



SOLVAY

asking more from chemistry®

Q3 2015 results

October 29, 2015

FORENOTE

All historic data are restated for perimeter changes for comparison purposes, unless otherwise indicated.

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

Safe harbor

This presentation 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 presentation 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&D 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

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Strong Q3, underpinned by organic growth, evidencing portfolio upgrade benefits

**Strong quarter
with REBITDA ↗ 14%**

**Step-change in
portfolio**

↗ Pricing power

- Across all operating segments
- Flat selling prices while raw material costs drop
- Excellence contribution

→ Volume

- Innovation-driven growth continued
- Market headwinds continue in Oil & Gas and acetate tow

Cytec

- Acquisition process progressing smoothly, expected to close by YE
- [Long-term financing under preparation]
- Preparing rapid and effective integration
- Confident about value creation

↗ Forex

↗ FCF

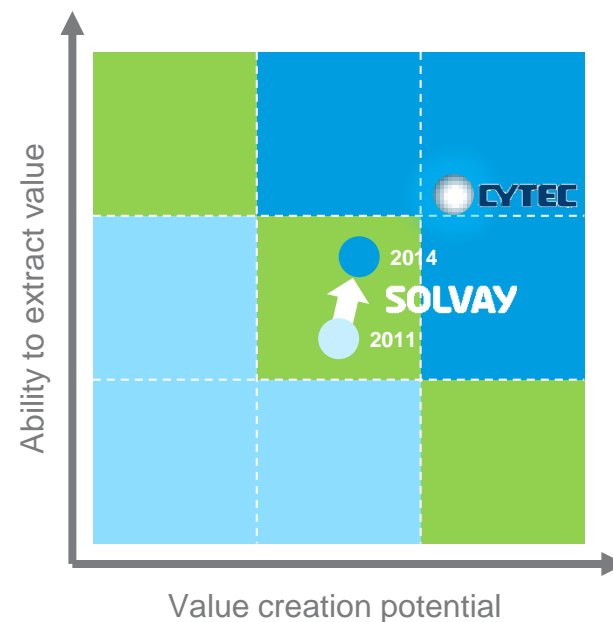
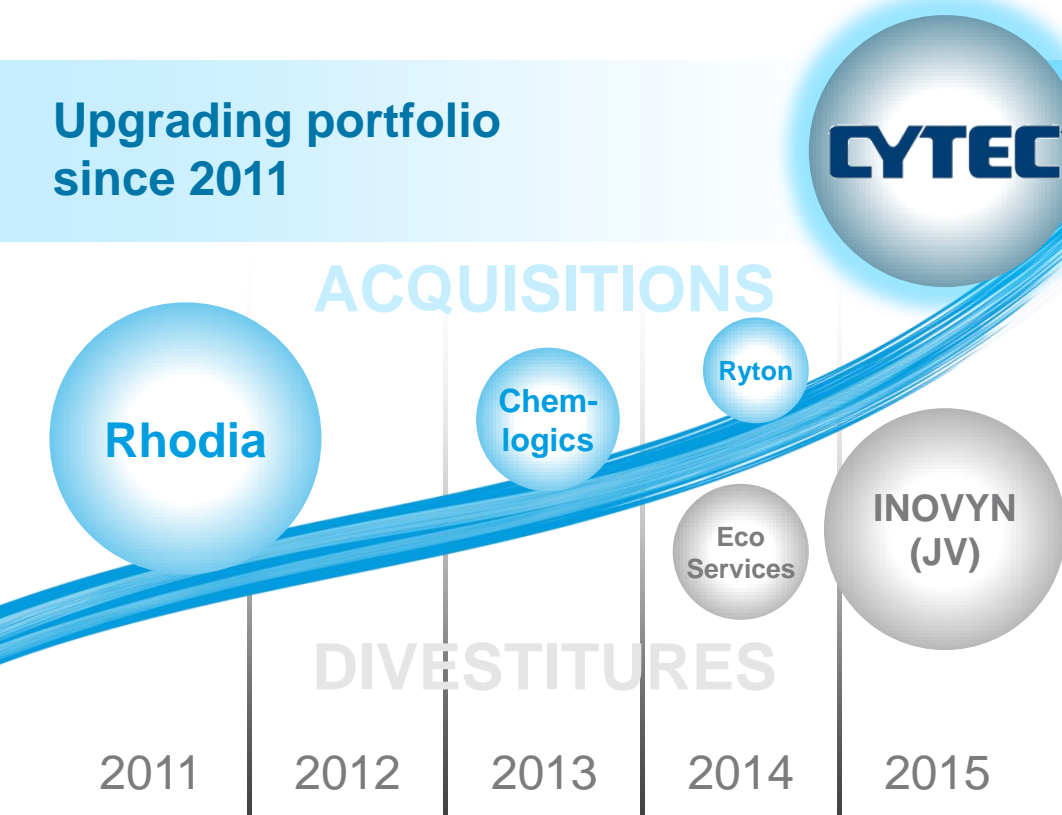
**FY guidance of solid REBITDA growth
maintained**

**More upgrade
to come**

Cytec, a step-change in our portfolio upgrade

Upgrading portfolio since 2011

Reinforcing position in the strategic value matrix



* The Cytec acquisition is subject to Cytec shareholder s' approval and customary closing conditions including regulatory approvals (e.g. anti-trust and CFIUS)



More portfolio upgrade to come

Q3 2015 financial highlights

€ 2.7 bn

Net Sales

+5.0%

yoy

- Supportive forex (US), but benefit reducing qoq
- Volumes down
 - Innovation-driven growth offset by adjustments in Oil & Gas and acetate tow markets
 - Decline reducing qoq

€ 524 m

REBITDA

+14%

yoy

- Pricing power, underpinned by excellence programs, more than offset slight volume decline
- Strong forex contribution
- Margin up 157 bp to 19%

€ 121 m

Net Income

Adjusted, Group share

€ 133 m

In Q3 2014

- Forex impact on financial charges at RusVinyl
- Non-recurring costs up due to Cytec-related items
- Reduced scope of discontinued operations
- Lower taxes and financial charges

€ 188 m

Free Cash Flow

€ 122 m

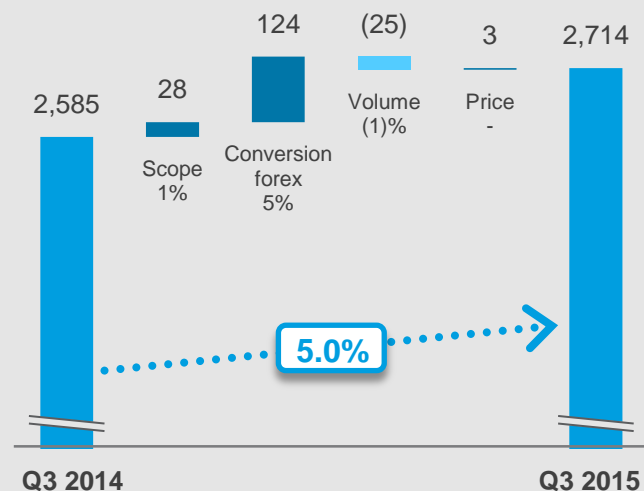
in Q3 2014

- REBITDA increase converted into FCF increase
 - Maintained working capital discipline, limited cash requirements, in line with sales growth
 - Capex up as expected, linked to forex

Pricing power more than offset substantial volume adjustments in Oil & Gas and acetate tow markets

Net Sales

in € m

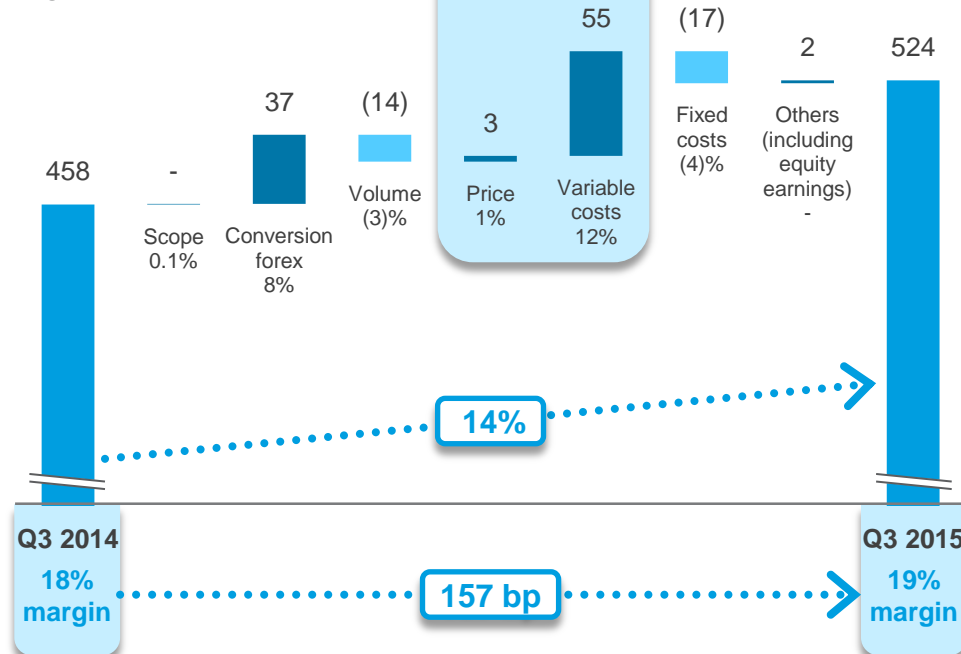


➤ Supportive forex (USD mainly)

➤ Volumes slightly down: contraction in acetate tow and Oil & Gas markets offset innovation driven-demand in Advanced Materials, albeit less than in Q2

REBITDA

in € m



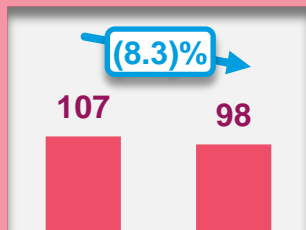
➤ Pricing power across segments underpinned by excellence

➤ Fixed costs up on new plants ramp up; Excellence programs fully offset inflation

Net pricing & forex supportive across operating segments

REBITDA Q3 2015 (in € m)

Advanced Formulations



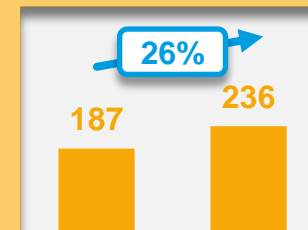
Q3 2014 Q3 2015

15% → 15% margin

- Persisting headwinds in Novecare's Oil & Gas market's demand
- Profit improvement at Coatis and Aroma Performance

