SOLVAY
asking more from chemistry®

3RD QUARTER & 1ST 9 MONTHS 2015 FINANCIAL REPORT

Forenote

For comparison purposes and unless otherwise indicated, all historic data are restated for perimeter changes.

Besides IFRS accounts, Solvay also presents Adjusted Income Statement performance indicators that exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.

Regulated information

29/10/2015
7:00 AM CET

SOLVAY GROUP
3RD QUARTER & 1ST 9 MONTHS 2015 BUSINESS REVIEW

Q3 highlights

- **Group net sales were € 2,714 m, up 5% yoy**. This was fully attributable to the conversion impact of foreign exchange rate fluctuations which contributed 5%. Scope effects of 1% were offset by lower volumes for (1)%. Overall prices remained stable year on year.
- **REBITDA totaled € 524 m, up 14% yoy**. Strong pricing power of € 58 m across all operating segments, more than offset the small negative volume impact and the increased fixed cost base for € (14) m and € (17) m respectively. The effect of conversion forex was € 37 m. The REBITDA margin widened to 19% of net sales, up 157 basis points.
  - → Advanced Formulations at € 98 m, down (8)% yoy, as the substantial demand decline in the oil & gas industry persisted, partly compensated by higher sales volumes at Aroma Performance;
  - → Advanced Materials at € 236m, up 26% yoy, another consecutive record quarter, driven by volume growth in all GBUs especially in Specialty Polymers, underpinned by strong demand for smart devices;
  - → Performance Chemicals at € 211 m, up 9% yoy, supported by strong net pricing across the operating segment and a sequential improvement in Acetow's volumes;
  - → Functional Polymers, at € 44 m, more than doubled yoy, mainly as a result of higher net pricing and volumes in Polyamide, while RusVinyl's contribution continued to grow;
  - → Corporate and Business Services' net costs were € (66) m, € (16) m more than last year, largely as a result of adverse currency effects, and a one-off impairment of € (7) m on carbon emission rights.
- **IFRS Net income Solvay share was € 103 m** versus € 115 m in 2014. Adjusted Net Income Solvay share was € 121 m versus € 133 m in Q3 2014, as the increase in REBITDA as well as lower financial charges and taxes were outweighed by foreign exchange impacts at RusVinyl, higher non-recurring costs linked to the Cytec acquisition and a lower contribution from discontinued operations.
- **Free Cash Flow amounted to € 188 m versus € 122 m in 2014**. Net debt consequently decreased to € 1,473 m from € 1,608 m at the end of the second quarter.
- **Interim gross dividend of € 1.36 per share**, payable on January 21, 2016. The total dividend, to be announced in February 2016, will be adjusted to reflect the distribution of rights during the contemplated capital increase, as is customary for transactions of this type.

Quote of the CEO, Jean-Pierre Clamadieu

Solvay delivered a strong performance in the third quarter, evidencing the impact of the Group's transformation. Good organic growth was a result of our broad and global portfolio, our consistent focus on innovation, excellence and in particular sustained pricing power across our businesses, despite continuing weakness in some of the markets we serve. The results also benefited from favorable exchange rates.

Our transformation will continue with the acquisition of Cytec, which we expect to conclude by year end 2015. We are mobilizing for a rapid and effective integration process and synergy realization. We are confident and enthusiastic about the value creation from this combination, which will drive the next phase of our growth.

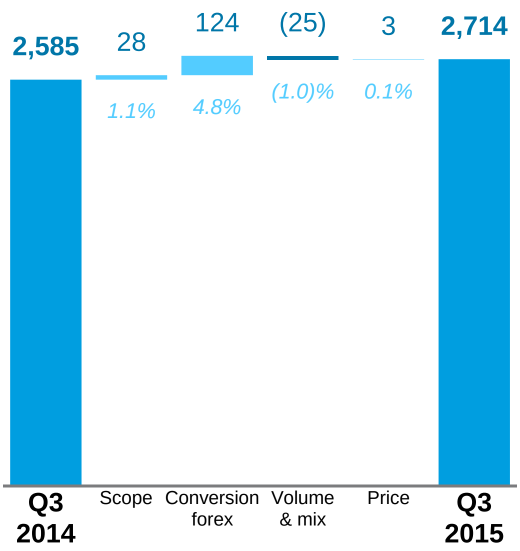
Outlook

Results in the fourth quarter are expected to moderate compared to the third quarter due to seasonal factors. Solvay reconfirms its expectation of solid REBITDA growth in full year 2015.

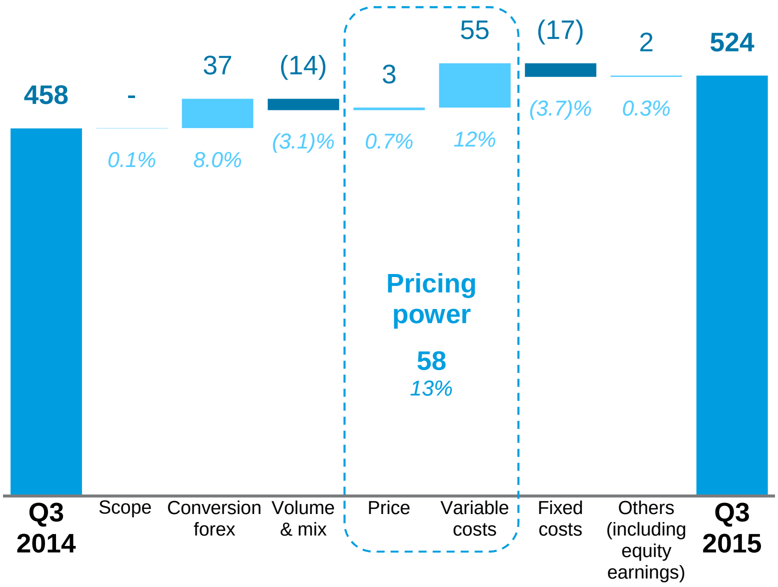
SOLVAY GROUP
3RD QUARTER 2015 BUSINESS REVIEW

Key data (in € m)	Adjusted			IFRS		
	Q3 2015	Q3 2014	% yoy	Q3 2015	Q3 2014	% yoy
Net sales	2,714	2,585	*5.0%*	2,714	2,585	*5.0%*
REBITDA	**524**	**458**	***14%***			
REBITDA margin	*19%*	*18%*	*157bp*			
Non-recurring items	(61)	(30)	*n.m.*	(61)	(30)	*n.m.*
EBIT	**242**	**254**	***(4.5)%***	**215**	**226**	***(5.0)%***
Net financial charges	(48)	(68)	*29%*	(48)	(68)	*29%*
Result before taxes	**194**	**186**	***4.5%***	**167**	**158**	***5.5%***
Income taxes	(58)	(68)	*14%*	(49)	(58)	*16%*
Result from continuing operations	**136**	**118**	***15%***	**118**	**100**	***18%***
Result from discontinued operations	(3)	23	*n.m.*	(3)	23	*n.m.*
Net income	**133**	**141**	***(5.9)%***	**115**	**123**	***(6.5)%***
Non-controlling interests	(12)	(8)	*(46)%*	(12)	(8)	*(46)%*
Net income Solvay share	**121**	**133**	***(9.0)%***	**103**	**115**	***(10)%***
Basic EPS (in €)	1.46	1.60	*(8.8)%*	1.24	1.38	*(10)%*
Free Cash Flow	**188**	**122**	***54%***	**188**	**122**	***54%***
Capex	(231)	(239)	*3.4%*	(231)	(239)	*3.4%*
Capex in continuing operations	(223)	(205)	*(8.7)%*	(223)	(205)	*(8.7)%*

Q3 yoy Net sales evolution *(in € m)*



Q3 yoy REBITDA evolution *(in € m)*



Net sales grew 5% year on year to € 2,714 m thanks to the positive net conversion impact of foreign exchange rate fluctuations resulting mainly from the appreciation of the U.S. dollar versus the euro. The consolidation of Ryton® PPS and Flux in Advanced Materials, had a positive scope impact of 1%. Volumes were down (1)% overall compared to last year, as the significantly reduced demand in Novecare and Acetow outweighed robust growth in Specialty Polymers, and to a lesser extent in Soda Ash & Derivatives, Emerging Biochemicals and Aroma Performance. The sharp contraction in the North American oil & gas exploration industry continued to significantly impact Novecare's sales volumes. On the other hand, a sequential improvement was recorded in sales of acetate tow from the through in the first year half, but destocking in the market still affects the year-on-year comparison. Demand dynamics for Solvay's innovation-driven products remained strong as demonstrated by the continued success of Specialty Polymers. Prices were flat, as price increases in Soda Ash & Derivatives as well as positive transactional forex effects, neutralized the impact of raw material price decreases on pricing in Polyamide and Emerging Biochemicals, as well as Novecare, Coatis and Aroma Performance.

