by 31%
Net debt increase in line with seasonal dividend and interest payment patterns

Net debt* evolution in € m

<table>
<thead>
<tr>
<th>Date</th>
<th>REBITDA, provisions &amp; other operating cash flow</th>
<th>Capex</th>
<th>Change in industrial working capital</th>
<th>FCF of disc ops</th>
<th>Net financial charges</th>
<th>Aquisitions &amp; divestments</th>
<th>Dividends</th>
<th>Other changes in net debt</th>
<th>Changes in net debt attributable to assets held for sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/03/2014</td>
<td>(1,459)</td>
<td>(181)</td>
<td>(81)</td>
<td>(9)</td>
<td>(158)</td>
<td>359</td>
<td>(171)</td>
<td>91</td>
<td>8</td>
</tr>
<tr>
<td>30/06/2014</td>
<td>(1,644)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Net debt excludes hybrid bonds of € 1.2 bn booked as equity

- Working capital uptake in a context of demand dynamics and planned maintenance turn-arounds
- Concentration of interest payments in Q2. Includes € (50) m of one-offs related to early HY bond repayment
- Payment of dividend balance and 1st hybrid coupon of € (15) m
Working Capital needs in line with demand dynamics and industrial cycle

**Industrial working capital**
% of gross sales

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>15.1%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Q2</td>
<td>15.6%</td>
<td>15.4%</td>
</tr>
<tr>
<td>Q3</td>
<td>14.9%</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>12.8%</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>14.6%</td>
<td>15.2%</td>
</tr>
<tr>
<td>Target</td>
<td>12.5% - 13.5%</td>
<td></td>
</tr>
</tbody>
</table>

Historical figures restated for consolidation changes (including IFRS 11)

- **Uplift in demand**
- **Industrial cycle**
Selective investments for value

Capex (continuing operations) in € m

- Q4: 765
- Q3: 158
- Q2: 154
- Q1: 133

2013: €700 m – €800 m

Growth engines

- Resilient & cyclical businesses
- Selective investments focused on superior growth areas

Selective investments for value

Guidance 2014-2016

2/3

- €700 m
- €800 m

1/3

Advanced Formulations
Advanced Materials
Performance Chemicals
Larger on-going investment projects

<table>
<thead>
<tr>
<th>Year</th>
<th>Project Description</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>Large-scale alkoxylation plant in Texas, USA</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>Large-scale alkoxylation plant in Singapore</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>Specialty Surfactants plant in Germany</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>Aroma Performance</td>
<td>Vanillin plant in China</td>
</tr>
<tr>
<td>2014</td>
<td>Specialty Polymers</td>
<td>Fluoro-polymers JV with 3F</td>
</tr>
<tr>
<td>2014</td>
<td>Silica</td>
<td>HDS plant in Poland 85 ktonnes/year</td>
</tr>
<tr>
<td>2014</td>
<td>Rusvinyl*</td>
<td>PVC plant in Russia (in JV with Sibur) 330 ktonnes/year</td>
</tr>
<tr>
<td>2015</td>
<td>Novecare</td>
<td>Large-scale alkoxylation plant in Texas, USA</td>
</tr>
<tr>
<td>2015</td>
<td>Specialty Polymers</td>
<td>Large-scale alkoxylation plant in Singapore</td>
</tr>
<tr>
<td>2015</td>
<td>Specialty Polymers</td>
<td>Fluoro-polymers plant in China</td>
</tr>
<tr>
<td>2015</td>
<td>Peroxide</td>
<td>HPPO plant in Saudi Arabia 300 ktonnes/year</td>
</tr>
<tr>
<td>2015</td>
<td>Soda Ash &amp; Derivatives</td>
<td>Bicarbonate plant in Thailand 100 ktonnes/year</td>
</tr>
</tbody>
</table>

* Reported as equity investment
A sound and more efficient balance sheet

**Capital structure**
(30/06/2014)
in € bn

- Assets
  - Cash & cash equivalents 1.1
  - Major LT debt (1.8)
- Liabilities
  - Other (1.0)
  - Net debt (1.6)
- Equity
  - Hybrid bond 1.2
  - Equity 5.7
  - Total equity 6.9

**Gross debt**  (31/12/2013)
- Paid in 2014
- Payable in 2015

<table>
<thead>
<tr>
<th>Gross debt</th>
<th>Paid in 2014</th>
<th>Payable in 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross debt</td>
<td>(3.6)</td>
<td>(2.8)</td>
</tr>
<tr>
<td>Other</td>
<td>(0.5)</td>
<td>(0.5)</td>
</tr>
<tr>
<td>HY bonds</td>
<td>(0.8)</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Major LT debt</td>
<td>(1.3)</td>
<td>(1.8)</td>
</tr>
</tbody>
</table>