- Another innovation-driven REBITDA record, especially at Specialty Polymers
- New capacities being started up

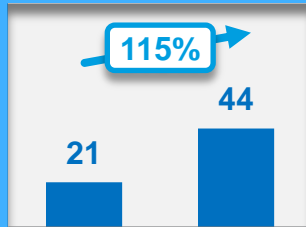
Advanced Materials



Q3 2014 Q3 2015

26% → 27% margin

Functional Polymers



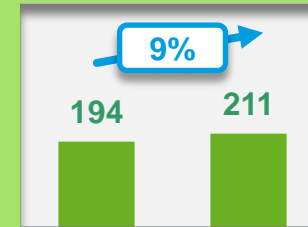
Q3 2014 Q3 2015

5.2% → 12% margin

- REBITDA doubled due to strengthened net pricing in Polyamide
- Favorable market conditions for RusVinyl

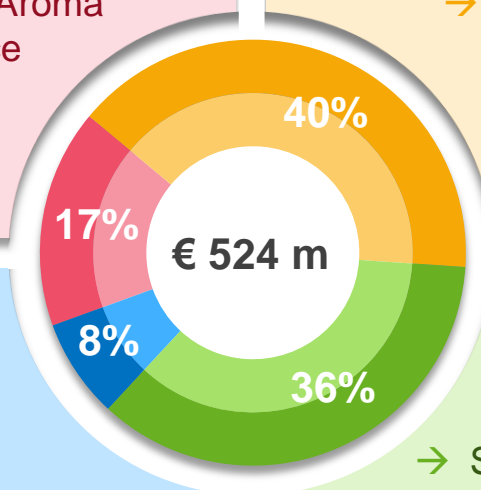
- Sustained higher pricing in Peroxides and Soda Ash & Derivatives
- Forex supportive and lower fixed costs offset volume drop in Acetow

Performance Chemicals



Q3 2014 Q3 2015

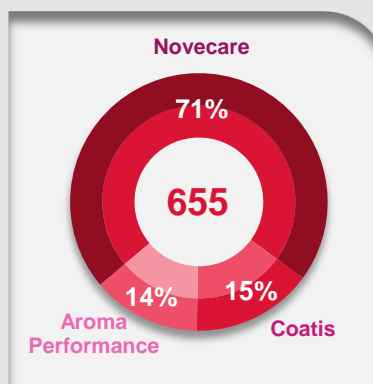
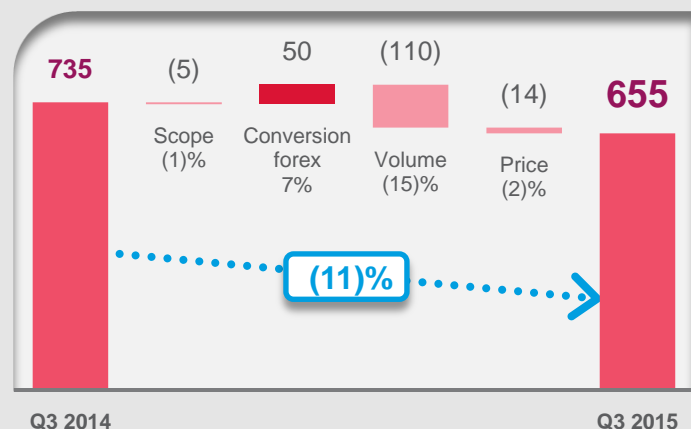
26% → 26% margin



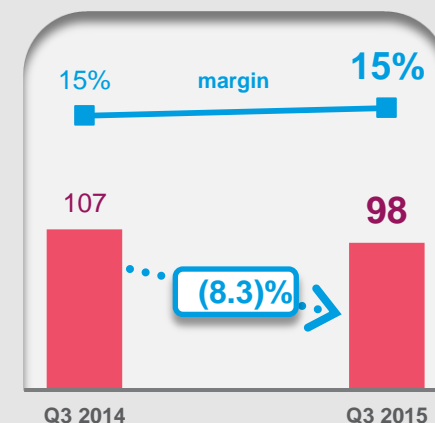
Advanced Formulations Q3 2015 performance

Profit improvement in other markets offset by persisting headwinds in Oil & Gas

Net sales (in € m)



REBITDA (in € m)



Market contraction carries on in Novecare's Oil & Gas activities

- Severe supply chain adjustments in unconventional North American Oil & Gas markets continuing
- Cementing, drilling and stimulation subsectors down; production subsector resilient though
- Competitiveness actions mitigate pressure on prices and lowered fixed cost base
- Positive net pricing in agro, coatings and HPC

Coatis supported by forex

- Demand from Latin American end market remains subdued, but did not worsen yoy
- BRL devaluation underpinned competitive position

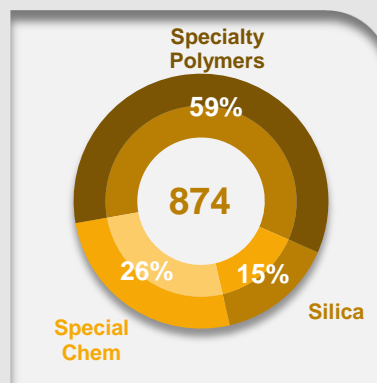
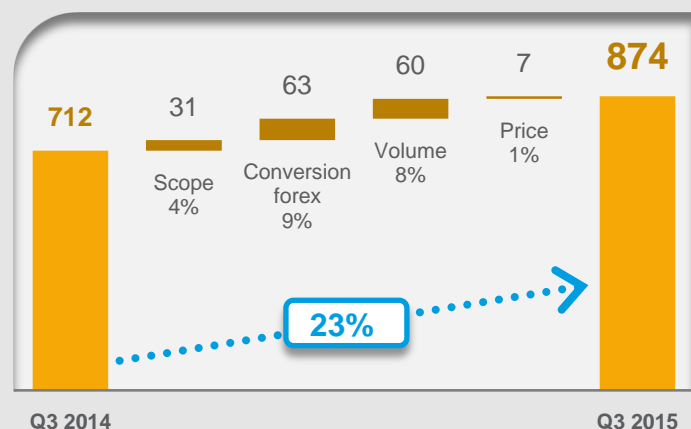
Volume growth in Aroma Performance

- Strong volume growth in vanillin and hydroquinone inhibitors
- Strong industrial performance following production issues in 2014

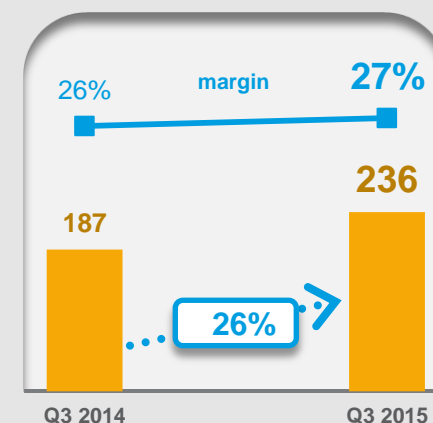
Advanced Materials Q3 2015 performance

Another innovation-driven REBITDA record, while new capacities are started up

Net sales (in € m)



REBITDA (in € m)



Specialty Polymers' growth driven by innovative products

- Strongest increase in smart devices, followed by automotive and industrial applications
- Net pricing increased supported by lower raw materials prices
- Greenfield Fluoro-elastomers plant in China started up

Volume growth offset by pricing at Silica

- Solid demand in North America and Europe more than compensate volume drop in Asia
- New plant in Poland in qualification process

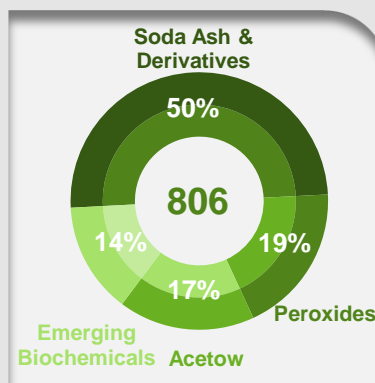
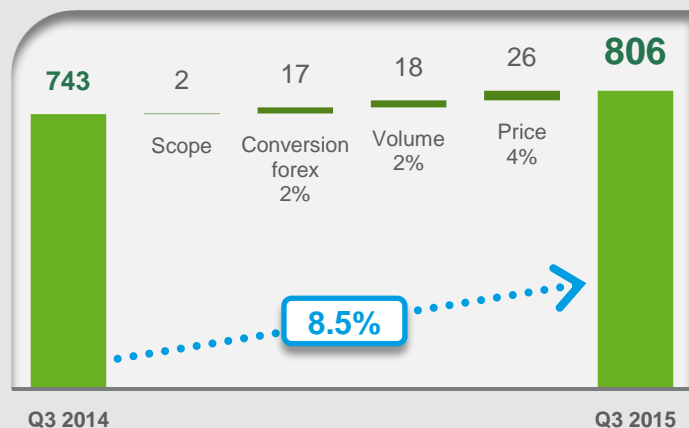
Good dynamics in Special Chem

- Good volume growth in rare earth oxides for automotive catalysis and fluor specialties
- Electronic chemicals volume benefiting from ramp-up of U.S. H₂O₂ plant
- PCC business sale to IMERYS nearing completion

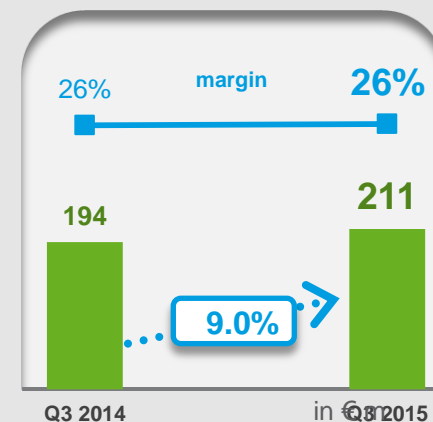
Performance Chemicals Q3 2015 performance

Sustained higher net pricing offset yoy volume drop in Acetow

Net sales (in € m)



REBITDA (in € m)



Positive net pricing at Soda Ash & Derivatives

- Strong pricing in soda ash
- Overall sales volumes stable
- Bicarbonate sales up; New Thai plant ramping up since September

Strong performance repeated at Peroxides

- Net pricing gains on higher average sales prices and energy prices
- Sales volumes stable
- HPPO mega plants at high capacity rates