REBITDA increased 14% compared to the third quarter of 2014, reaching € 524 m. The REBITDA margin widened to 19% of net sales, up 157 basis points. The slightly lower volumes had an overall (3)% impact on REBITDA. Scope changes had no material impact. Fixed costs were up € (17) m mainly due to the start-up of new sites in the year. Solvay managed to offset Inflation by operational excellence measures. About half of the increase, i.e. 8%, is linked to the net conversion forex effect of € 37 m, which is lower than in previous quarters as the year-on-year delta on the U.S. dollar exchange rate and to a lesser extent the Chinese yuan lessened. Moreover, the significant devaluation of the Brazilian real and the Russian ruble had a negative impact on conversion. The transactional forex effect, which impacts results with a delay due to Solvay's hedging policy, increased to € 25 m from € 16 m in the second quarter. Net pricing efforts, which include the aforementioned transactional forex effect, had a positive impact on REBITDA of 13% or € 58 m. Solvay's pricing power was evident across all operating segments, and especially in Performance Chemicals and Functional Polymers, as well as in Specialty Polymers, benefiting from lower raw material and energy prices complemented by excellence delivery.

Non-recurring Items were € (61) m versus € (30) m a year earlier, mostly linked to the Cytec acquisition and principally to the structuring of the bridge financing for € (43) m in total, consisting of non-cash contingent hedging costs and underwriting fees. Restructuring expenses were € (13) m, € (3) m more than a year ago.

EBIT on an adjusted basis was down 5% to € 242 m. Besides amortization and depreciation charges of € (183) m, it included € (37) m adjustments mostly related to financial charges of the RusVinyl joint venture, which include forex losses on euro-denominated debt. EBIT on an IFRS basis totaled € 215 m. The difference between IFRS and adjusted figures reflects the Rhodia non-cash purchase price allocation (PPA) depreciation impact of € (27) m.

Net Financial Expenses fell to € (48) m from € (68) m in the same quarter last year. Charges on net debt were stable at € (30) m. The cost of discounting provisions for pension and environmental liabilities decreased to € (18) m from € (38) m a year ago, mainly due to the € 6 m one-off effect on environmental liabilities resulting from higher discount rates in Brazil, whereas last year € (7) m was booked as discount rates reduced in Brazil and the U.K.

Income Taxes on an adjusted basis decreased to € (58) m, from € (68) m in the third quarter of 2014, mainly as a result of prior years-related tax adjustments. Year to date the nominal tax rate including exceptional items was 35%, the underlying tax rate decreased to 29%, in line with the previous quarter, versus 33% for the full year in 2014.

Net result from continued operations on an adjusted basis was € 136 m against € 118 m in the same quarter in 2014. Discontinued operations reported a net loss of € (3) m against a net profit of € 23 m in 2014. Discontinued operations in 2014 included Eco Services, which was sold at end 2014, and the European chlorovinyls business, which is part of INOVYN since July 1, 2015. The remaining activity is the Indupa chlorovinyls business in Latin America, which was affected by adverse market circumstances. The Net Income Solvay Share on an adjusted basis came in at € 121 m compared with € 133 m in 2014. Adjusted basic earnings per share amounted to € 1.46. Net Income Solvay Share on an IFRS basis was € 103 m versus € 115 m in 2014. Net Income Solvay Share excluding exceptional items amounted to € 176 m versus € 180 m in the third quarter of last year (cfr. Factors impacting Net income on page 13).

Interim gross dividend of € 1.36 per share will be payable to shareholders on January 21, 2016. The total dividend, to be announced in February 2016, will be adjusted to reflect the distribution of rights during the contemplated capital increase, as is customary for transactions of this type.

Free Cash Flow rose to € 188 m from € 122 m in the same quarter of 2014. Free Cash Flow from continuing operations increased to € 181 m from € 116 m last year. Higher REBITDA more than offset the increase in capital investments to € (223) m from € (205) m in 2014, linked to forex. The cash outflow from movements in industrial working capital decreased to € (46) m compared to € (53) m the year before. The contribution from discontinued operations remained largely flat at € 7 m.

Other cash flow elements encompassed acquisitions and divestments, which impacted net debt for € 8 m, including the impacts of the creation of INOVYN and expenses related to the Cytec acquisition. Up front net proceeds from INOVYN of € 150 m were adjusted for cash transfers and other financial flows with the joint venture, as well as divestment costs, totaling € (92) m, and also include a payment for the acquisition of minority interest in Solvin. Other elements comprise interest and dividend related cash-outs of € (33) m, and the acquisition of treasury shares for € (65) m to cover outstanding stock options.

Net debt consequently decreased to € 1,473 m, from € 1,608 m at the end of the second quarter.

SOLVAY GROUP NEWS CORNER

Transformation – Full speed ahead with announced Cytec acquisition

Solvay's transformation is making a step-change with the planned acquisition of U.S.-based Cytec, the world's second largest player in composite materials for the aerospace industry, for an enterprise value of $ 6.4 bn. With this acquisition, unanimously backed by the boards of both companies, Solvay will extend its applications of lightweighting advanced materials to replace metals and reduce fuel and CO_2 emissions in transportation. The acquisition is progressing according to schedule for an expected completion by the end of this year and following regulatory and shareholder approvals. Meanwhile, both companies are actively working on integration plans to facilitate a swift and efficient combination and synergy realization once the acquisition is closed.

New plants starting production in Asia – Specialty Polymers and Soda Ash & Derivatives

Specialty Polymers began producing fluoro-elastomers (FKM), used in sealing applications, at its new plant in Changshu, China, to meet strongly growing demand for its high-tech polymers from Asia's automotive industry and many other high-end markets. At the same site, Specialty Polymers is constructing a polyvinylidene fluoride (PVDF) production unit which will come on stream in early 2017 to supply the Solef® thermoplastic. Solvay's operations at Changshu already include compounding, based on its specialty polymers resins.

Soda Ash & Derivatives launched production at its sodium bicarbonate (BICAR®) plant at its existing Map Ta Phut Industrial Estate in Thailand. Its production capacity of 100,000 tons per year makes it South-East Asia's largest bicarbonate plant, addressing demand growth for healthcare, food and other consumer goods. It takes Solvay's total number of bicarbonate plants to nine worldwide. The plant uses Solvay's new generation BICAR® production technology which reduces waste, optimizes energy recovery and maximizes yield.

Portfolio refining – Solvay sells SolviCore joint venture stake and PCC activities

Solvay and Umicore have sold their SolviCore stakes to Japanese chemical company Toray, to focus on their respective upstream fuel cell material businesses. Solvay remains committed to the energy storage market and has a range of specialty materials serving not only fuel cells, but also batteries in electronic and automotive applications.

In addition, Solvay expects to shortly announce the closing of the sale of its European precipitated calcium carbonate (PCC) production sites in Germany, Austria, France and the U.K. to IMERYS.

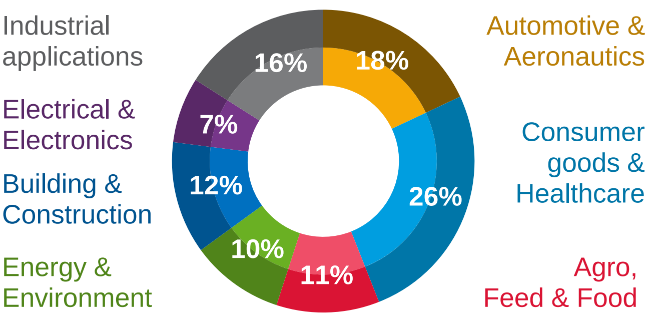
Corporate Social Responsibility – Supporting guar farmers in India

Solvay and L'Oréal have teamed up in a scalable three-year project to teach and promote sustainable agricultural practices among 1,500 guar bean farmers across ten villages in India's desert region of Bikaner, Rajasthan state. Solvay is a world leader in the supply of guar derivative formulations into a variety of applications such in the food, cosmetics, oil & gas extraction and textile industries.

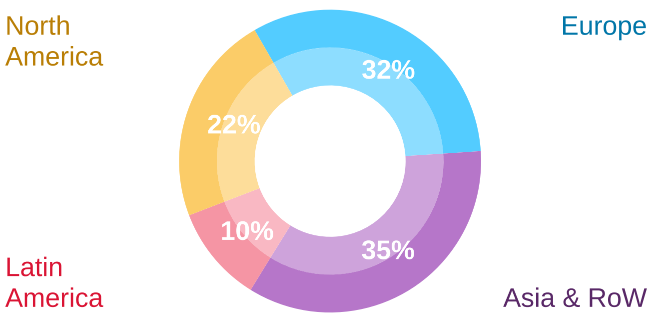
Solvay and L'Oréal have teamed up in a scalable three-year project to teach and promote sustainable agricultural practices among 1,500 guar bean farmers across ten villages in India's desert region of Bikaner, Rajasthan state. Solvay's initiative aims to empower farmers with the tools and knowledge to cultivate the guar crop through good agricultural practices, resulting in more continuous, high-yield production. NGO Technoserve experts train farmers and show how sustainable farming practices can be practically implemented.