**Strong credit ratios**
(30/06/2014)

- **Gearing** (Net debt / Equity): 24%
- **Leverage** (Net debt / REBITDA): 0.74x

Including pension provisions:
- Gearing: 63%
- Leverage: 1.93x

**Optimising Balance Sheet efficiency**
in € bn

- Repayments in 2014-2015 → € 1.8 bn
- Early redemption of high-yield (HY) bonds
  - Average interest rate reduced by 40 bp to 4.9%
  - Cost of carry halved to € (50) m by 2015
2014 outlook re-iterated

Encouraging H1 underpins confidence

Solvay expects high single-digit REBITDA growth at current perimeter* & prevailing forex exchange rates

* Reflects eventual restatement in 2013 and 2014 reference periods for the discontinuation of Eco Services
Transformation continues

2014 Priorities

- Complete initiated portfolio upgrades
- Grow with our customers
- Sustain focus on excellence
- Deliver profit growth

Asking more from chemistry
Take-aways

Inflection point in demand || Progress on all fronts || Poised for growth

On track towards

REBITDA to reach €2.3 – 2.5 bn*  
REBITDA margin to reach 18%

CFROI to increase by > 100 bp vs 2013**

2/3 of businesses in value-creation zone

* At constant perimeter

** Prior to discontinued operations

Q2 2014 results
31/07/2014
Safe harbour

To the extent that any statements made in this presentation contain information that is not historical, these statements are essentially forward-looking. The achievement of forward-looking statements contained in this presentation is subject to risks and uncertainties because of a number of factors, including general economic factors, interest rate and foreign currency exchange rate fluctuations; changing market conditions, product competition, the nature of product development, impact of acquisitions and divestitures, restructurings, products withdrawals; regulatory approval processes, all-in scenario of R&D projects and other unusual items.

Consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements can be identified by the use of words such as "expects," "plans," "will," "believes," "may," "could" "estimates," "intends", "goals", "targets", "objectives", "potential", and other words of similar meaning. Should known or unknown risks or uncertainties materialize, or should our assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly update any forward-looking statements.
Annexes

• Additional Q2 and H1 2014 financial data
• Additional FY 2014 considerations
• 2016 ambitions
• Segment presentation
## Balance sheet

<table>
<thead>
<tr>
<th>in € m</th>
<th>30/06/2014</th>
<th>31/12/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>9,780</td>
<td>9,732</td>
</tr>
<tr>
<td>Investment &amp; shares</td>
<td>825</td>
<td>735</td>
</tr>
<tr>
<td>Loans &amp; other non current financial receivables / payables</td>
<td>23</td>
<td>84</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>1,195</td>
<td>1,621</td>
</tr>
<tr>
<td>Taxes payable/receivable + Others</td>
<td>89</td>
<td>44</td>
</tr>
<tr>
<td>Working capital</td>
<td>1,578</td>
<td>1,259</td>
</tr>
<tr>
<td><strong>Total invested capital</strong></td>
<td><strong>13,490</strong></td>
<td><strong>13,475</strong></td>
</tr>
<tr>
<td>Equity</td>
<td>6,884</td>
<td>7,453</td>
</tr>
<tr>
<td>Provisions</td>
<td>4,018</td>
<td>3,820</td>
</tr>
<tr>
<td>Dividends</td>
<td>(2)</td>
<td>112</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>1,644</td>
<td>1,142</td>
</tr>
<tr>
<td>Liabilities related to assets held for sale</td>
<td>946</td>
<td>949</td>
</tr>
<tr>
<td><strong>Total financing</strong></td>
<td><strong>13,490</strong></td>
<td><strong>13,475</strong></td>
</tr>
</tbody>
</table>