Destocking persists in Acetow market

- Destocking still on-going, but sequential volume improvement
- Positive net pricing underpinned by forex

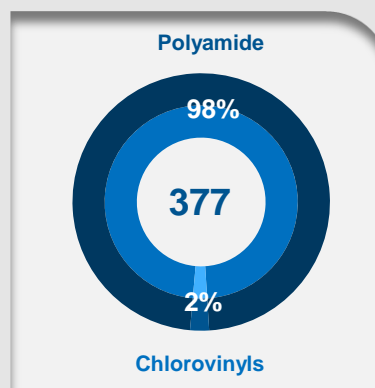
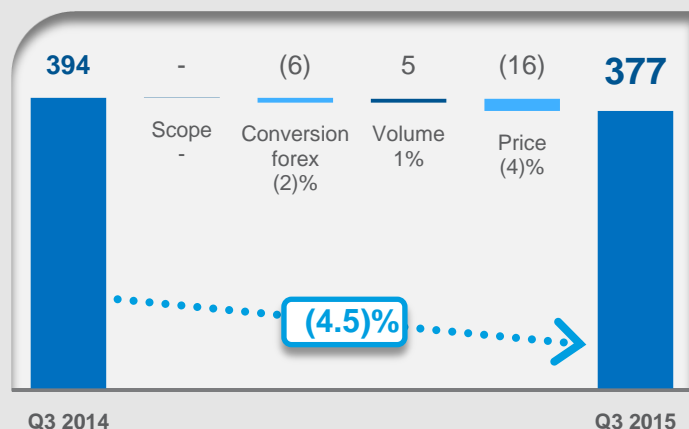
Emerging Biochemicals up on volumes and forex

- Favorable forex impact on conversion
- Higher PVC volumes, and ethylene price drop positive to net pricing
- Epicerol® volumes and prices stable

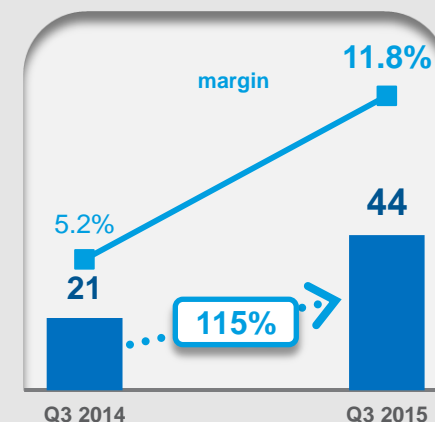
Functional Polymers Q3 2015 performance

REBITDA doubled due to strengthened net pricing in Polyamide

Net sales (in € m)



REBITDA (in € m)



Operating performance well up in Polyamide

- Net pricing up on excellence and partial retention of raw materials prices decrease
- Solid volume growth for PA 6.6 polymers; volume growth in Engineering Plastics in Europe offset by slowdown in Asia and Latin America
- Poor economic conditions persist in Brazil, Fibras' home market

Chlorovinyls' result up yoy

- Favorable market conditions for RusVinyl in Russia vs start-up costs in 2014
- INOVYN contribution included since Q3, but only reflecting mark-to-market of exit fee; no impact in Q3

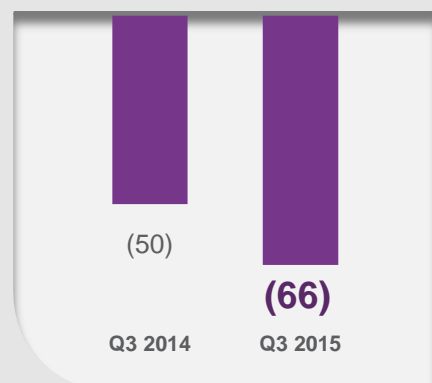
Negative net contribution from Discontinued Operations

- Only contains Indupa since Q3
- Challenging market conditions in Latin American PVC home market

Corporate & Business Services Q3 2015 performance

Costs up yoy due to CER impairment and forex impact

REBITDA (in € m)



	Q3 2015	Q3 2014
Energy Services	(8)	5
of which one-off CER impairment	(7)	-
Other C&BS	(58)	(55)
Reported	(66)	(50)
excluding one-offs	(59)	(50)

Contribution from Energy Services down

- € (7) m impairment on CERs in Brazil
- Weaker conditions in European energy and carbon market

Other Corporate & Business Services

- Negative impact of forex on costs
- Inflation offset by excellence programs

Solvay's share in Net Income at € 121 m

Adjusted* P&L

in € m	Q3 2015	Q3 2014
Net sales	2,714	2,585
REBITDA	524	458
Other elements	(37)	(11)
Depreciation & Amortization	(183)	(163)
Non-recurring items	(61)	(30)
EBIT	242	254
Net financial charges	(48)	(68)
Income taxes	(58)	(68)
Result continuing operations	136	118
Result discontinued operations	(3)	23
Net income	133	141
Non-controlling interests	(12)	(8)
Net income Solvay share	121	133

* Adjusted: Excluding non-cash PPA accounting impacts related to the Rhodia acquisition

➤ Other elements

- € (34) m financial charges at RusVinyl, including forex losses on €-denominated debt

➤ Non-recurring costs up with Cytec

- Cytec acquisition costs of € (43) m, including non-cash contingent hedging costs and underwriting fees on bridge financing
- Restructuring expenses of € (13) m

➤ Net financial charges lower yoy

- Discounting costs decreased to € (18) m vs € (38) m in 2014, thanks to one-off impact of discount rate changes on HSE of € 6 m vs € (7) m in 2014
- Charges on net debt stable at € (30) m

➤ Income taxes lower yoy

- Nominal tax rate at 35%
- Underlying tax rate at 29%, down compared to 33% in FY2014

➤ Discontinued operations contribution lower following divestments

- Eco Services sold end 2014
- European chlorovinyls in INOVYN JV since mid 2015

Higher REBITDA drives higher FCF

Net debt reduced

Free Cash Flow

in € m

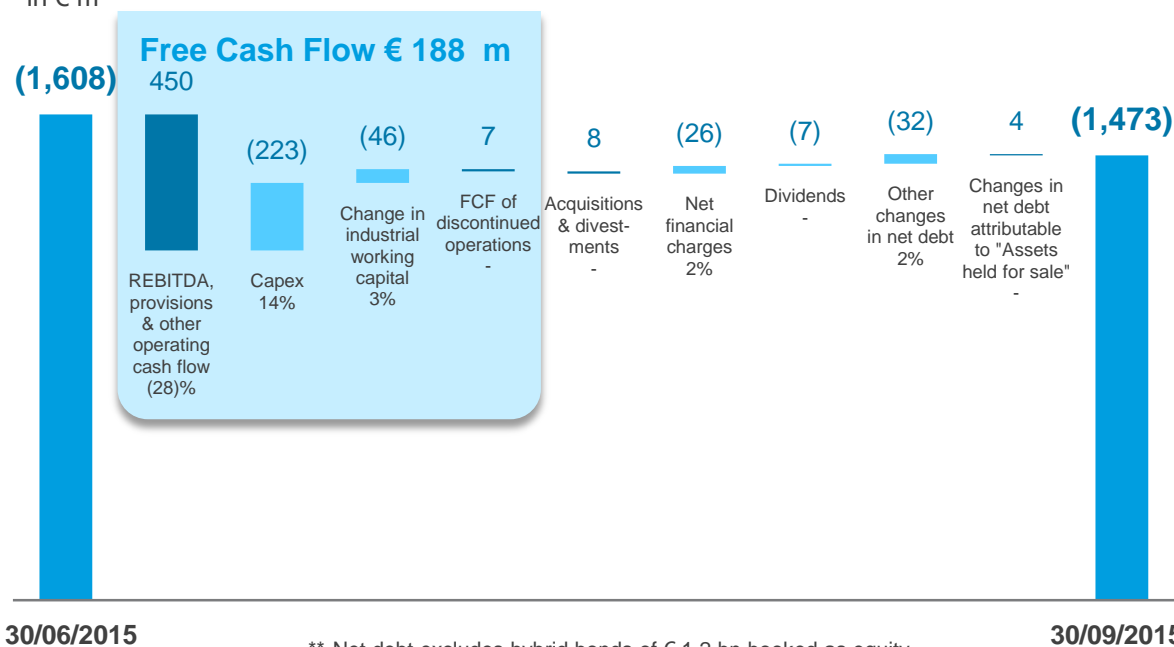
	Q3 2015	Q3 2014	Delta
REBITDA*	450	375	76
Capex	(223)	(205)	(17)
Change in IWC	(46)	(53)	7
Continuing operations	181	116	65
Discontinued operations	7	6	1
Total FCF	188	122	66

* REBITDA, provisions & other operating cash flow

- REBITDA increase converted into FCF
- Limited additional working capital needs, in line with sales growth
- Capex up linked to forex, as expected

Net debt** evolution

in € m



30/06/2015

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

30/09/2015

- Acquisitions & divestments net out
 - Upfront payment INOVYN, including financial transfer adjustments
 - Payment to Solvin minority shareholder
 - Cytec acquisition expenses
- Other changes in net debt cover
 - Forex impact on debt
 - Purchase of treasury shares for € (65) m to cover stock options