SOLVAY GROUP BALANCED BUSINESS PROFILE

2014 net sales by end market

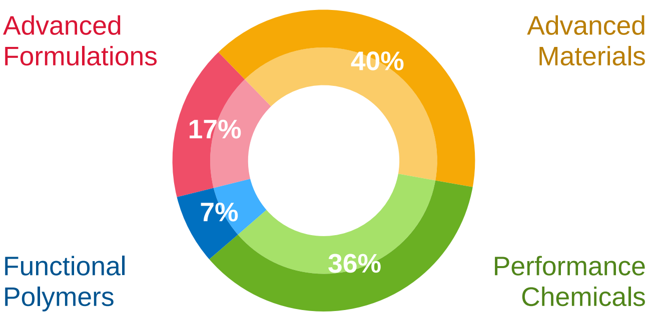


9M 2015 net sales by region

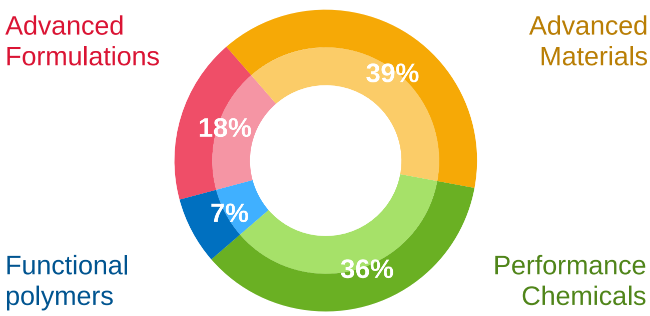


3RD QUARTER & 1ST 9 MONTHS 2015 BUSINESS REVIEW

Q3 2015 REBITDA by segment



9M 2015 REBITDA by segment



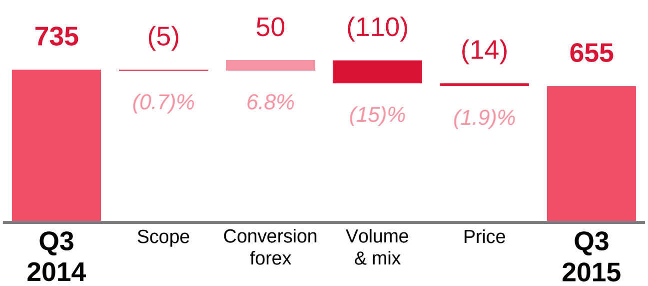
(in € m)	Q3 2015	Q3 2014	*% yoy*	9M 2015	9M 2014	*% yoy*
Net sales	**2,714**	**2,585**	***5.0%***	**8,036**	**7,639**	***5.2%***
Advanced Formulations	655	735	*(11)%*	2,038	2,122	*(4.0)%*
Advanced Materials	874	712	*23%*	2,522	2,041	*24%*
Performance Chemicals	806	743	*8.5%*	2,313	2,184	*5.9%*
Functional Polymers	377	394	*(4.5)%*	1,158	1,291	*(10)%*
Corporate & Business Services	3	1	*n.m.*	5	-	*n.m.*
REBITDA	**524**	**458**	***14%***	**1,526**	**1,369**	***11%***
Advanced Formulations	98	107	*(8.3)%*	294	317	*(7.3)%*
Advanced Materials	236	187	*26%*	651	538	*21%*
Performance Chemicals	211	194	*9.0%*	591	534	*11%*
Functional Polymers	44	21	*n.m.*	119	96	*24%*
Corporate & Business Services	(66)	(50)	*(32)%*	(129)	(116)	*(11)%*
REBITDA margin	**19%**	**18%**	***157bp***	**19%**	18%	***107bp***
Advanced Formulations	15%	15%	*41bp*	14%	15%	*(52)bp*
Advanced Materials	27%	26%	*79bp*	26%	26%	*(55)bp*
Performance Chemicals	26%	26%	*12bp*	26%	24%	*113bp*
Functional Polymers	12%	5.2%	*656bp*	10%	7.5%	*283bp*

ADVANCED FORMULATIONS

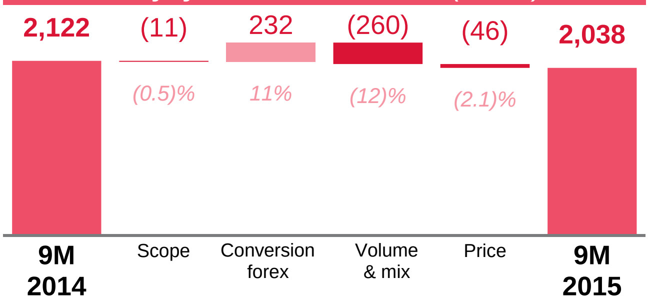
- Q3 2015 REBITDA down (8)% yoy at € 98 m, due to the persisting severe downturn in the oil & gas industry impacting Novecare's volumes, despite favorable forex;
- Positive forex impact from lower Brazilian real on Coatis;
- Yoy sales and profit improvement at Aroma Performance since year start.

(in € m)	Q3 2015	Q3 2014	*% yoy*	9M 2015	9M 2014	*% yoy*
Net sales	**655**	**735**	***(11)%***	**2,038**	**2,122**	***(4.0)%***
Novecare	466	525	*(11)%*	1,452	1,513	*(4.1)%*
Coatis	100	127	*(22)%*	318	368	*(14)%*
Aroma Performance	89	82	*8.5%*	268	241	*11%*
REBITDA	**98**	**107**	***(8.3)%***	**294**	**317**	***(7.3)%***
REBITDA margin	*15%*	*15%*	*41bp*	*14%*	*15%*	*(52)bp*

Q3 yoy net sales evolution *(in € m)*



9M yoy net sales evolution *(in € m)*



Q3 2015 performance

Net Sales decreased (11)% from the same quarter last year and (4)% sequentially to € 655 m. As headwinds in the unconventional oil & gas markets in North America persisted, volumes were down some (15)% year on year, similar to the second quarter. The favorable impact of forex decreased sequentially, however, also as Coatis' sales were impacted by the devaluation of the Brazilian real. Aroma Performance sales were up compared to last year.

REBITDA fell (8)% year-on-year to € 98 m in the quarter, down (2)% sequentially. Supportive forex and net pricing, as well as increased volume at Aroma Performance, were insufficient to compensate for the volume contraction in Novecare's unconventional oil & gas markets.

Novecare sales were down (11)% compared to the third quarter of 2014, with volumes down some (23)%. The year-on-year decrease is higher than in the second quarter of this year, as sales in 2014 peaked in the second half of the year. The oil price volatility further affected the supply chain in the unconventional North American oil & gas markets, and has led to irregular order patterns in the stimulation, drilling and cementing subsectors. Sales of formulations used in the production subsector proved more resilient. The competitiveness actions that Novecare put in place mitigated pressure on price and lowered the fixed cost base.

Business developments in Novecare's other end-markets were satisfactory. While volumes were overall stable, net pricing supported higher results, especially in the agro, coatings and home & personal care businesses.

Coatis' sales volumes remained stable compared to 2014. Although the activity levels in Brazil remained subdued, the strong devaluation of the Brazilian real had a positive impact on transactional net pricing, and improved competitiveness, as well as lowering pressure from imports.

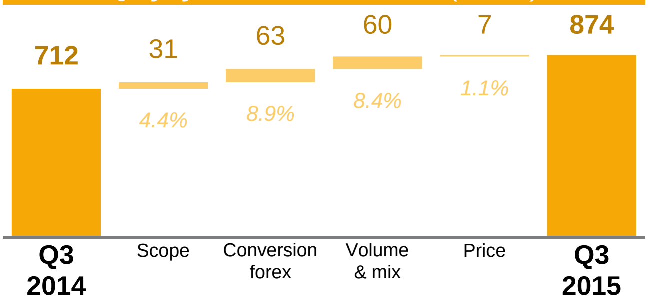
Aroma Performance sales were well up thanks to volume growth, especially in Solvay's vanillin formulations. Demand also increased in performance solutions, notably for hydroquinone inhibitors. The improvement demonstrates the progress of the business following the production outages experienced in 2014.