## Q2 Cash flow statement

<table>
<thead>
<tr>
<th>in € m</th>
<th>Q2 2014</th>
<th>Q2 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>293</td>
<td>212</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>(289)</td>
<td>(163)</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>(85)</td>
<td>(359)</td>
</tr>
<tr>
<td><strong>Net change in cash &amp; cash equivalents</strong></td>
<td>(81)</td>
<td>(311)</td>
</tr>
<tr>
<td>Currency translation differences</td>
<td>(1)</td>
<td>(46)</td>
</tr>
<tr>
<td>Opening cash balance</td>
<td>1,193</td>
<td>1,614</td>
</tr>
<tr>
<td><strong>Ending cash balance</strong></td>
<td><strong>1,111</strong></td>
<td><strong>1,258</strong></td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td><strong>89</strong></td>
<td><strong>64</strong></td>
</tr>
<tr>
<td>From continuing operations</td>
<td>98</td>
<td>10</td>
</tr>
<tr>
<td>From discontinued operations</td>
<td>(9)</td>
<td>54</td>
</tr>
</tbody>
</table>
## H1 Income statement (adjusted)

<table>
<thead>
<tr>
<th></th>
<th>H1 2014</th>
<th>H1 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>5,192</td>
<td>5,098</td>
</tr>
<tr>
<td>REBITDA</td>
<td>953</td>
<td>862</td>
</tr>
<tr>
<td>Other elements</td>
<td>(5)</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>(321)</td>
<td>(310)</td>
</tr>
<tr>
<td>REBIT</td>
<td>626</td>
<td>552</td>
</tr>
<tr>
<td>Non-recurring items</td>
<td>(76)</td>
<td>(137)</td>
</tr>
<tr>
<td>EBIT</td>
<td>551</td>
<td>415</td>
</tr>
<tr>
<td>Net financial charges</td>
<td>(173)</td>
<td>(135)</td>
</tr>
<tr>
<td>Income taxes</td>
<td>(118)</td>
<td>(76)</td>
</tr>
<tr>
<td>Result from continuing operations</td>
<td>260</td>
<td>204</td>
</tr>
<tr>
<td>Result from discontinued operations</td>
<td>(470)</td>
<td>60</td>
</tr>
<tr>
<td>Net income Solvay share</td>
<td>(186)</td>
<td>235</td>
</tr>
</tbody>
</table>

## H1 Cash flow statement

<table>
<thead>
<tr>
<th></th>
<th>H1 2014</th>
<th>H1 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>390</td>
<td>357</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>(511)</td>
<td>(332)</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>(738)</td>
<td>(526)</td>
</tr>
<tr>
<td>Net change in cash &amp; cash equivalents</td>
<td>(859)</td>
<td>(501)</td>
</tr>
<tr>
<td>Currency translation differences</td>
<td>(3)</td>
<td>(28)</td>
</tr>
<tr>
<td>Opening cash balance</td>
<td>1,972</td>
<td>1,787</td>
</tr>
<tr>
<td>Ending cash balance</td>
<td>1,111</td>
<td>1,258</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>(8)</td>
<td>53</td>
</tr>
<tr>
<td>From continuing operations</td>
<td>(61)</td>
<td>(122)</td>
</tr>
<tr>
<td>From discontinued operations</td>
<td>53</td>
<td>175</td>
</tr>
</tbody>
</table>
Demand and excellence momentum underpinning REBITDA growth

**Net Sales**
- H1 2013: €5,098
- H1 2014: €5,192
- Increase: 2%

**REBITDA**
- H1 2013: €862
- H1 2014: €953
- Increase: 11%

**Organic volume growth despite CER phase-out.**
Sales of €58 m in H1 2013

**Strong Chemlogics contribution**

**Forex headwinds primarily from USD, BRL, THB, CNY and JPY**

**Operating results underpinned by demand and Excellence programs**
- Sustained pricing power
- Inflation of fixed costs offset

**REBITDA margin increased by 140 bp**
Net debt increase in line with seasonal patterns

Net debt* evolution
in € m

<table>
<thead>
<tr>
<th>Date</th>
<th>REBITDA, provisions &amp; other operating cash flow</th>
<th>Capex</th>
<th>Change in industrial working capital</th>
<th>FCF of disc ops</th>
<th>FCF € (8) m</th>
<th>Other changes in net debt</th>
<th>Net financial charges</th>
<th>Acquisitions &amp; divestments</th>
<th>Dividends</th>
<th>Changes in net debt attributable to assets held for sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2013</td>
<td>(1,141)</td>
<td>625</td>
<td>(347)</td>
<td>(338)</td>
<td>53</td>
<td>(211)</td>
<td>(46)</td>
<td></td>
<td>(282)</td>
<td>51</td>
</tr>
<tr>
<td>30/06/2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Working capital uptake in a context of demand dynamics and planned maintenance turn-arounds.

Concentration of interest payments in H1. Includes € (50) m of one-offs related to early HY bond repayment.

Payment of dividend balance and 1st hybrid coupon of € (15) m.