Capital investment efforts maintained Forex driving nominal amount up

Capex

Continuing operations
in € m

■ Q4

■ Q3

■ Q2

■ Q1

* At constant forex

Main growth projects

Novecare

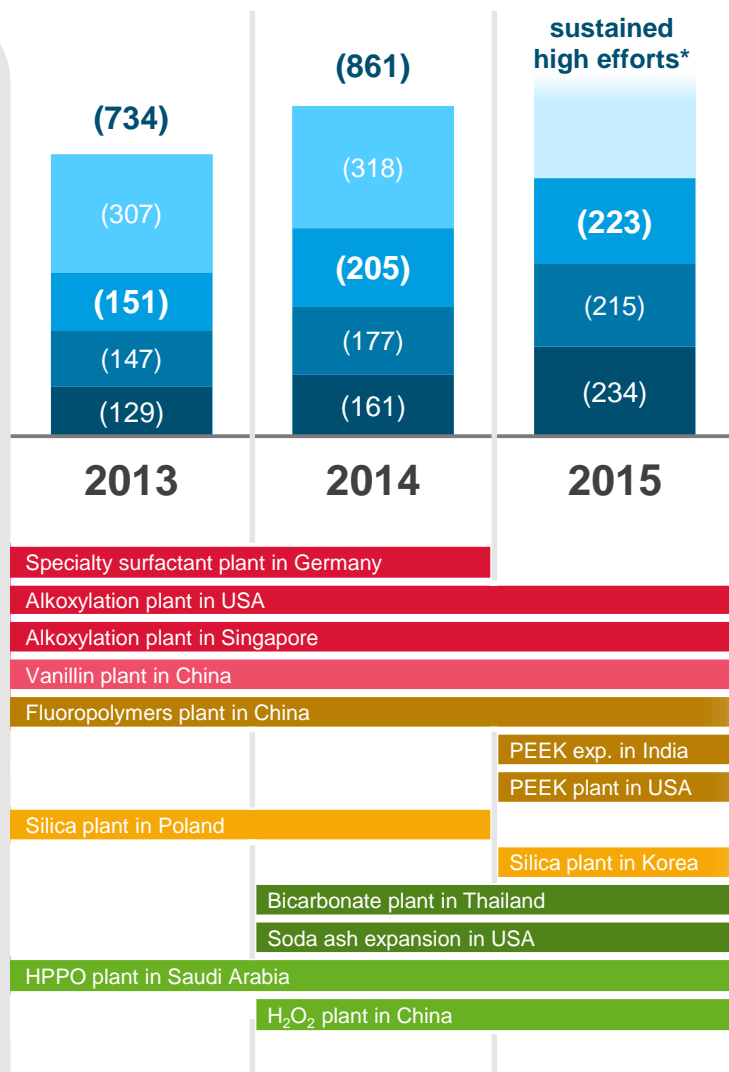
Aroma Performance

Specialty Polymers

Silica

Soda Ash & Derivatives

Peroxides



In 2015

- 8* new facilities to start up
- > 50% growth capex
- ~70% of growth capex in Growth Engines

Investing selectively

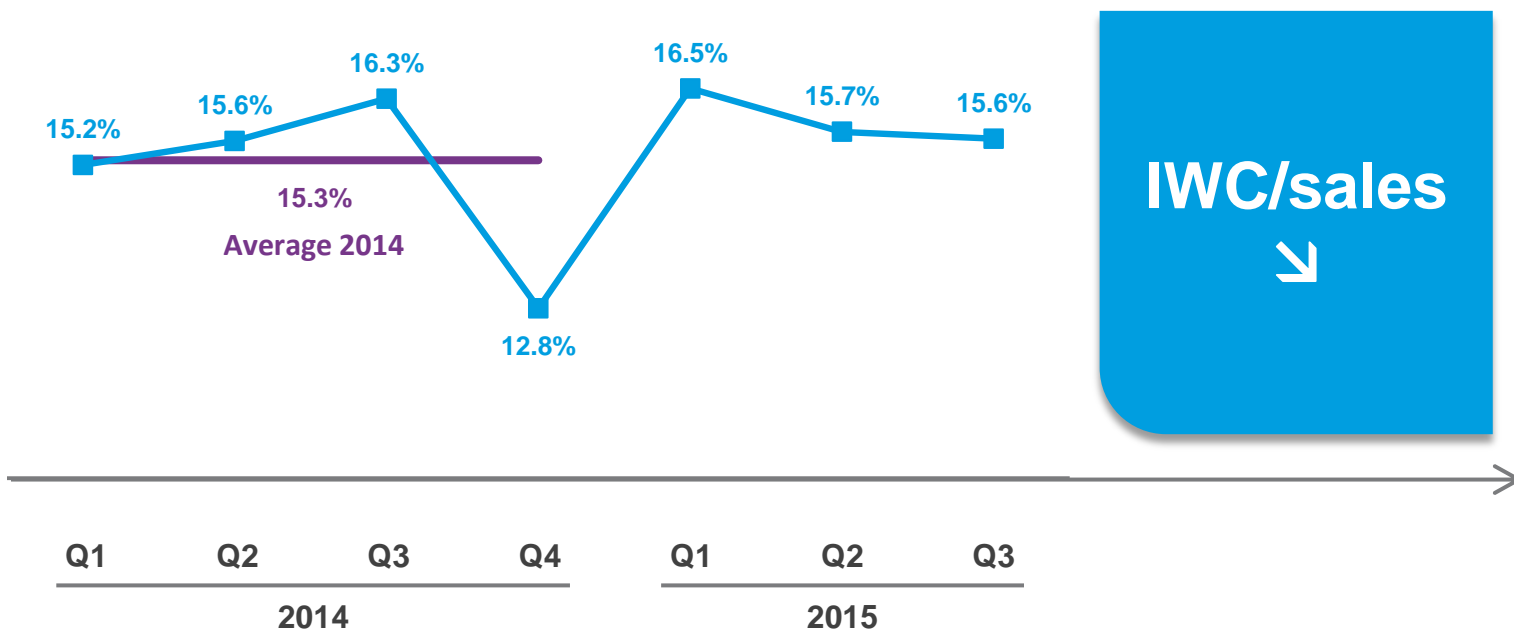


* HPPO plant start-up postponed to 2016

Working capital discipline maintained

Industrial working capital

% of gross sales

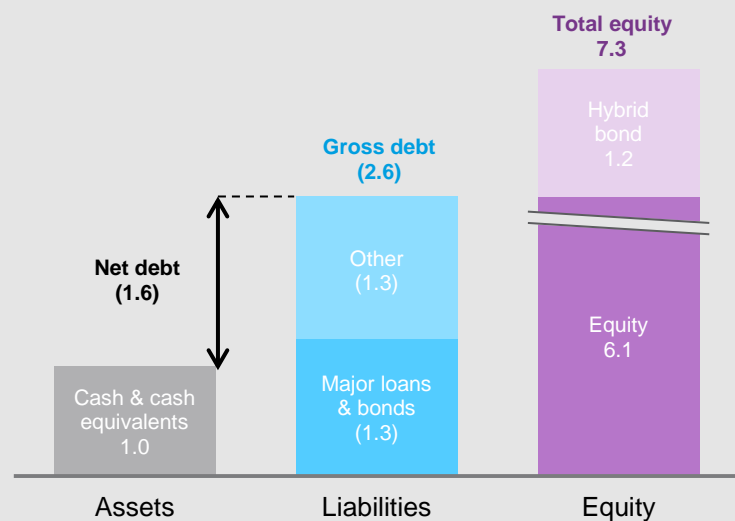


Committed to further optimization

Net debt reduced

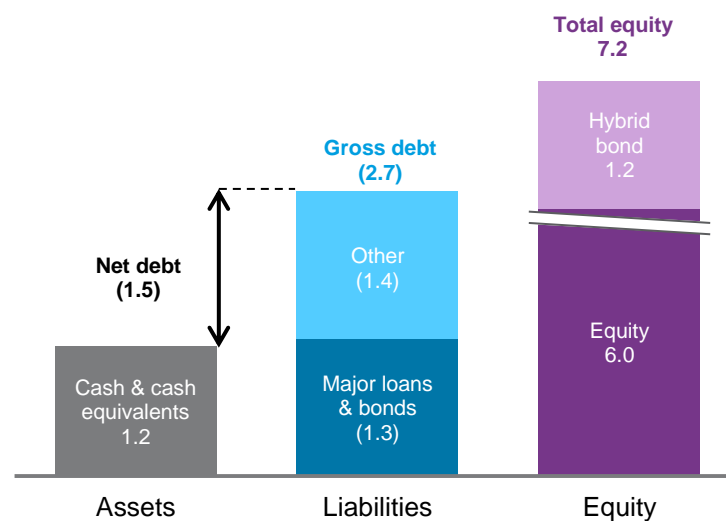
Capital structure 30/06/2015

in € bn



Capital structure 30/09/2015

in € bn



- ⇒ Average cost of debt (including hybrid debt in equity) reduced by ~ 70 bp yoy to 4.2%
- ⇒ Negative cost of carry further reduced

Strong credit ratios*

Gearing 20%
(Net debt / Equity)

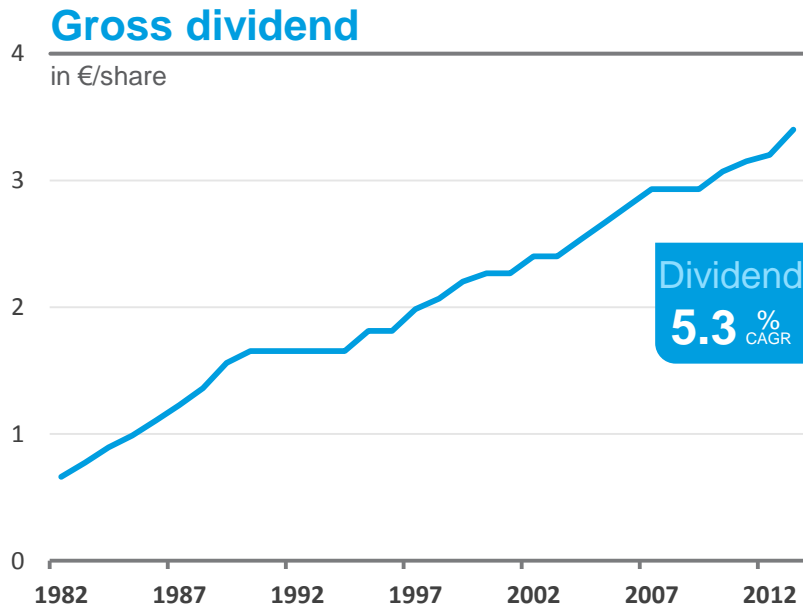
Including pensions **57%**

Leverage 0.76x
(Net debt / REBITDA)

Including pensions **2.15x**

* Excludes Hybrid bond

Rewarding shareholders with stable to growing dividend



For >30 years
~40% average pay-out

Interim gross dividend of € 1.36 / share

- Payable on January 21, 2016
- Calculated as 40% of total dividend of previous year according to dividend policy

Total FY dividend

- Will be adjusted for distribution of rights during the contemplated capital increase, as customary for transactions of this type



Solvay confirms solid REBITDA growth in FY 2015

Q4 results expected to moderate
vs Q3 due to seasonality

Transformation

2015 Priorities

- Continue portfolio upgrade
- Grow with our customers
- Maintain focus on excellence
- Sustain profit & value growth