ADVANCED MATERIALS

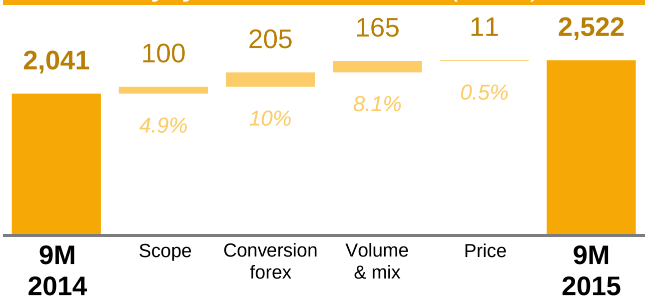
- → Yet another record REBITDA in Q3 at € 236 m, up 26% yoy and 10% sequentially;
- → Spurred by the strong innovation-driven volume growth especially in Specialty Polymers.

(in € m)	Q3 2015	Q3 2014	*% yoy*	9M 2015	9M 2014	*% yoy*
Net sales	**874**	**712**	***23%***	**2,522**	**2,041**	***24%***
Specialty Polymers	519	392	*32%*	1,445	1,099	*31%*
Silica	129	115	*12%*	388	338	*15%*
Special Chem	226	205	*10%*	689	603	
REBITDA	**236**	**187**	***26%***	**651**	**538**	***21%***
REBITDA margin	*27%*	*26%*	*79bp*	*26%*	*26%*	*(55)bp*

Q3 yoy net sales evolution *(in € m)*



9M yoy net sales evolution *(in € m)*



Q3 2015 performance

Net sales totaled € 874 m, an increase by 23% from the third quarter in 2014 and 4% from quarter to quarter. The increase was supported by strong volumes, up 8% year on year, while prices remained stable overall. Favorable foreign exchange developments represented 9%. The remaining 4% is explained by scope effects, with the acquisition of Ryton® PPS and Flux Schweiß- & Lötstoffe at the end of 2014.

REBITDA rose 26% yoy and 10% sequentially to € 236 m, reflecting volume growth in all GBUs and especially in Specialty Polymers. The segment continued to benefit from the supportive forex impact on conversion and on net pricing.

Specialty Polymers reported significant sales growth and a widening of net pricing. The primary growth drivers were sales to smart device manufacturers, which nearly doubled compared to the third quarter last year. This increase reflects the growing demand for Solvay's applications coupled with irregular order patterns that characterizes this sector. Sales volumes were up as well in the automotive and some industrial sectors, illustrating the success of Solvay's broad polymer portfolio. Net pricing increased, as prices of oil-based derivatives decreased and the impact on the GBU comes with a certain delay for more downstream raw materials. The Ryton® PPS integration progressed well. The first phase of the greenfield fluoropolymers plant in China was finalized and the production of FKM fluoro-elastomers has started.

Silica's performance was steady, with an overall volume increase offset by unfavorable net price effects. Sustained demand growth for energy-efficient tires in North-America and Europe, more than offset volume decreases in Asia, where signs of a slowdown in the automotive sector are evident, especially in China. The new state-of-the-art 85,000 tonnes plant in Poland, started in the second quarter, has been in qualification in the third quarter, to serve the Central and Eastern Europe tire industry from the fourth quarter onwards.

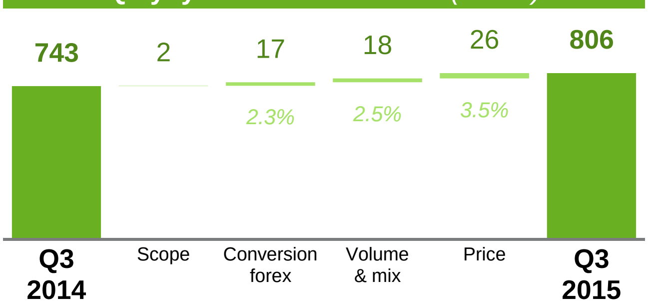
Special Chem recorded good volume growth in mixed rare earths oxides for automotive catalysis, fluor specialties and electronic chemicals, the latter benefiting from the ramp-up of the electronic-grade H_2O_2 expansion in the U.S. Pressure on prices was mitigated by operational excellence measures. The sale of Solvay's PCC business to IMERYS is nearing completion.

PERFORMANCE CHEMICALS

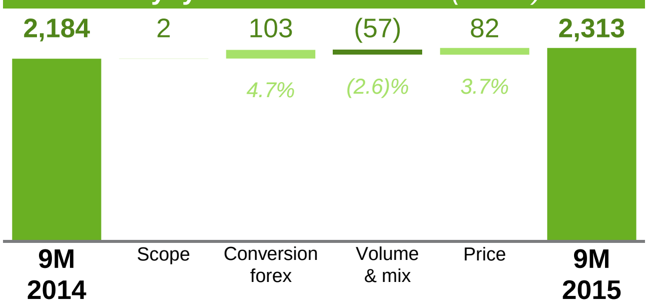
- Q3 REBITDA was € 211 m, up 9% yoy, thanks to sustained higher yoy net pricing in Peroxides and Soda Ash & Derivatives especially;
- Overall positive foreign exchange developments and lower fixed costs in Acetow and Emerging Biochemicals, resulting from excellence programs, offset the negative yoy volume impact in Acetow.

(in € m)	Q3 2015	Q3 2014	*% yoy*	9M 2015	9M 2014	*% yoy*
Net sales	**806**	**743**	***8.5%***	**2,313**	**2,184**	***5.9%***
Soda Ash & Derivatives	403	352	*15%*	1,172	1,019	*15%*
Peroxides	152	135	*13%*	422	380	*11%*
Acetow	138	153	*(9.9)%*	395	483	*(18)%*
Emerging Biochemicals	112	103	*9.5%*	325	303	*7.3%*
REBITDA	**211**	**194**	***9.0%***	**591**	**534**	***11%***
REBITDA margin	*26%*	*26%*	*12bp*	*26%*	*24%*	*113bp*

Q3 yoy net sales evolution *(in € m)*



9M yoy net sales evolution *(in € m)*



Q3 2015 performance

Net sales grew to € 806 m, 9% up year on year and 7% up versus the second quarter of this year. Favorable foreign exchange movements and price increases, for 2% and 4% respectively, more than compensated for lower volumes as the destocking in the acetate tow market persisted, although improving sequentially from a low point in the first year half.

REBITDA came at € 211 m, a 9% increase from the same quarter in 2014 (14% sequentially), thanks to the positive impact of net pricing in Soda Ash & Derivatives and Peroxides versus 2014. Favorable currencies and fixed cost reductions compensated for a negative volume mix impact.

Soda Ash & Derivatives' performance was up year on year, supported by prices well above the levels of 2014. Volume developments were flat overall, as growth for soda ash in Europe and the seaborne market, as well as higher bicarbonate sales, offset lower soda ash sales in North America. Increased commercial pressure of Chinese exporters on the South-East Asian seaborne market had a limited impact on Solvay's sales in the region. Bicarbonate sales were up, reflecting the growing success of Solvay's BICAR® applications. The greenfield bicarbonate plant in Thailand, opened in September, is gradually ramping up production and is in qualification.

Peroxides benefited from net pricing gains, with average sales prices up versus last year and energy prices down. Sales volumes were stable overall, as slightly weaker volumes to the traditional wood pulp market in North America, were balanced by higher throughput in Solvay's HPPO mega plants, which continue to operate at high capacity rates.

Acetow's performance continued to be dampened by the acetate tow market contraction, but showed a significant sequential improvement. Although the year-on-year drop in volumes softened compared to the previous quarter, destocking still remains a feature in the current market, despite the industry adjustments. Pricing effects were net positive, mainly as a result of transactional forex, namely on the Brazilian real and the Russian ruble. Fixed costs came down as a result of excellence measures implemented earlier in the year.

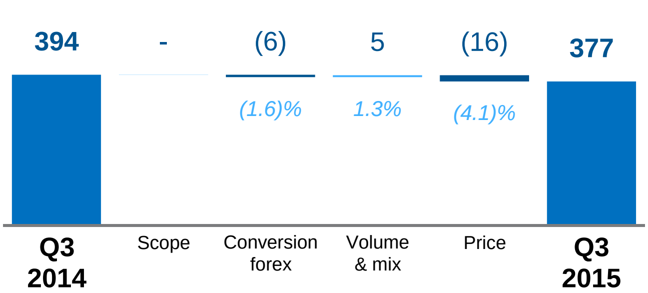
Emerging Biochemicals' performance benefited from higher volumes and favorable forex. Net pricing improved as ethylene prices dropped following the end of the shortage in South East Asia, further supported by forex. Epicerol® volumes and net pricing were stable, despite the difficult market circumstances in the region.