* Net debt excludes hybrid bonds of € 1.2 bn booked as equity.
Lower rates led to slight pension liability increase

All presented figures are for continued operations only

**Pensions**
(30/06/2014) in € bn

- Net pension liabilities (2.7)  
- Pension assets 2.0  

**Net pension liability**
(30/06/2014) in € bn

- 68% France & Germany (unfunded)  
- 16% North America  
- 3% Other countries  
- 7% Belgium  
- 6% United kingdom

Net pension liability denominated for 76% in EUR

Discount rates* decreased

<table>
<thead>
<tr>
<th></th>
<th>31/12/2013</th>
<th>30/06/2014</th>
<th>change</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>3.25%</td>
<td>2.75%</td>
<td>-0.50%</td>
</tr>
<tr>
<td>GBP</td>
<td>4.50%</td>
<td>4.25%</td>
<td>-0.25%</td>
</tr>
<tr>
<td>USD</td>
<td>4.75%</td>
<td>4.25%</td>
<td>-0.50%</td>
</tr>
<tr>
<td><strong>Weighted average</strong></td>
<td><strong>3.88%</strong></td>
<td><strong>3.50%</strong></td>
<td><strong>-0.38%</strong></td>
</tr>
</tbody>
</table>

Pension assets of € 2,022 m by 30/06/2014

- 50% Equities / Diversified alternative funds
- 50% Bonds / Real estate

Cash contribution in H1 2014 of € (86) m, vs € (81) m in H1 2013

* Average discount rate on post employment benefit related liabilities applicable to high quality corporate bonds in EUR, GBP and USD zones
Annexes

• Additional Q2 and H1 2014 financial data
• Additional FY 2014 considerations
• 2016 ambitions
• Segment presentation
## REBIT(DA) considerations for 2014

### Forex impact
- FY YoY impact expected of € (60) – (65) m at prevailing rates
- H1 YoY impact of € (53) m
- More than half conversion, rest transactional
- Mainly linked to USD, JPY and BRL

### Rusvinyl ramp-up
- PVC JV in Russia
- Pre-operational charges linked to impact on JV debt of ruble/euro fluctuation with H1 impact of € 2 m
- Planned commissioning and subsequent ramp-up in H2

### CERs (Carbon Emission Rights)
- Scheme phased out in H1 2013
- FY YoY sales impact of €(58)m, taken in H1

### Chemlogics effects
- Acquisition consolidated since 01/11/2013
- H1 PPA inventory impact + holdback payments for € (7) m
- Going forward only holdback payments of ~ € (2) m per quarter until 2016

### Eco Services
- Sale closing expected before YE 2014
## Financials considerations for 2014

### Cost of net indebtedness
- Debt repayments
  - € 1,300 m in H1 2014 (including HY bonds)
  - € 500 m in June 2015
- Lead to a reduction of net interest charges
  - Average gross interest rate to reduce by 40 bp to 4.9% vs 2013
  - Cost of carry to halve
  - FY P&L cost expected at ~ € 140 m

### Discounting cost on provisions
- Recurring FY cost of € (120) – (130) m, provided no change in discount rates* during year
- Additional one-off charges in H1 of € (29) m from impact of discount rates decrease on environmental provisions

* Average discount rate on environmental provisions based on 10-year government bonds in EUR, GBP, USD and BRL zones

### Hybrid bond
- Nominal value of € 1.2 bn
- Initial average dividend yield of 4.7%
  - € 0.7 bn at 4.199%
  - € 0.5 bn at 5.425%
- Accounting considerations
  - Income statement  → No impact
  - Balance sheet  → Treated under Equity
  - Cash flow statement  → Dividends treated in CF from financing
- Dividend cash-out
  - Q2 2014: € (15) m
  - Q4 2014: € (27) m
  - Q2 2015: € (29) m
  - Q4 2015: € (27) m
## Other considerations for 2014

### Depreciation & amortization

- **Recurring Depreciation & Amortization**
  - H1 cost of € (321) m
  - FY cost expected of ~ € (650) m

- **Rhodia PPA impact**
  - H1 impact of € 58 m
  - FY impact expected of ~ € 115 m

### Discontinued operations

- Expected to reach completion in 2014
- Indupa sale to generate ~ € (60) m* currency translation adjustments at deal closing
- Chlorovinyls JV with Ineos will be treated as recurring equity investment upon JV effectiveness

* Situation as of 30/06/2014

### Underlying tax rates

- Progressing from mid to low 30s over 2014-2016
- Underlying tax rate excludes non-recurring elements