Cytec, a transformation step change

Investor relations contacts



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Next events

Nov 17, 2015	Extraordinary General meeting (2 nd call)
Jan 21, 2016	Payment of interim dividend (ex-coupon date: 19/02; registration date: 20/02)
Feb 25, 2016	Q4 & FY 2015 results
May 4, 2016	Q1 2016 results
May 10, 2016	Annual general meeting
July 29, 2016	Q2 & H1 2016 results

Annexes

- **Additional Q3 & Q3 ytd 2015 financial data**
- 2015 considerations
- Group presentation
- Cytec acquisition
- Segment & GBU presentation



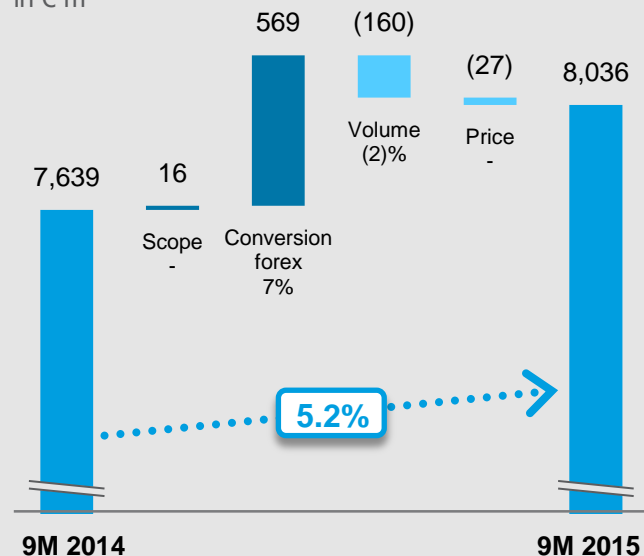
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asking more from chemistry®

Forex and excellence more than offset adjustments in Oil&Gas and acetate tow markets for 1st 9 months

Net Sales

in € m

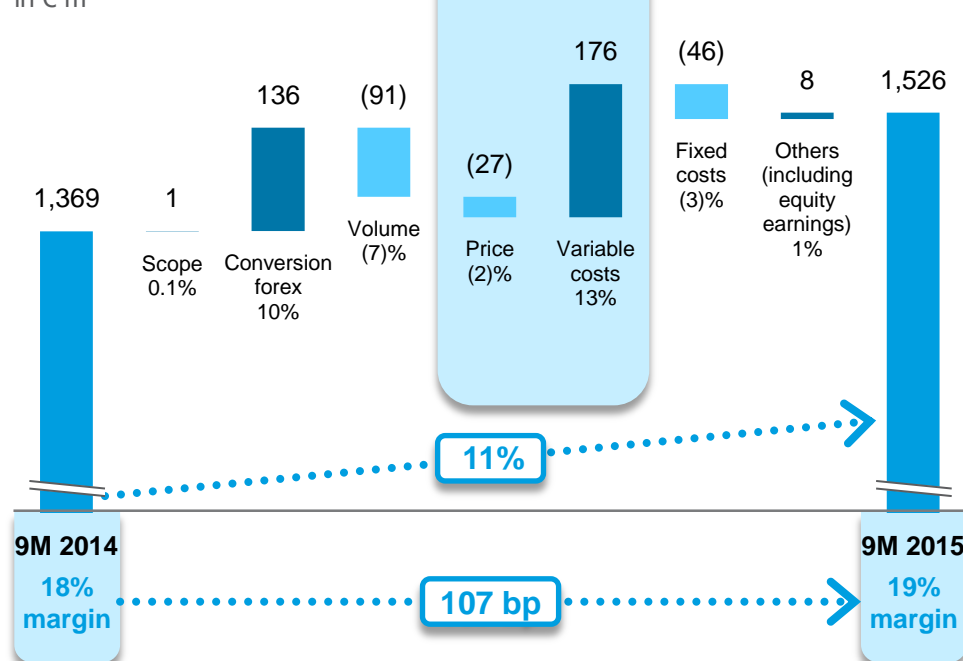


➤ Supportive forex (USD mainly)

➤ Volumes down overall as significantly reduced activity levels in oil & gas and acetate tow offset innovation driven-demand in Advanced Materials

REBITDA

in € m



➤ Pricing power underpinned by raw materials price drop and excellence

➤ Fixed costs up with new plants;
➤ Excellence offset inflation

➤ € 5 m net one-offs from US post-retirement Medicare policy (€ 30 m) minus impairments on inventory and CERs

Income statement 9M

in € m	9M 2015	9M 2014
Net sales	8,036	7,639
REBITDA	1,526	1,369
Other elements	(48)	(16)
Depreciation & Amortization	(534)	(473)
Non-recurring items	(126)	(106)
EBIT	819	773
Net financial charges	(167)	(240)
Income taxes	(232)	(175)
Result continuing operations	420	358
Result discontinued operations	50	(427)
Net income	470	(69)
Non-controlling interests	(48)	16
Net income Solvay share	422	(53)

Balance sheet

in € m	30/09/2015	31/12/2014
Fixed assets	10,304	10,080
Investment & shares	489	545
Loans & other non current financial receivables / payables	255	(10)
Assets held for sale	291	1,414
Taxes payable/receivable + Others	238	30
Working capital	1,441	1,101
Total invested capital	13,017	13,160
Equity	7,227	6,778
Provisions	4,027	4,328
Dividends	3	113
Net financial debt	1,473	778
Liabilities related to assets held for sale	287	1,162
Total financing	13,017	13,160

Q3 ytd FCF lower due to discontinued operations

Seasonal uplift in net debt

Free Cash Flow

in € m

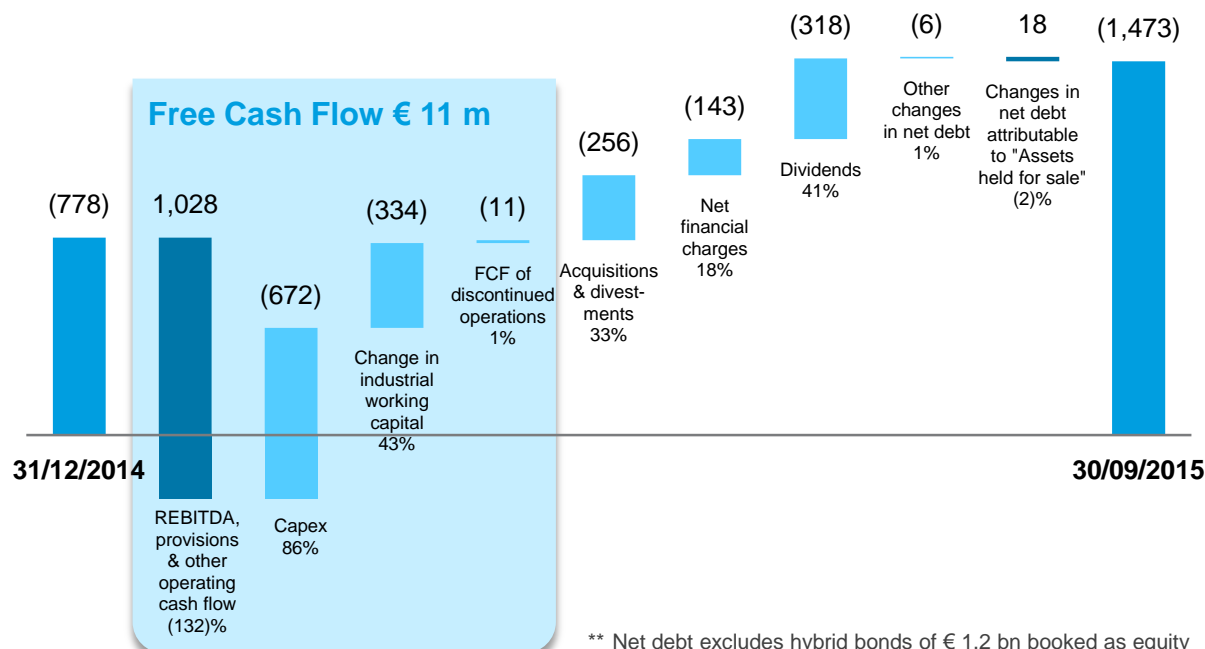
	9M 2015	9M 2014	Delta
REBITDA*	1,028	961	67
Capex	(672)	(542)	(130)
Change in IWC	(334)	(387)	53
Continuing operations	22	32	(10)
Discontinued operations	(11)	82	(94)
Total FCF	11	114	(103)

* REBITDA, provisions & other operating cash flow

- FCF from continuing operations slightly lower due to capex
- Discontinued operations in 2014 included last milestone payment linked to disposed Pharma business

Net debt** evolution

in € m



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

- Capex up at € (672) m, linked to forex and phasing
- Seasonal working capital outflow
- Acquisitions & divestments mainly include taxes paid on Eco Services sold in 2014
- Interest payments concentrated in H1
- Payment of (interim and final) dividend and half of hybrid bond coupons in H1 (other half in Q4)

Cash flow statement

in € m	Q3 2015	Q3 2014
Cash flow from operating activities	420	362
Cash flow from investing activities	(212)	(299)
Cash flow from financing activities	(130)	(264)
Net change in cash & cash equivalents	78	(201)
Currency translation differences	18	7
Opening cash balance	1,040	1,111
Ending cash balance*	1,136	917
Free Cash Flow	188	122
From continuing operations	181	116
From discontinued operations	7	6

* including cash in assets held for sale

in € m	9M 2015	9M 2014
Cash flow from operating activities	746	753
Cash flow from investing activities	(994)	(810)
Cash flow from financing activities	44	(1,002)
Net change in cash & cash equivalents	(204)	(1,059)
Currency translation differences	64	4
Opening cash balance	1,275	1,972
Ending cash balance*	1,136	917
Free Cash Flow	11	114
From continuing operations	22	32
From discontinued operations	(11)	82

* including cash in assets held for sale

Factors impacting Net income

in € m	Q3 2015	Q3 2014
IFRS Net income, Group	103	115
Rhodia PPA (after tax)	18	18
Non-recurring items	61	30
M&A-related elements	14	10
Net financial charges	-	6
Adjustments RusVinyl	-	-
Discontinued operations	4	6
Exceptional Tax and Tax related to exceptional items	(24)	(5)
Non-controlling interests	(1)	(1)
Adj. Net income, Group excluding exceptionals	176	180