FUNCTIONAL POLYMERS

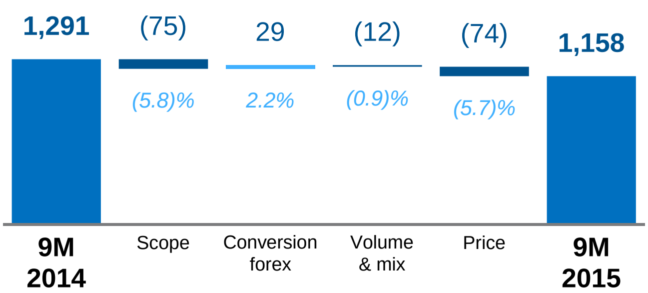
- Q3 REBITDA at € 44 m, doubling yoy and in line with Q2, primarily linked to strengthened net pricing in Polyamide;
- Favorable market conditions for RusVinyl JV result in higher REBITDA contribution.

(in € m)	Q3 2015	Q3 2014	*% yoy*	9M 2015	9M 2014	*% yoy*
Net sales	**377**	**394**	***(4.5)%***	**1,158**	**1,291**	***(10)%***
Polyamide	368	382	*(3.6)%*	1,126	1,180	*(4.6)%*
Chlorovinyls	9	13	*(30)%*	32	110	*(71)%*
REBITDA	**44**	**21**	***n.m.***	**119**	**96**	***24%***
REBITDA margin	*12%*	*5.2%*	*656bp*	*10%*	*7.5%*	*283bp*

Q3 yoy net sales evolution *(in € m)*



9M yoy net sales evolution *(in € m)*



Q3 2015 performance

Net sales fell (4)% to € 377 m, (5)% lower than in the second quarter, mainly as a result of (4)% lower prices and a (2)% impact from conversion forex linked to Fibras, Solvay's polyamide yarn business in Brazil. Volumes were up 1%.

REBITDA came in at € 44 m, more than doubling compared to the € 21 m in the third quarter of 2014 and largely in line with the performance in the second quarter of this year. There was a strong benefit from net pricing, whereas the net volume and mix impacts were neutral. A good contribution was recorded in equity earnings from the RusVinyl joint venture.

Polyamide's operating performance was well up compared to the third quarter of 2014. Net pricing was positive due to the ability of the business to retain part of the benefit of lower raw material prices.

Solid volume growth was recorded for PA 6.6 polymers in Polyamide & Intermediates. Sales of adipic acid, however, were more subdued in an oversupplied market. Volume growth of more downstream Engineering Plastics in Europe was offset by a slowdown in Asia and Latin America. Fibras continued to suffer from poor economic conditions in its home market, but benefited from a reduced cost base following the implementation of operational excellence programs.

Chlorovinyls benefited from the increased net earnings contribution of RusVinyl, Solvay's PVC joint venture in Russia. This was the result of favorable market conditions in its Russian home market, replacing expensive imports. The year-on-year increase is helped by easy comparables as the plant was in full start-up a year earlier, bearing the related costs.

Since July 1, the European chlorovinyls activities are part of the INOVYN joint venture with INEOS. Solvay will exit this joint venture in three years for an exit fee conditional on reaching certain performance targets. The contribution to Solvay's earnings in these three years will be limited to a mark-to-market valuation of the exit value. No significant impact was registered in the third quarter.

***Discontinued operations** now only include Indupa, the Latin-American chlorovinyls activities. Indupa's results continued to be affected by the challenging market conditions in its home market. A net loss of € (3) m was recorded in the quarter.*

CORPORATE & BUSINESS SERVICES

→ Corporate and Business Services REBITDA at € (66) m, € (16) m more than in 2014 largely as a result of adverse currency effects, and a one-off impairment on CERs.

(in € m)	**Q3 2015**	**Q3 2014**	***% yoy***	**9M 2015**	**9M 2014**	***% yoy***
REBITDA	**(66)**	**(50)**	***(32)%***	**(129)**	**(116)**	***(11)%***

Q3 2015 performance

Net **REBITDA** costs widened to € (66) m, € (16) m higher compared to the second quarter of 2014.

Energy Services recorded a negative REBITDA, following a one-off impairment of € (7) m on outstanding carbon emission rights in Brazil, which are now unlikely to be monetized in the future. The contribution from energy and carbon management services was lower year on year as the arbitrage opportunities that the unit benefited from in 2014 did not repeat.

Other Corporate & Business Services at € (58) m on REBITDA level, € (3) m more than last year, reflecting the adverse impact of exchange rates and inflation offset by continued cost reductions.

SUPPLEMENTARY INFORMATION
FACTORS IMPACTING NET INCOME

Solvay has recorded a number of exceptional items that distort the comparability of the Group's underlying performance. Net results excluding such exceptional items are deemed to provide a more complete and comparable indication of Solvay's fundamental performance over the reference periods.

Net income *(in € m)*	**Q3 2015**	**Q3 2014**	***% yoy***	**9M 2015**	**9M 2014**	***% yoy***
IFRS Net income, Solvay share	103	115	*(10)%*	368	(110)	*n.m.*
Rhodia PPA (after tax)	18	18	*(1.1)%*	54	58	*(6.8)%*
Adjusted Net income, Solvay share	**121**	**133**	***(9.0)%***	**422**	**(53)**	***n.m.***
Non-recurring items	61	30	*n.m.*	126	106	*18%*
M&A related impacts (Chemlogics, Flux, Ryton)	14	10	*33%*	43	34	*26%*
Net financial charges (e.g. discount rate changes, debt management impacts)	-	6	*n.m.*	10	50	*(81)%*
Adjustments RusVinyl	-	-	*n.m.*	20	-	*n.m.*
Discontinued operations	4	6	***(39)%***	**8**	**507**	***n.m.***
Exceptional Tax and Tax related to exceptional items	(24)	(5)	***n.m.***	**(8)**	**(47)**	***84%***
Non-controlling interests on exceptional items	(1)	(1)	*30%*	(7)	(48)	*85%*
Adjusted Net income, Solvay share, excluding exceptionals	**176**	**180**	***(2.4)%***	**614**	**549**	***12%***

CONSOLIDATED INTERIM FINANCIAL STATEMENTS (REVIEWED)

Consolidated Income Statement (IFRS) of the 3rd quarter

	Adjusted		IFRS	
(in € m)	Q3 2015	Q3 2014	Q3 2015	Q3 2014
Sales	**2,827**	**2,688**	**2,827**	**2,688**
Revenues from non-core activities	113	103	113	103
Net sales	**2,714**	**2,585**	**2,714**	**2,585**
Cost of goods sold	(2,098)	(2,037)	(2,098)	(2,037)
Gross margin	**730**	**651**	**730**	**651**
Commercial & administrative costs	(326)	(303)	(326)	(303)
Research & innovation costs	(67)	(62)	(67)	(62)
Other operating gains & losses	(12)	6	(39)	(22)
Earnings from associates & joint ventures accounted for using the equity method	(21)	(8)	(21)	(8)
Non-recurring items	(61)	(30)	(61)	(30)
EBIT	**242**	**254**	**215**	**226**
Cost of borrowings	(25)	(30)	(25)	(30)
Interest on loans & short-term deposits	2	3	2	3
Other gains & losses on net indebtedness	(8)	(2)	(8)	(2)
Cost of discounting provisions	(18)	(38)	(18)	(38)
Result before taxes	**194**	**186**	**167**	**158**
Income taxes	(58)	(68)	(49)	(58)
Result from continuing operations	**136**	**118**	**118**	**100**
Result from discontinued operations	(3)	23	(3)	23
Net income	**133**	**141**	**115**	**123**
Non-controlling interests	(12)	(8)	(12)	(8)
Net income Solvay share	**121**	**133**	**103**	**115**
Basic EPS from continuing operations (in €)	1.49	1.35	1.27	1.13
Basic EPS (in €)	1.46	1.60	1.24	1.38
Diluted EPS from continuing operations (in €)	1.47	1.34	1.26	1.12
Diluted EPS (in €)	1.44	1.58	1.23	1.37