### Non-recurring elements

- Restructuring costs
- HSE provisions on non-operational sites
- Portfolio management-related gains & losses
- Contingencies / litigations
Annexes

• Additional Q2 and H1 2014 financial data
• Additional FY 2014 considerations
• 2016 ambitions
• Segment presentation
Solvay, a major global chemical player

Based on strengths

- € 10.0 bn Net Sales
- € 1.7 bn REBITDA
- 17% REBITDA margin
- € 378 m Adjusted Net Income, Group share

Well-balanced geographical spread and end-user markets

Leading player in 90% of our businesses

Strong R&I portfolio

And with ambition

117 Industrial sites
15 Major R&I centers
29,400 Employees (EFTEs)
56 Country presence

Restated for IFRS 11 application as from 01/01/2014
Adjusted: Excluding non-cash PPA accounting impacts related to the Rhodia acquisition

Non-financial figures exclude discontinued operations, except for employees

2013 figures
Well-balanced geographical spread and end-user markets

Balanced geographic exposure*

- North America: 25%
- Europe: 33%
- Latin America: 11%
- Asia Pacific & RoW: 31%

Exposure to higher growth end-markets*

- Aeronautics & Automotive: 17%
- Consumer Goods & Healthcare: 25%
- Agro Food: 12%
- Energy & Environment: 11%
- Building & Construction: 10%
- Electrical & Electronics: 6%
- Industrial Applications: 19%

* Figures represent % of 2013 net sales (pro-forma Chemlogics)
90% of our business ranking among top 3 players

<table>
<thead>
<tr>
<th>1</th>
<th>ADVANCED FORMULATIONS</th>
<th>Specialty surfactants</th>
<th>Diphenols</th>
<th>Phosphorus chemistry</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PERFORMANCE CHEMICALS</td>
<td>Hydrogen peroxide</td>
<td>Soda ash</td>
<td>Bicarbonate</td>
</tr>
<tr>
<td></td>
<td>ADVANCED MATERIALS</td>
<td>High-performance</td>
<td>Fluorinated polymers</td>
<td>Rare earth formulations</td>
</tr>
<tr>
<td></td>
<td></td>
<td>engineering polymers</td>
<td>High-barrier polymers</td>
<td>High-dispersible silica</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&amp; compounds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>FUNCTIONAL POLYMERS</td>
<td>PA 6.6 polymers &amp;</td>
<td>PERFORMANCE CHEMICALS</td>
<td>Cellulose acetate fiber</td>
</tr>
<tr>
<td></td>
<td></td>
<td>intermediates</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PA 6.6 engineering</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>plastics</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Strong innovation portfolio aligned with global megatrends

Focused innovation fields

- Advanced materials
- Advanced formulations
- Eco-processes
- Health & well being
- Renewable chemistry
- Next billion consumers
- Organic electronics
- Sustainable energy
- Climate change
- Resource scarcity

2013

- 15 Major R&T sites worldwide
- 1,950 R&T staff
- €280 m R&T efforts
- 22% New sales ratio
- 252 Patents filed
Converting vision into value

Our vision

- Build a **strong global leader** in the chemical industry
- Be a model of **sustainable chemistry**
- Become a **high growth, less capital intensive & high return** Group

Our strategy

- Reinforcing business profile through strategic portfolio changes
- Striving for excellence across businesses
- Innovating to create sustainable solutions
- Transforming company culture with a focus on performance

Our 2016 ambition

- **REBITDA** to reach € 2.3 – 2.5 bn*  
  → **REBITDA margin** to reach 18%
- **CFROI** to increase by >100 bp vs 2013**  
  → 2/3rd of businesses in **value-creation** zone
- **Being a model of sustainability**
  → Reducing our impact on environment

* At constant perimeter  
** Prior to discontinued operations
A business portfolio change

Executing our strategic action plan

2010
Pharma divestiture

2011
Rhodia acquisition

2012
Integration & definition of new strategic priorities
- Integration & definition of new strategic priorities
- Alignment of corporate & business structure
- Renew management And people model

2013
Transformation
- Chlorovinyls Europe JV announcement
- Solvay Indupa divestiture
- Chemlogics acquisition

To enhance our business profile

GROW
- Solvay YE 2013
- Chemical industry

ENHANCE
- Chemlogics

RESTORE
- Solvay YE 2012

Value creation potential of industry segment

Solvay businesses

Soda Ash breakthrough performance improvement plan
- Polyamide breakthrough performance improvement plan