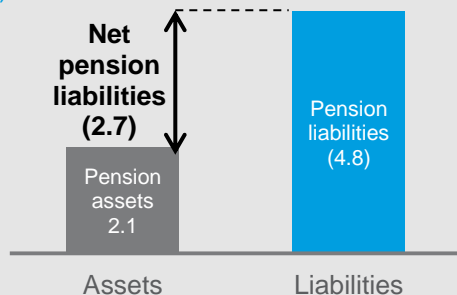
in € m	9M 2015	9M 2014
IFRS Net income, Group	368	(110)
Rhodia PPA (after tax)	54	58
Non-recurring items	126	106
M&A-related elements	43	34
Net financial charges	10	50
Adjustments RusVinyl	20	-
Discontinued operations	8	507
Exceptional Tax and Tax related to exceptional items	(8)	(47)
Non-controlling interests	(7)	(48)
Adj. Net income, Group excluding exceptionals	614	549

Pensions liabilities down as discount rates increased

Pensions

(30/09/2015)

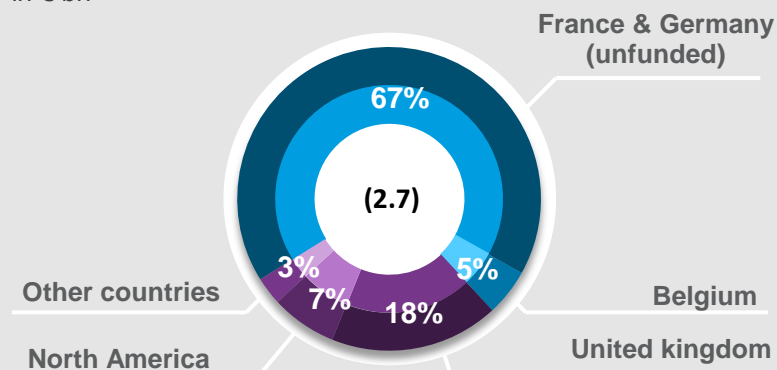
in € bn



Net pension liabilities

(30/09/2015)

in € bn



All presented figures are for continuing operations only

Cash contribution stable at € (42) m in Q3 2015

- € (120) m in Q3 ytd 2015
- € (180) m in 2014

Discount rates* increased in Q3 2015

Currency	30/09/2015	30/06/2015	Change	Average duration
€	2.25%	2.00%	0.25%	12 years
£	3.75%	3.75%	0.00%	16 years
US\$	4.50%	4.50%	0.00%	10 years
Weighted average	3.15%	3.04%	0.11%	13 years

Pension assets of € 2.1bn at 30/09/2015

- Down € 0.2 bn vs 30/06/2015, due to underperforming financial markets
- ~50% Equities / Diversified alternative funds
- ~50% Bonds / Real estate

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

Annexes

- Additional Q3 & Q3 ytd 2015 financial data
- **2015 considerations**
- Group presentation
- Cytec acquisition
- Segment & GBU presentation



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REBIT(DA) considerations for 2015

Forex impact

- Mainly linked to USD (see next slide)
- Immediate impact on conversion exposure
- Deferred transactional impact due to hedging

Scope effects

- Acquisitions
 - Ryton® PPS completed on 31/12/2014
 - Sales of ~ € 100 m in 2014
 - Meaningful REBITDA contribution from 2016
 - Smaller acquisitions end 2014 and in 2015: Flux Brazing, Dhaymers, EPIC
- Divestments
 - Benvic on 04/06/2014: ~ € 75 m sales in H1 2014
 - Refrigerants on 05/05/2015: ~ € 50 m sales in 2014

REBITDA adjustments

- RusVinyl JV
 - Consolidated through equity associates
 - Adjusted for financial charges
 - Volatility linked to €-denominated debt
 - 2014 impact of € (65) m
 - Q3 ytd 2015 impact of € (39) m
- Chemlogics
 - Retention payments of ~ € (2) m per Qtr until 2016

Depreciation & amortization

- Recurring depreciation & amortization
 - FY 2015 ~ € (700) m
- Rhodia PPA impact
 - Excluded from adjusted figures
 - FY 2015 ~ € (105) m pre-tax; ~€ (70) m after tax

Significant forex tailwind expected at prevailing rates

Forex exposure

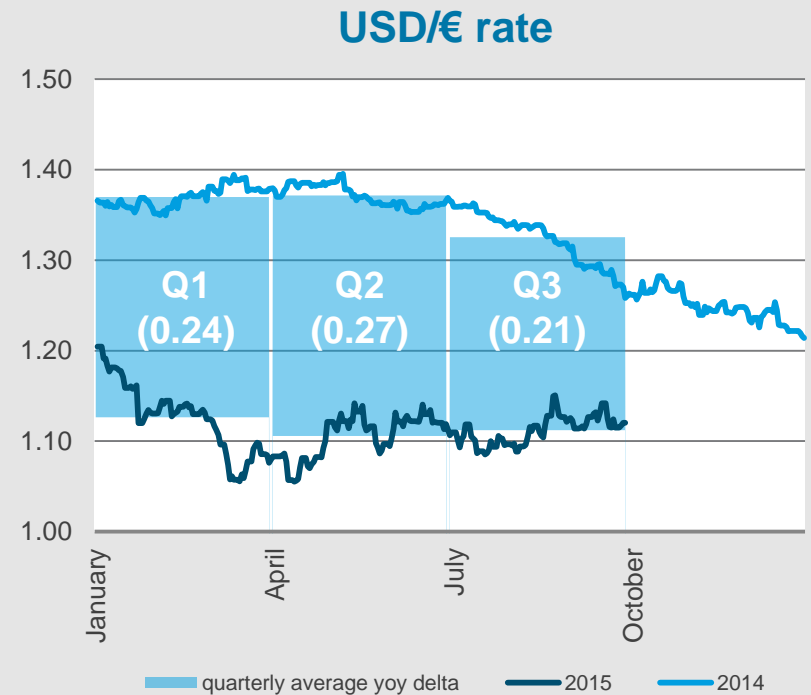
- Conversion:
No cash effect / no coverage provided
- Transactional:
Typical coverage on a 6-12 month rolling-forward basis

Main currencies

- USD
- CNY
- BRL
- RUB
- JPY
- THB
- KRW

Exposure to USD

- Sensitivity of ~ € 100 m REBITDA impact per (0.10) USD/€ change
- Half conversion, half transactional



Financials and tax considerations for FY 2015

Cost of net debt

- € (500) m retail bond redeemed at maturity in June 2015
- Cost of net debt at ~€ (100) m + additional forex impact of ~€ (40) m
- Average cost of borrowing
 - excl. hybrid bond in equity: 3.9% (4.9% in 2014)
 - Incl. hybrid bond in equity: 4.2% (4.8% in 2014)

Discounting of pensions and HSE

- Recurring FY cost of ~ € (100) m + discount rate** change impact of € 6 m in 2015 so far
- Sensitivity to changes in discount** rates (for a 50 bp increase)
 - Pensions → in OCI:
 - € zone ~ € 160 m
 - UK ~ € 125 m
 - USA ~ € 35 m
 - HSE () → in P&L:
 - €-zone ~ € 16 m

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: € (29) m / Q4: € (27) m

Tax rates

- Underlying tax rate (excluding non-recurring elements) mid to low 30s

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

Other considerations for 2015

Cash flow

- FCF fluctuations
 - Cash expenses for pensions of ~€ (180) m
 - Sustained high level of capex efforts, at constant forex

Discontinued operations

- Indupa sale
 - Strategic intent untouched
 - Disposal process re-launched after CADE anti-trust veto to Braskem end 2014
 - € (55) m in CTA to be recycled through P&L at exit
- European Chlorovinyls out of scope since Q3

Non-recurring elements

- Restructuring costs
- Impairments relative to business not under discontinued operations
- HSE provisions on non-operational sites
- Contingencies / litigations
- Portfolio management-related gains & losses
 - Cytec acquisition expenses, namely the structuring of the bridge financing

Treatment of INOVYN

- INOVYN JV with INEOS from 01/07/2015
- Exit after 3 years with performance-based exit payment of € 280 m targeted (€ 95 m minimum)
- Only contribution to P&L in these 3 years encompasses reassessment of the exit fee, to be reported as non-recurring

Annexes

- Additional Q3 2015 financial data
- 2015 considerations
- **Group presentation**
- Cytec acquisition
- Segment & GBU presentation



SOLVAY

asking more from chemistry®

Solvay, a major global chemical player

2014 figures

€ 10.2 bn

Net Sales

€ 1.8 bn

REBITDA

17.5%

REBITDA margin

€ 156 m

Adjusted Net Income,
Group share

Adjusted: Excluding non-cash PPA
accounting impacts related to the
Rhodia acquisition

Strong fundamentals



Well-balanced geographical
spread and end-user markets



Leading player in 90%
of its businesses



Strong
R&I portfolio

2014 figures

119

Industrial sites

15

Major R&I centers

26,033

Employees (FTEs)

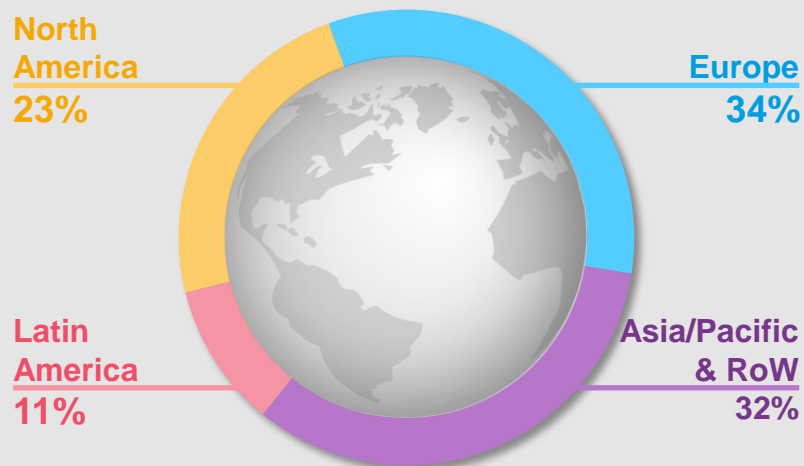
52

Country presence

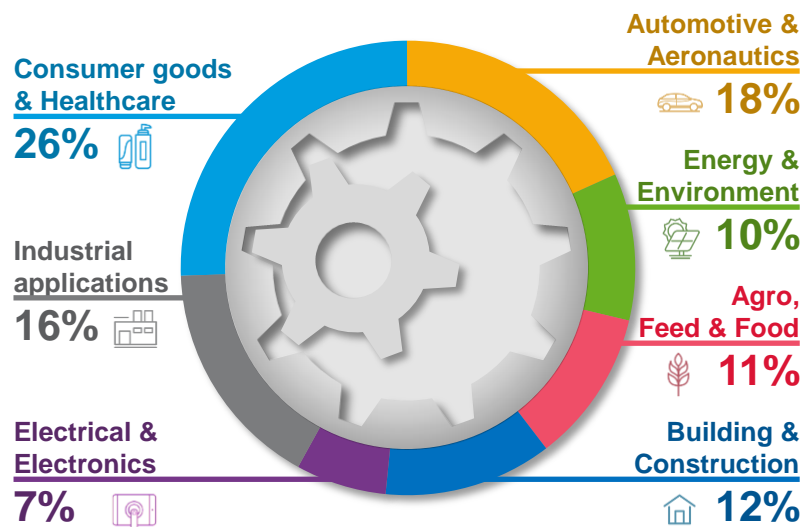
Non-financial figures exclude
discontinued operations

Well-balanced geographical spread and end-user markets

Balanced geographical exposure*



Exposure to higher growth end-markets*



* Figures represent % of 2014 net sales

Solvay is making an ongoing, in depth transformation ...