Consolidated Income Statement (IFRS) of the 1st 9 months of the year

	Adjusted		IFRS	
(in € m)	9M 2015	9M 2014	9M 2015	9M 2014
Sales	**8,374**	**7,935**	**8,374**	**7,935**
Revenues from non-core activities	338	296	338	296
Net sales	**8,036**	**7,639**	**8,036**	**7,639**
Cost of goods sold	(6,241)	(6,011)	(6,241)	(6,011)
Gross margin	**2,133**	**1,924**	**2,133**	**1,924**
Commercial & administrative costs	(985)	(889)	(985)	(889)
Research & innovation costs	(204)	(181)	(204)	(181)
Other operating gains & losses	8	16	(74)	(66)
Earnings from associates & joint ventures accounted for using the equity method	(8)	9	(8)	9
Non-recurring items	(126)	(106)	(126)	(106)
EBIT	**819**	**773**	**737**	**691**
Cost of borrowings	(81)	(121)	(81)	(121)
Interest on loans & short-term deposits	7	33	7	33
Other gains & losses on net indebtedness	(27)	(28)	(27)	(28)
Cost of discounting provisions	(66)	(124)	(66)	(124)
Result before taxes	**652**	**533**	**570**	**451**
Income taxes	(232)	(175)	(204)	(148)
Result from continuing operations	**420**	**358**	**366**	**302**
Result from discontinued operations	50	(427)	50	(429)
Net income	**470**	**(69)**	**416**	**(127)**
Non-controlling interests	(48)	16	(48)	16
Net income Solvay share	**422**	**(53)**	**368**	**(110)**
Basic EPS from continuing operations (in €)	4.63	3.96	3.98	3.29
Basic EPS (in €)	5.07	(0.63)	4.43	(1.32)
Diluted EPS from continuing operations (in €)	4.59	3.93	3.95	3.26
Diluted EPS (in €)	5.02	(0.63)	4.39	(1.31)

Reconciliation between IFRS and adjusted data

(in € m)	Q3 2015	Q3 2014	9M 2015	9M 2014
EBIT (IFRS)	**215**	**226**	**737**	**691**
Non-recurring items (-)	61	30	126	106
Amortization of Rhodia PPA on fixed assets	27	27	82	82
IFRS depreciation & amortization (recurring) excluding Rhodia PPA	183	163	534	473
Adjustments of Chemlogics and Ryton inventories at Fair Value (PPA) & holdback payments	3	2	9	9
Rusvinyl adjustments (in equity earnings)	34	8	39	7
REBITDA (key performance indicator monitored by management)	**524**	**458**	**1,526**	**1,369**

The quarterly net adjustment related to Rusvinyl reflects the financial impact resulting from interest on debt and foreign exchange volatility, which combined amounted to € (34) m, impacting the equity value. The year-to-date net adjustment related to Rusvinyl reflects the financial impact resulting from interest on debt and foreign exchange volatility and the adjustment of € (20) m posted in Q1 2015 to reassess the recoverable amount of the investment, which combined amounted to € (39) m, impacting the equity value.

Consolidated statement of comprehensive income (IFRS)

(in € m)	Q3 2015	Q3 2014	9M 2015	9M 2014
Net income	**115**	**123**	**416**	**(127)**
Other comprehensive income				
Recyclable items				
Hyperinflation	7	2	21	(14)
Gains & losses on available-for-sale financial assets	2	1	4	-
Gains & losses on hedging instruments in a cash flow hedge	(28)	(37)	(22)	(39)
Currency translation differences	(168)	233	103	270
Non-recyclable items				
Remeasurement of the net defined benefit liability	87	(182)	285	(331)
Income tax relating to items of other comprehensive income	**25**	**19**	**(19)**	**48**
Other comprehensive income, net of related tax effects	**(76)**	**37**	**372**	**(65)**
Total Comprehensive income	**39**	**160**	**788**	**(191)**
attributed to Solvay share	36	144	728	(191)
attributed to non-controlling interests	3	16	60	-

Consolidated statement of financial position (IFRS)

(in € m)	30/09/2015	31/12/2014
Non-current assets	**11,985**	**11,529**
Intangible assets	1,480	1,543
Goodwill	3,201	3,151
Tangible assets	5,623	5,386
Available-for-sale financial assets	42	43
Investments in joint ventures & associates – equity method	363	380
Other investments	84	121
Deferred tax assets	710	710
Loans & other non-current assets	482	194
Current assets	**5,309**	**6,365**
Inventories	1,521	1,420
Trade receivables	1,575	1,418
Income tax receivables	69	52
Dividends receivable	-	1
Other current receivables – Financial instruments	89	309
Other current receivables – Other	632	500
Cash & cash equivalents	1,132	1,251
Assets held for sale	291	1,414
TOTAL ASSETS	**17,294**	**17,894**
Total equity	**7,227**	**6,778**
Share capital	1,271	1,271
Reserves	5,686	5,293
Non-controlling interests	271	214
Non-current liabilities	**5,518**	**6,088**
Long-term provisions: employees benefits	2,871	3,166
Other long-term provisions	810	854
Deferred tax liabilities	368	378
Long-term financial debt	1,243	1,485
Other non-current liabilities	227	204
Current liabilities	**4,549**	**5,029**
Other short-term provisions	347	308
Short-term financial debt	1,451	853
Trade liabilities	1,354	1,461
Income tax payable	173	355
Dividends payable	3	114
Other current liabilities	933	776
Liabilities linked to assets held for sale	287	1,162
TOTAL EQUITY & LIABILITIES	**17,294**	**17,894**

Consolidated statement of changes in equity (IFRS)

(in € m)	**Share capital**	Issue premiums	Treasury shares	Hybrid bonds	Retained earnings	Currency translation differences	Revaluation reserve (fair value) Available-for-sale financial assets	Revaluation reserve (fair value) Cash flow hedges	Defined benefit pension plans	**Total reserves**	Non-controlling interests	**Total equity**
Balance at 31/12/2013	**1,271**	**18**	**(132)**	**1,194**	**5,987**	**(770)**	**(5)**	**6**	**(493)**	**5,804**	**378**	**7,453**
Net profit for the period	-	-	-	-	(110)	-	-	-	-	(110)	(16)	(127)
Items of OCI	-	-	-	-	(10)	251	-	(35)	(288)	(81)	17	(65)
Comprehensive income	**-**	**-**	**-**	**-**	**(120)**	**251**	**-**	**(35)**	**(288)**	**(191)**	**-**	**(191)**
Cost of stock options	-	-	-	-	8	-	-	-	-	8	-	8
Dividends	-	-	-	-	(157)	-	-	-	-	(157)	(3)	(160)
Hybrid bond dividends	-	-	-	-	(15)	-	-	-	-	(15)	-	(15)
Sale (acquisition) of treasury shares	-	-	(8)	-	-	-	-	-	-	(8)	-	(8)
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-	(10)	-	-	-	-	(10)	(51)	(62)
Balance at 30/09/2014	**1,271**	**18**	**(140)**	**1,194**	**5,693**	**(519)**	**(5)**	**(29)**	**(781)**	**5,431**	**323**	**7,025**
Balance at 31/12/2014	**1,271**	**18**	**(171)**	**1,194**	**5,753**	**(527)**	**(4)**	**(43)**	**(926)**	**5,293**	**214**	**6,778**
Net profit for the period	-				265					265	36	301
Items of OCI	-	-	-	-	13	252	2	4	155	426	22	448
Comprehensive income	**-**	**-**	**-**	**-**	**278**	**252**	**2**	**4**	**155**	**691**	**57**	**749**
Cost of stock options	-	-	-	-	5	-	-	-	-	5	-	5
Dividends	-	-	-	-	(172)	-	-	-	-	(172)	(6)	(178)
Hybrid bond dividends	-	-	-	-	(29)	-	-	-	-	(29)	-	(29)
Sale (acquisition) of treasury shares	-	-	6	-	-	-	-	-	-	6	-	6
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	6	6
Balance at 30/06/2015	**1,271**	**18**	**(166)**	**1,194**	**5,834**	**(275)**	**(2)**	**(39)**	**(771)**	**5,793**	**272**	**7,336**
Net profit for the period	-				103					103	12	115
Items of OCI	-	-	-	-	7	(159)	2	(21)	104	(67)	(9)	(76)
Comprehensive income	**-**	**-**	**-**	**-**	**110**	**(159)**	**2**	**(21)**	**104**	**36**	**3**	**39**
Cost of stock options	-	-	-	-	3	-	-	-	-	3	-	3
Dividends	-	-	-	-	1	-	-	-	-	1	(1)	-
Sale (acquisition) of treasury shares	-	-	(65)	-	-	-	-	-	-	(65)	-	(65)
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	-	-	-	-	(114)	1	-	(1)	32	(83)	(4)	(87)
Balance at 30/09/2015	**1,271**	**18**	**(231)**	**1,194**	**5,834**	**(434)**	**-**	**(61)**	**(635)**	**5,686**	**271**	**7,227**

Consolidated statement of cash flows (IFRS)