Solvay businesses

Chemical industry
REBITDA growth supported by strong operational levers

**REBITDA** in € bn

- **2013***: 1.7
  - **Chemlogics** (10 months)

- **2016e***: 2.3 – 2.5

---

**REBITDA margin**

- **2013***: 17%
- **2016e***: 18%

---

- **Inflation**: (0.3)
- **Operational excellence**: 0.3
- **Organic growth**: 0.3
- **Innovation**: 0.3
- **Portfolio**: 0.7

---

**Market growth**

**Manufacturing Excellence**: 0.3

**Variable & fixed cost reductions**

**Overall Equipment Efficiency**

**Purchasing, supply & other efficiencies**

**Commercial Excellence**

**Innovation Excellence**

**Excellence programs**: 0.7

---

* Restated for IFRS 11 application as from 01/01/2014

**Chemlogics consolidated for 2 months***

**At constant perimeter***

---

Q2 2014 results

31/07/2014
Enhanced quality of earnings across segments with differentiated levers throughout our businesses

REBITDA in € bn

2013*
1.7
Chemlogics (10 months)

Advanced Formulations

Advanced Materials

> 10% CAGR

Performance Chemicals

Functional Polymers

Corporate & Energy

Restoring profitability

Mid-single digit growth
Enhancing sustainable cash generation

Double digit growth
Delivering high capital returns

Double digit growth
Maintaining low capital intensity

2016e**
2.3 – 2.5

“Growth engines” to increase size in portfolio

>60%

52%

* Restated for IFRS 11 application as from 01/01/2014
Chemlogics consolidated for 2 months

** At constant perimeter

Q2 2014 results
31/07/2014
Unlocking value by increasing CFROI and REBITDA margin

2012

- REBITDA margin
- WACC
- Premium return
- CFROI
- REBITDA margin to reach 18%
- 1/3rd of total assets

2016

- REBITDA margin
- WACC
- Premium return
- CFROI
- REBITDA margin
- 2/3rd of total assets

CFROI = \frac{REBITDA - Rec. Capex - Tax}{Gross assets + Working Capital}

Premium return = WACC + 150bp

GBUs
Solvay

Bubble Size indicates REBITDA (in € bn)
Focused on being a model of sustainability taking commitments

- Reach excellence in safety & health
- Deploy unmatched sustainable portfolio management
- Reduce our impact on environment by 2020

- Manage risk
- Develop rich & balanced social dialogue

Providing sustainable solutions
Executing a clear value creation strategy

Towards a higher growth, improved cash generation & enhanced returns
Chemical Group

Targeting Sustainable Value Growth
Annexes

- Additional Q2 and H1 2014 financial data
- Additional FY 2014 considerations
- 2016 ambitions
- Segment presentation
Organization set-up

Executive Committee

- Advanced Formulations
- Advanced Materials
- Performance Chemicals
- Functional Polymers
- Corporate & Business Services

Strategic priorities

- Growth engines
- Resilient cash flow generation
- Restoring profitability
- Efficient Support

Customer-centric
- Empowered
- Entrepreneurial
- Result-oriented

- REBITDA growth
- REBITDA margin
- Capital intensity
- R&D drive

Strengthened
Organized in Global Business Units

Advanced Formulations
- Novecare
- Aroma Performance
- Coatis

Advanced Materials
- Specialty Polymers
- Silica
- Rare Earth Systems
- Special Chemicals

Performance Chemicals
- Soda Ash & Derivatives
- Peroxide
- Acetow
- Eco-Services**
- Emerging Biochemicals

Functional Polymers
- Polyamide
- P&I Engineering Plastics
- Fibras

Corporate & Business Services
- Solvay Energy Services
- Corporate Functions

2013*

<table>
<thead>
<tr>
<th></th>
<th>REBITDA</th>
<th>REBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Novecare</td>
<td>€ 369 m</td>
<td>15%</td>
</tr>
<tr>
<td>Aroma Performance</td>
<td>€ 646 m</td>
<td>25%</td>
</tr>
<tr>
<td>Coatis</td>
<td>€ 766 m</td>
<td>24%</td>
</tr>
<tr>
<td>Novecare</td>
<td>€ 93 m</td>
<td>5%</td>
</tr>
<tr>
<td>Aroma Performance</td>
<td>€ (169) m</td>
<td>n.m.</td>
</tr>
</tbody>
</table>