Strategic vision

Participate in reshaping the global chemical industry
Develop a model of chemistry that addresses society's challenges
Drive sustainable value creation and profitable growth

Transformation levers

1

Portfolio

2

Excellence

Group
profile



Growth



Resilience



Returns

... with distinct strategic intent for our businesses

**HARVEST;
SELECTIVELY
INVEST &
DIVEST**

**Performance
Chemicals**

**Advanced
Materials**

**INNOVATE
& INVEST**

**BREAK-
THROUGH
PROFITABILITY
IMPROVEMENT
INITIATIVES**

**Functional
Polymers**

**Advanced
Formulations**

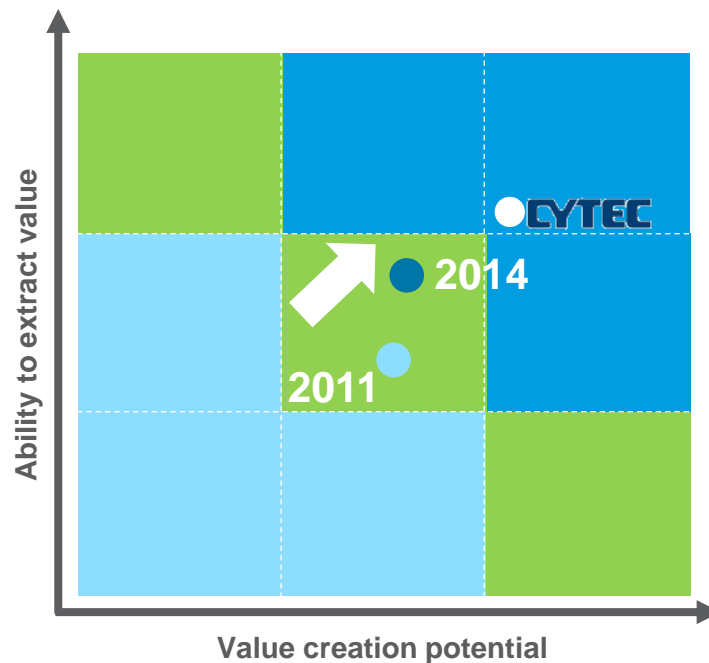
Upgrading portfolio

Divestments

Strategic Divestitures	Portfolio refocussing	Monetizing for value
Chlorvinyls Europe & Latam	Special Chem LifeScience Refrigerants PCC	Eco Services

Re-investments for value creation

ADVANCED MATERIALS	ADVANCED FORMULATIONS
<div>CYTEC</div> <div>Composites</div> <div>Ryton</div> <div>Flux GmbH</div> <div>Aonix</div>	
<div>In-Process Separation</div> <div>Chemlogics</div> <div>Erca & Dhaymers Brazil</div> <div>Erca Emery B.V</div>	



Solvay's positioning in the Strategic Value Matrix

Our main thrusts

RESPONSIBILITY

SPM methodology to assess & prioritize projects

- Sustainable solutions
- Products with improved environmental footprint
- Energy efficient processes

OPEN INNOVATION

Large Ecosystem for faster & wider progress

- Partnership with key clients
- Collaboration with Academia
- Participation in start-up & venture capital funds

EFFECTIVENESS

Customer focus

- 82% of Group's R&I managed by the businesses



21% of net sales realized with products < 5 years

Delivering strongly

Excellence scope expanded

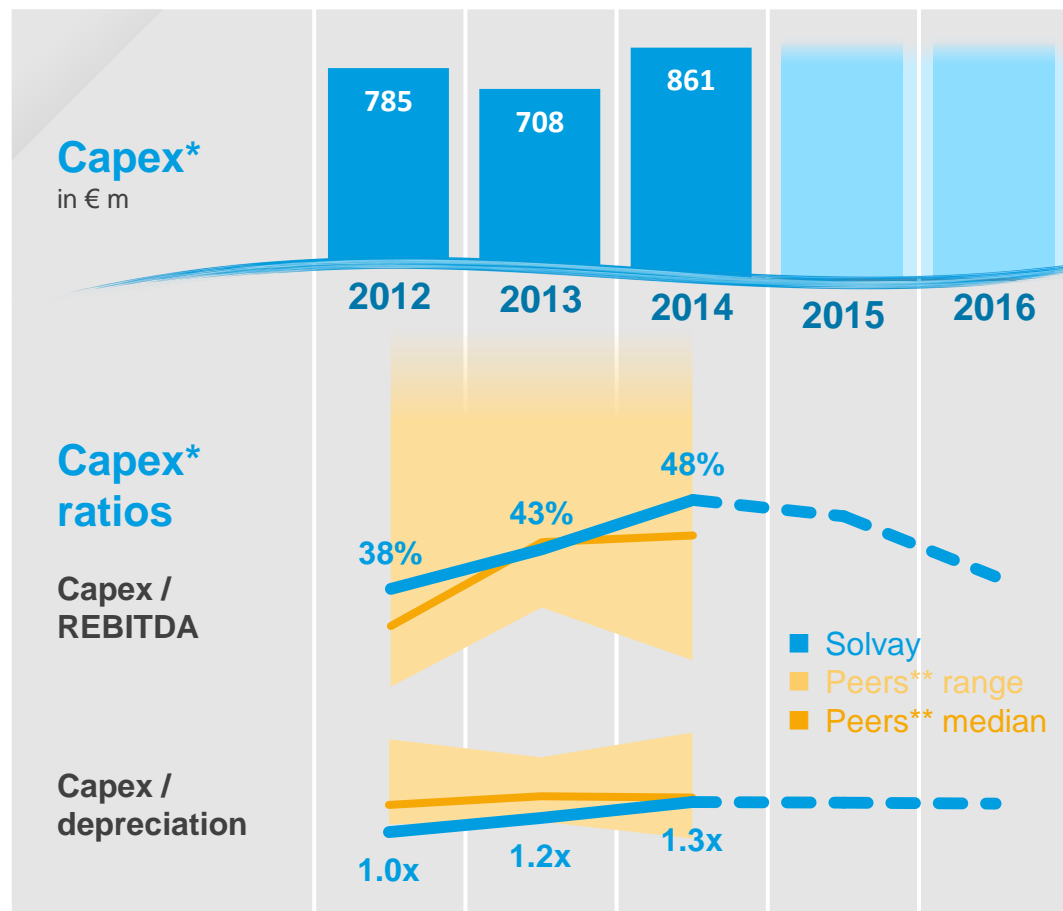


Expected impact on 2016 REBITDA
(vs 2013 base)



Excellence underpinned by management model

Underpinning growth momentum though investments



Capex discipline maintained

→ Growth capex

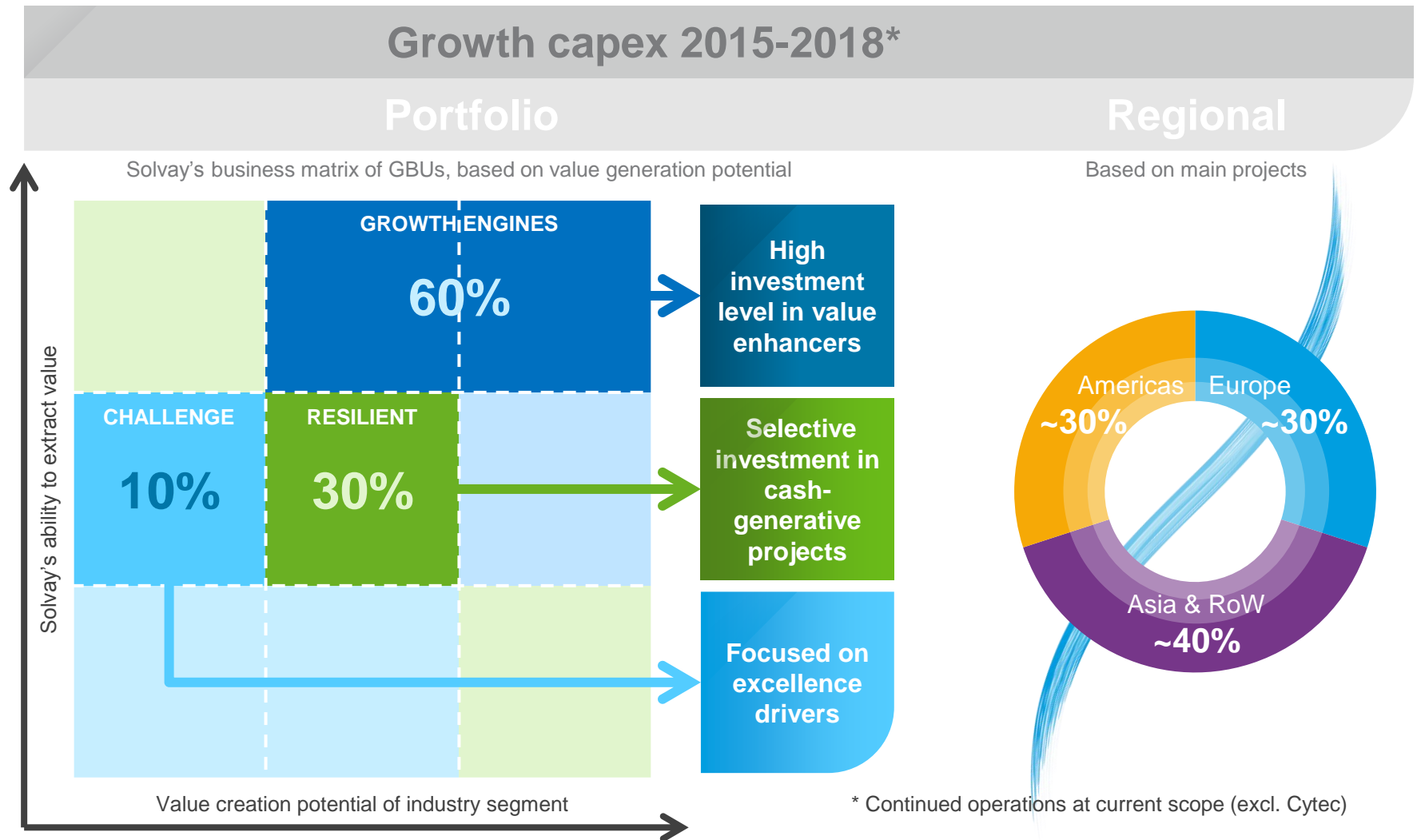
- Strategic fit
- IRR \geq 15%

→ Maintenance capex at ~€ 400 m

* Continued operations at current scope (excl. Cytec), figures as published before restatements