(in € m)	Q3 2015	Q3 2014	9M 2015	9M 2014
Net income	115	123	416	(127)
Depreciation, amortization & impairments (-)	210	204	682	1,098
Earnings from associates & joint ventures accounted for using the equity method (-)	21	8	8	(9)
Net financial charges & income / loss from available-for-sale financial assets (-)	77	76	195	270
Income tax expense (-)	45	78	240	199
Changes in working capital	18	(29)	(489)	(374)
Changes in provisions	(58)	(60)	(150)	(154)
Dividends received from associates & joint ventures accounted for using equity method	5	6	14	13
Income taxes paid	(49)	(41)	(196)	(158)
Others	36	(2)	27	(5)
Cash flow from operating activities	**420**	**362**	**746**	**753**
Acquisition (-) of subsidiaries	(21)	(34)	(47)	(91)
Acquisition (-) of investments - Other	6	(16)	(12)	(91)
Loans to associates & non-consolidated subsidiaries	(7)	2	(5)	10
Sale (+) of subsidiaries & investments	43	(11)	(195)	-
Acquisition (-) of tangible assets	(212)	(223)	(676)	(591)
Acquisition (-) of intangible assets	(19)	(15)	(57)	(41)
Sale (+) of tangible & intangible assets	7	6	23	13
Income from available-for-sale investments	-	-	-	-
Changes in non-current financial assets	(9)	(8)	(25)	(19)
Cash flow from investing activities	**(212)**	**(299)**	**(994)**	**(810)**
Acquisition (-) / sale (+) of treasury shares	(65)	(13)	(59)	(8)
New borrowings	40	13	964	581
Borrowings repayment	(24)	(236)	(600)	(1,556)
Changes in other current financial assets	(45)	28	231	491
Net cash out related to cost of borrowings & interest on lendings & term deposits	(26)	(13)	(143)	(224)
Dividends paid	(7)	(3)	(289)	(270)
Hybrid bond dividend	-	-	(29)	(15)
Other	(3)	(41)	(31)	(1)
Cash flow from financing activities	**(130)**	**(264)**	**44**	**(1,002)**
Net change in cash & cash equivalents	**78**	**(201)**	**(204)**	**(1,059)**
Currency translation differences	18	7	64	4
Opening cash balance	**1,040**	**1,111**	**1,275**	**1,972**
Ending cash balance[1]	**1,136**	**917**	**1,136**	**917**

(in € m)	Q3 2015	Q3 2014	9M 2015	9M 2014
Free Cash Flow	**188**	**122**	**11**	**114**
From continuing operations	181	116	22	32
From discontinued operations	7	6	(11)	82

[1] Including cash in assets held for sale (€ 4 million at the end of Q3 2015).

Statement of cash flows from discontinued operations (IFRS)

(in € m)	Q3 2015	Q3 2014	9M 2015	9M 2014
Cash flow from operating activities	14	39	49	172
Cash flow from investing activities	(8)	(33)	(60)	(90)
Cash flow from financing activities	(2)	(3)	(26)	(14)
Net change in cash & cash equivalents	**4**	**3**	**(37)**	**68**

Additional comments on the cash flow statement of the 3rd quarter 2015

Cash flow from operating activities was € 420 m compared to € 362 m last year. Besides net income of € 115 m, it consisted of:

- Depreciation, amortization and non-cash impairments that totaled € 210 m;
- Change in working capital that amounted to € 18 m, of which industrial working capital from continuing operations represented € (46) m.

Cash flow from investing activities was € (212) m, and included capital expenditures of € (231) m, including € (7) m in discontinued operations.

Free Cash Flow was € 188 m, and included cash flow from discontinued operations for € 7 m.

Additional comments on the cash flow statement of the first 9 months of the year 2015

Cash flow from operating activities was € 746 m compared to € 753 m last year. Besides net income of € 416 m, it consisted of:

- Depreciation, amortization and non-cash impairments that totaled € 682 m;
- Change in working capital that amounted to € (489) m, of which industrial working capital from continuing operations represented € (334) m.

Cash flow from investing activities was € (994) m, and included the tax cash-out from the disposal of Eco Services for € (232) m, as well as capital expenditures of € (733) m, including € (60) m in discontinued operations.

Free Cash Flow was € 11 m, and included cash flow from discontinued operations for € (11) m.

NOTES TO THE IFRS ACCOUNTS

1. General information

Solvay is a public limited liability company governed by Belgian law and quoted on Euronext Brussels and Euronext Paris.

These consolidated interim financial statements were authorized for issue by the Board of Directors on October 28, 2015.

On April 15, 2015 Solvay has completed the acquisition of ERCA Emery Surfactant B.V. alkoxylation asset, a facility jointly owned by Emery Oleochemicals and ERCA Group in the Moerdijk integrated industrial park in the Netherlands, strengthening its strategy of securing sustainable, large-scale surfactant assets worldwide.

On June 9, 2015, Solvay and INEOS received final approval from the European Commission to form their 50/50 chlorovinyls joint venture, to be known as INOVYN. This follows Commission approval of International Chemical Investors Group's (ICIG) acquisition of the remedy business that is being divested by INEOS as a condition of clearance.

On July 1, Solvay and INEOS created their joint venture INOVYN, which explains the decrease of assets held for sale and liabilities linked to assets held for sale in the statement of financial position.

The finalized terms of the joint venture agreement remain materially unchanged from those announced in June last year. Solvay received upon closing an upfront cash payment of € 150 m – subject to customary adjustments such as actual working capital levels. In addition to contributing their entire European chlorovinyls business, Solvay has transferred liabilities estimated at € 260 m into the joint venture. In three years' time, Solvay will exit INOVYN and receive an additional, performance-based payment targeted to be € 280 m, with a minimum of € 95 m. Thereafter, INEOS will be the sole owner of the business.

Also effective July 1, Solvay acquired BASF's 25% stake in its PVC joint venture SolVin, which decreased equity by € 84 m. In addition, Solvay and INOVYN have agreed to continue supplying basic chemicals to the BASF site in Antwerp.

Solvay has entered into a definitive merger agreement with U.S.-based Cytec to acquire 100% of its share capital for US$ 75.25 per share in cash. The total cash consideration will amount to US$ 5.5 bn, corresponding to an enterprise value of US$ 6.4 bn and representing a 2015 estimated EBITDA multiple of 14.7x and of 11.7x when considering synergies potential linked to the transaction. Cytec's and Solvay's boards of directors have unanimously recommended the transaction. The merger is subject to customary closing conditions, including regulatory approvals and Cytec shareholders' approval.

Cytec is among the world leaders in composite materials and in mining chemicals, recognized by its customers as a consistently successful innovator and provider of high-performance and value-added solutions. In the fast-growing composite materials sector, which represents two thirds of its sales, its principal market is primary and secondary structures for aircrafts. It is also developing new technological applications for composites in automotive. Cytec is the leader in tailored specialty chemical formulations to enhance mining separation processes.

Through the acquisition of Cytec, Solvay will gain critical scale and immediate customer intimacy in aerospace. In the automotive market, Solvay's strong positions with original equipment manufacturers and tier-one suppliers will help bolster Cytec's growth.

Moreover, Cytec will significantly reinforce Solvay's sustainability profile as its offerings are addressing planet's challenges. With Cytec, Solvay will stand out stronger in reducing CO_2 emissions through its lightweighting solutions and in dealing with the increasing scarcity of resources through more efficient and cleaner mining technologies.

2. Accounting policies

Solvay prepares its consolidated interim financial statements on a quarterly basis, in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for the preparation of the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2014.

The consolidated interim financial statements for the nine months ended September 30, 2015 were prepared using the same accounting policies as those adopted for the preparation of the consolidated financial statements for the year ended December 31, 2014, except for the adoption of IFRIC 21 *Levies,* which does not have a material impact on the consolidated financial statements.

3. Segment information

Effective January 1, 2013, Solvay is organized into five Operating Segments.

- **Advanced Formulations** serves the consumer products markets. Its growing product offering is directed at societal megatrends: demographic growth, the increasing purchasing power of emerging markets, the appearance of new modes of consumption, and a demand for safer, more sustainable products and renewable materials-based solutions.
- **Advanced Materials** offers ultra-high-performance applications for aerospace, high-speed trains, health, low-energy tires, automotive emission control, smart devices and hybrid vehicle batteries.
- **Performance Chemicals** operates in mature and resilient markets, where success is based on economies of scale, competitiveness and quality of service.
- **Functional Polymers** include polyamide based solutions serving mainly the automotive, construction, electrical/electronic and different consumer good markets.
- **Corporate & Business Services** includes the Energy Services GBU and Corporate Functions such as Business Services and the Research & Innovation Center. Energy Services' mission is to optimize energy consumption and reduce emissions.