2014 H1

<table>
<thead>
<tr>
<th></th>
<th>REBITDA</th>
<th>REBITDA margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Novecare</td>
<td>€ 221 m</td>
<td>16%</td>
</tr>
<tr>
<td>Aroma Performance</td>
<td>€ 362 m</td>
<td>27%</td>
</tr>
<tr>
<td>Coatis</td>
<td>€ 377 m</td>
<td>24%</td>
</tr>
<tr>
<td>Novecare</td>
<td>€ 78 m</td>
<td>9%</td>
</tr>
<tr>
<td>Aroma Performance</td>
<td>€ (85) m</td>
<td>n.m.</td>
</tr>
</tbody>
</table>

* Restated for IFRS 11 application as from 01/01/2014
** To be exited by YE 2014
Advanced Formulations

As one of Solvay’s growth engines, the businesses grouped under Advanced Formulations stand out for their innovation capacity and low capital intensity. Their offerings address major societal trends, meeting ever stricter requirements to respect the environment, save energy and challenges of the mass consumer markets.
**Advanced Formulations 2014 Q2 performance**

Strong Chemlogics and volume growth largely offset forex and weak performance in Coatis

### Novecare
- Good dynamics in Oil & Gas market through customer recognition of Solvay’s product portfolio and capabilities
- Chemlogics ramping up business and at record profitability
- Agro market suffered from short season in US
- Growth in HPC market offset by lower prices
- Forex impact weighs on yoy comparison

### Coatis
- Uncompetitive domestic LatAm market weighed on performance
- Excellence measures mitigated increased cost level

### Aroma Performance
- Positive market trends overall in Aroma ingredients and Inhibitors
- Gradual recovery from Force Majeure (in Q1)
Novecare
Cutting-edge technologies in diversified focused markets

<table>
<thead>
<tr>
<th>TECHNOLOGY</th>
<th>SELECTED MARKETS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Home &amp; Personal Care</td>
</tr>
<tr>
<td>Surfactants</td>
<td><img src="#" alt="Bubble Graph" /></td>
</tr>
<tr>
<td>Polymers</td>
<td><img src="#" alt="Bubble Graph" /></td>
</tr>
<tr>
<td>Phosphorous Derivatives</td>
<td><img src="#" alt="Bubble Graph" /></td>
</tr>
<tr>
<td>Specialty Amines</td>
<td><img src="#" alt="Bubble Graph" /></td>
</tr>
</tbody>
</table>

- 50% Surfactants
- 30% Polymers
- 10% Phosphorous Derivatives
- 10% Specialty Amines

% of Novecare sales in 2013 (pro forma Chemlogics)
A leader in markets with high entry barriers and strong returns on investment, the Advanced Materials segment is a major contributor to the Group’s performance and growth. Innovation, its global presence feature and long-term partnerships with customers provide a compelling competitive edge with industries seeking increasingly energy efficiency and less polluting functionalities.
Advanced Materials 2014 Q2 performance

Record performance beat underpinned by innovation-driven volume growth and operational efficiency

**Specialty Polymers**
- Volume growth across all regions and most end markets
- Demand momentum in Automotive, Industrial and Electrical & Electronics markets continued
- New product launch boosted Smart devices market

**Silica**
- Strong demand in Europe (both OEM and replacement)

**Rare Earth Systems**
- Volumes and margins underpinned by new regulation in catalyst business

**Special Chemicals**
- Good business trends in most end-markets, esp. automotive and (micro-)electronics
- Margin improvement thanks to business portfolio refocus

---

**Net sales**

<table>
<thead>
<tr>
<th></th>
<th>H1 2014</th>
<th>Q2 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ 1,329 m</td>
<td>€ 670 m</td>
</tr>
<tr>
<td></td>
<td>2% yoy</td>
<td>2% yoy</td>
</tr>
</tbody>
</table>

**REBITDA**

<table>
<thead>
<tr>
<th></th>
<th>H1 2014</th>
<th>Q2 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ 362 m</td>
<td>€ 187 m</td>
</tr>
<tr>
<td></td>
<td>15% yoy</td>
<td>16% yoy</td>
</tr>
</tbody>
</table>

*margin 24% → 28%*
Specialty Polymers
Focused on the most advanced products

Temperature resistance
Chemical inertness
Weathering resistance
Corrosion protection
Water repellence
Stain repellence
Electrical inertness
Non-flammability
Fatigue resistance
Biocompatibility
Extractables
Self-cleaning
Transparency
Heat transfer
Processability
Toughness
Elasticity
Barrier
Tribology
Release
Colour
Cost