(in € m)	Q3 2015	Q3 2014	9M 2015	9M 2014
Net sales	**2,714**	**2,585**	**8,036**	**7,639**
Advanced Formulations	655	735	2,038	2,122
Advanced Materials	874	712	2,522	2,041
Performance Chemicals	806	743	2,313	2,184
Functional Polymers	377	394	1,158	1,291
Corporate & Business Services	3	1	5	-
REBITDA	**524**	**458**	**1,526**	**1,369**
Advanced Formulations	98	107	294	317
Advanced Materials	236	187	651	538
Performance Chemicals	211	194	591	534
Functional Polymers	44	21	119	96
Corporate & Business Services	(66)	(50)	(129)	(116)
IFRS depreciation & amortization (recurring) excluding Rhodia PPA	(183)	(163)	(534)	(473)
Adjustments of Chemlogics and Ryton inventories at Fair Value (PPA) & holdback payments	(3)	(2)	(9)	(9)
Rusvinyl adjustments (in equity earnings)	(34)	(8)	(39)	(7)
Amortization of Rhodia PPA on fixed assets	(27)	(27)	(82)	(82)
Non-recurring items (-)	(61)	(30)	(126)	(106)
EBIT	**215**	**226**	**737**	**691**
Net financial charges	(48)	(68)	(167)	(240)
Result before taxes	**167**	**158**	**570**	**451**
Income taxes	(49)	(58)	(204)	(148)
Result from continuing operations	**118**	**100**	**366**	**302**
Result from discontinued operations	(3)	23	50	(429)
Net income	**115**	**123**	**416**	**(127)**

4. Share based payments

On February 25, 2015 the Board of Directors of Solvay SA decided to grant two long-term incentive plans for part of its key executives:

- a stock option plan (SO) which will allow the acquisition of shares in Solvay; and
- a Performance Share Units (PSU) plan which will allow the beneficiaries to obtain cash based upon the Solvay share price.

a) Stock option plan

The details of the stock options plan are as follows:

Stock option plan	
Number of stock options	328,106
Grant date	25/03/2015
Vesting date	01/01/2019
Vesting period	25/03/2015 to 31/12/2018
Exercise price (in €)	121.84
Exercise period	01/01/2019 to 24/02/2023

This plan is an equity settled share-based plan. As of September 30, 2015, the impact on the income statement and statement of financial position amounts to € 1 m.

b) Performance Share Units Plan

The details of the Performance Share Units plan are as follows:

Performance share units	
Number of PSU	173,261
Grant date	25/03/2015
Vesting date	01/01/2018
Vesting period	31/3/2015 to 31/12/2017
Performance conditions	50% of the initial granted PSU are subject to the REBITDA yoy growth % over 3 years (2015, 2016, 2017) 50% of the initial granted PSU are subject to the yoy CFROI % variation over 3 years (2015, 2016, 2017)
Validation of performance conditions	By the board of Directors, subject to confirmation by Solvay Statutory Auditors

The Performance Share Units is a cash settled share-based plan. As of September 30, 2015, the impact on the income statement and statement of financial position amounts to € 5 m.

5. Financial Instruments

a) Valuation techniques

Compared to December 31, 2014, there are no changes in valuation techniques.

b) Fair value of financial instruments measured at amortized cost

For all financial instruments not measured at fair value in Solvay's statement of financial position, the fair value of those financial instruments as of September 30, 2015 is not significantly different from the ones published in Note 37 of the consolidated financial statements for the year ended December 31, 2014.

c) Financial instruments measured at fair value

In connection with the Cytec acquisition, Solvay has contracted a currency hedge, hedging a portion of the US dollar acquisition cost against euro. Contractually, no settlement is due in case the Cytec acquisition might not close. At September 30, 2015, the fair value of the instrument amounts to € (51) m, of which € (18) m has been recognized in other comprehensive income. The difference of € 33 m corresponds to the contingency settlement premium which has been recognized as a financial expense. As the transaction is deemed highly probable by management, its probability of occurrence, a level 3 input, has an insignificant impact on the fair value of the hedging instrument, of which the fair value is otherwise based on level 2 inputs.

Solvay's exit from INOVYN against receipt of an additional, performance-based payment qualifies as a derivative financial instrument, of which the fair value amounts to € 244 m at September 30, 2015. Its fair value is largely based on level 3 inputs, namely REBITDA multiples, comparing the expected exit price against the fair value of Solvay's 50% equity share held in INOVYN. Any future changes of estimates of REBITDA multiples will impact the fair value of the derivative financial instrument.

For other financial instruments measured at fair value in Solvay's statement of financial position, the fair value of those instruments as of September 30, 2015 is not significantly different from the ones as published in the Note 37 of the consolidated financial statements for the year ended December 31, 2014.

During the nine months ended September 30, 2015, there were neither reclassification between fair value levels, nor significant changes in the fair value of financial assets and liabilities measured based on level 3 inputs, except as mentioned above.

6. Events after the reporting period

On October 13, 2015, Solvay announced the acquisition of EPIC Polymers' long-fiber thermoplastics technology to complement its offering of high performance lightweighting materials and gain access to metal replacement of larger automotive semi-structural parts.

7. Declaration by responsible persons

Jean-Pierre Clamadieu, Chief Executive Officer, and Karim Hajjar, Chief Financial Officer, of the Solvay Group, declare that to the best of their knowledge:

a) The summarized financial information, prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union, reflects a faithful image of the assets and liabilities, financial situation and results of the Solvay Group;

b) The nine months management report contains a faithful presentation of significant events occurring during the nine first months of 2015, and their impact on the summarized financial information;

c) The main risks and uncertainties are in accordance with the assessment disclosed in the section “Risk Management” in the Solvay 2014 Annual Report, taking into account the current economic and financial environment.

8. Report on review of the consolidated interim financial information for the nine-month period ended 30 September 2015

To the board of directors

In the context of our appointment as the company’s statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated statement of financial position as at 30 September 2015, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period of nine months then ended, as well as selective notes 1 to 7.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Solvay SA/NV (“the company”) and its subsidiaries (jointly “the group”), prepared in accordance with International Financial Reporting Standard IAS 34 – Interim Financial Reporting as adopted by the European Union.

The consolidated balance sheet shows total assets of € 17,294 m and the consolidated income statement shows a consolidated profit (group share) for the period then ended of € 368 m.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 – Review of interim financial information performed by the independent auditor of the entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Solvay SA/NV has not been prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union.

Diegem, 27 October 2015

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d’Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Eric Nys

SAFE HARBOR

This press release may contain forward-looking information. Forward-looking statements describe expectations, plans, strategies, goals, future events or intentions. The achievement of forward-looking statements contained in this press release is subject to risks and uncertainties relating to 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&I projects and other unusual items.

Consequently, actual results or future events may differ materially from those expressed or implied by such forward-looking statements. 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 or revise any forward-looking statements.

FINANCIAL GLOSSARY

Adjusted performance indicators exclusively 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.

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.

bp: basis point or 0.01%.

Debt management impacts: It mainly includes gains/(losses) related to the early repayment or issuance of debt.

EBIT: Earnings before interest and taxes.

Free cash flow: Cash flow from operating activities (including dividends from associates and joint ventures) and Cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments and excluding loans to associates and non-consolidated subsidiaries).

GBU: Global business unit.

IFRS: International Financial Reporting Standards.

M&A related impacts: It mainly includes non-cash Purchase Price Acquisition impacts (eg. inventory step-up and amortization of intangibles other than for PPA Rhodia) and retention bonuses relative to Chemlogics and other acquisitions.

Net financial expenses: Net financial expenses comprises cost of borrowings minus accrued interests on lending 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 pricing: The difference between the change in sales prices and the change in variable costs.

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.

Non-recurring items: It mainly includes provisions for restructuring, environmental costs linked to non-operating sites, major litigation expenses, impairments, capital gains/losses and fees linked to active portfolio management.

OCI: Other Comprehensive Income.

PPA: Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.

PSU: Performance share unit.

REBITDA: Recurring earnings before interest and taxes, depreciation and amortization. It is defined as EBIT before depreciation and amortization charges, non-recurring items (including from equity-consolidated companies), M&A related impacts (including but not limited to Purchase Price Allocation elements) and major financing-related impacts from equity-consolidated companies (e.g RusVinyl's).

Results on disposals: It includes gains/(losses) from activities consolidated as Discontinued operations.

SO: Stock option.

yoy: Year on year comparison.

BUSINESS GLOSSARY

FKM: Fluoro-elastomer, polymer type.

HPPO: Hydrogen peroxide propylene oxide, new technology to produce propylene oxide using hydrogen peroxide.

PA: Polyamide, polymer type.

PCC: Precipitated calcium carbonate.

PVC: Polyvinyl chloride, polymer type.

PVDF: Polyvinylidene fluoride, polymer type.

Key dates for investors

November 17, 2015	Extraordinary General Shareholders' meeting
January 19, 2016	Ex-coupon trading date for 2015 interim dividend
January 20, 2016	Registration date for 2015 interim dividend
January 21, 2016	Payment date of 2015 interim dividend
February 25, 2016	Publication of the 4th quarter and full year 2015 results, and announcement of the proposed full year dividend for 2015
May 4, 2016	Publication of the 1st quarter 2016 results
May 10, 2016	Annual General Shareholders' meeting
July 29, 2016	Publication of the 2nd quarter and 1st half year 2016 results

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