Built on 4 technology clusters

Aromatics
High-barrier polymers
Fluoropolymers
Cross-linkable compounds
Specialty Polymers
Industry leader with the broadest product portfolio

<table>
<thead>
<tr>
<th>Aromatics</th>
<th>Floropolymers</th>
<th>High-barrier polymers</th>
<th>Cross-linkable compounds</th>
</tr>
</thead>
<tbody>
<tr>
<td>LCP</td>
<td>PTFE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HPPA</td>
<td>PVDF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PEEK</td>
<td>PFA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAI</td>
<td>FKM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PSU</td>
<td>PFPE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PVDC</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>XLCP</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Broadest portfolio + Innovation leader = Best solution provider
Silica
Highly Dispersible Silica (HDS) delivers value to the tire industry

Excellent technical performance …

- Rolling Resistance + 25%
- Wet Grip + 10%
- Wear no change

Enables a 5-7% improvement in efficiency

… growing across a number of applications

In passenger car and light trucks
- Energy-efficient tires
- Winter tires
- Sport tires

In heavy trucks
- Commercial emergence of tires using a majority of silica vs. carbon black

HDS, a significant enabler of performance, a minor portion of overall tire production cost (<3%)

Source: Smithers Rapra, Solvay estimates

Q2 2014 results
31/07/2014
Performance Chemicals

Operating on mature resilient markets, this Segment’s success is based on economies of scale, competitiveness and quality of service. Solidly cash-generating, the Performance Chemicals businesses are engaged in new programs of excellence to create additional sustainable value.

* Restated for IFRS 11 application as from 01/01/2014

** To be exited by YE 2014

Q2 2014 results
31/07/2014
Performance Chemicals 2014 Q2 performance
Pricing power and volume growth offset by fixed cost inflation and forex

Soda Ash & Derivatives
- Demand up in Europe and export market up
- US production affected by logistics disruption
- Prices up overall
- Adverse yoy effect from lower USD

Peroxide
- Rising demand for peroxide in EU and US
- Fixed costs level up due to prolonged maintenance

Acetow
- Higher sales prices and strong industrial performance

Eco Services
- Volume growth offset by forex

Emerging Biochemicals
- Tough conditions persist and heavy impact from lower Thai Baht
Soda Ash & Derivatives
Cost is a key success factor in the soda ash industry

Source, Solvay based on external databases
Soda Ash & Derivatives
European soda ash supply/demand to improve in next 3 years

2014-2016

Restructuration started with closure announcements

- Solvay Povoa (0.2 mt/yr)
- Tata Winnington (0.5 mt/yr)

Production capacity utilization rate to increase

- Following restructuring at the supply side
- Following slight expected growth in demand

2017-2019

Kazan project

- Potentially adding 2.5 mt/yr production capacity
- Based on natural production process
- Cash cost expected at same level as best-in-class European synthetic assets

Further restructuring among least competitive assets in the European industry can be expected
The key success factors of this Segment, which primarily groups the Polyamide activities, are continuous manufacturing optimization and innovation. Solvay is one of the few players to operate across the entire polyamide 6-6 chain.
Functional Polymers 2014 Q2 performance
Improved demand and strong manufacturing excellence program delivery

Polyamide
- Volume growth in Europe and Asia
- Weakness of Fibras market in LatAm continues
- Delivery on excellence programs has positive impact on margins

Chlorovinyls
- Benvic sold to OpenGate
- Indupa being sold to Braskem (discontinued)
- European chlorovinyls to be contributed to Inovyn™ JV (discontinued)
  - Net sales: € 465 m; REBITDA: € 20 m
  - Difficult market environment with low price and weak margin
Corporate & Business Services

2013 Figures
€ 67 m Net Sales
€ (169) m REBITDA

Energy Services
Other Corporate & Business Services

2014 Q2 performance
Tight cost control partially offset phased-out CER sales

REBITDA

<table>
<thead>
<tr>
<th>Period</th>
<th>REBITDA (in € m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2014</td>
<td>(85) m</td>
</tr>
<tr>
<td>Q2 2014</td>
<td>(47) m</td>
</tr>
</tbody>
</table>

Energy Services
- No material REBITDA contribution
- CER phase-out in H1 2013 affecting comparables

Other Corporate & Business Services
- Tight cost control on corporate structure and functions
- Phasing of certain corporate programs
- Positive forex impact

This Segment includes the Solvay Energy Services business which delivers energy optimization programs in the Group and for third parties. It also includes the corporate functions.