** Peers: Akzo Nobel, Arkema, BASF, Clariant, DSM, Evonik, Lanxess

Allocating capex strategically



With current pipeline starting to deliver in 2016




Major growth projects			Industrial start-up	Years to maturity	Projected IRR*	Total capex
GROWTH ENGINES	Novecare	Alkoxylation USA & Singapore	2015	≤ 3	>20%	€ 500 m
	Aroma Performance	Vanillin Asia	2015	≤ 3	>20%	
	Specialty Polymers	Polymers China	2015	≥ 6	~15%	
		PEEK US & India	2016	≥ 6	>20%	
	Silica	HDS Poland & Korea	2015-2017	≤ 3	>15%	
RESILIENT	Peroxides	HPPO Saudi Arabia	2016	≤ 3	>15%	€ 325 m
		H2O2 China	2016	≤ 3	>15%	
	Soda Ash & Derivatives	Bicarbonate Thailand	2015	≤ 3	>15%	
		Operational excellence	2014	≤ 3	>15%	

Growing to maturity in next 3 years

* IRR = Internal Return Rate

Remuneration aligned to value creation



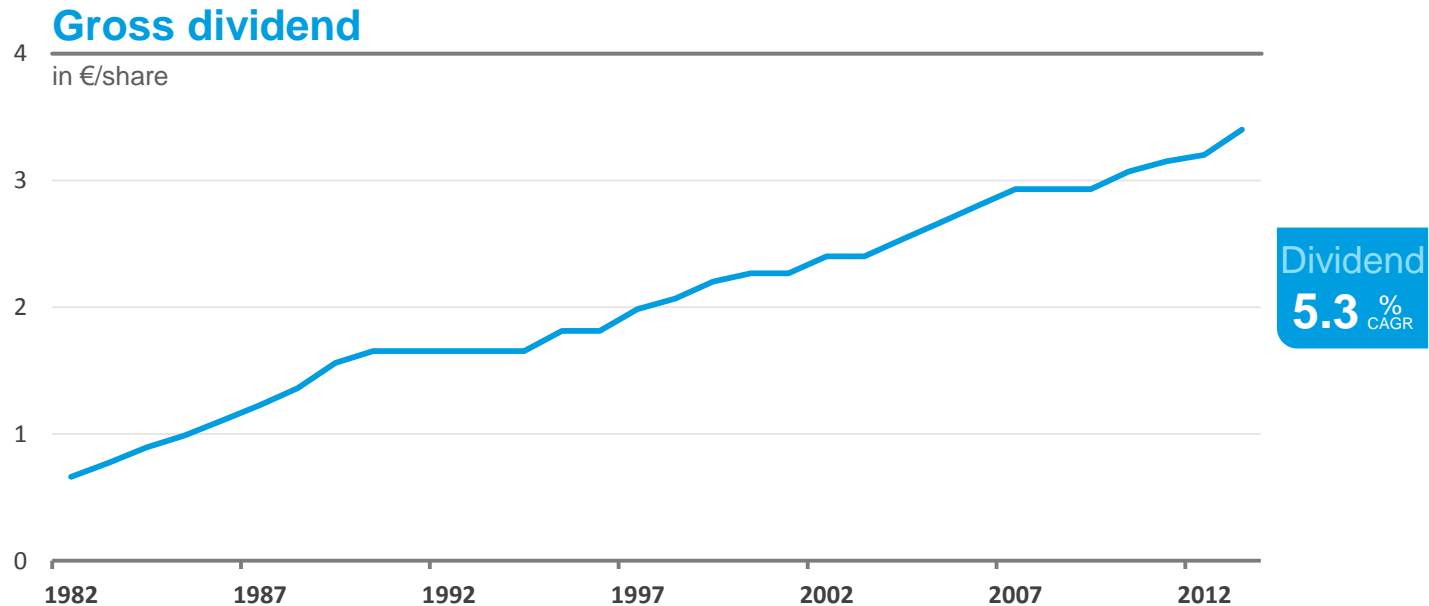
Scheme		
VARIABLE	 Long term incentives	35%
	 Short term incentives	30%
FIXED		
	 Base salary	35%

REBITDA*	✓
CFROI*	✓
Share-price	✓
<hr/>	
REBITDA	✓
Cash	✓
Sustainability	✓

**Applicable to Executive Committee
& Business General Managers**

() Targets and KPIs aligned
to 2016 ambitions*

Rewarding shareholders with stable to growing dividend



For >30 years
~40% average pay-out

Annexes

- Additional Q3 2015 financial data
- 2015 considerations
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- **Cytec acquisition**
- Segment & GBU presentation



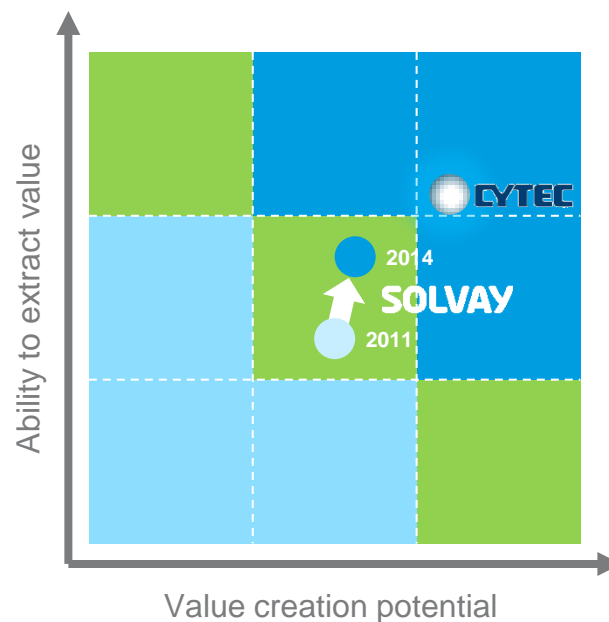
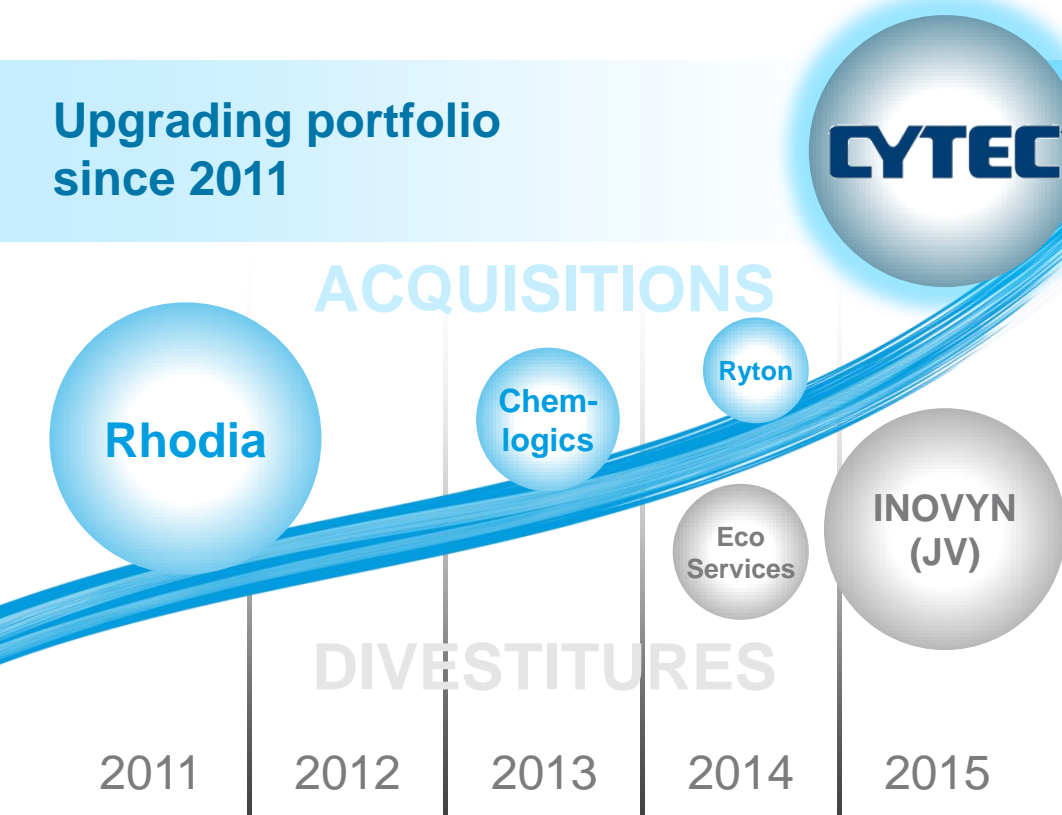
SOLVAY

asking more from chemistry®

Cytec, a step-change in our portfolio transformation ...

Upgrading portfolio
since 2011

Reinforcing position in
the strategic value matrix



* The Cytec acquisition is subject to customary closing conditions, including regulatory approvals (e.g. anti-trust and CFIUS)



... and further acceleration of portfolio changes

Cytec, leader in composites and specialty chemical formulations

2014 figures


\$2.0bn 
Sales

20% 
REBITDA margin*

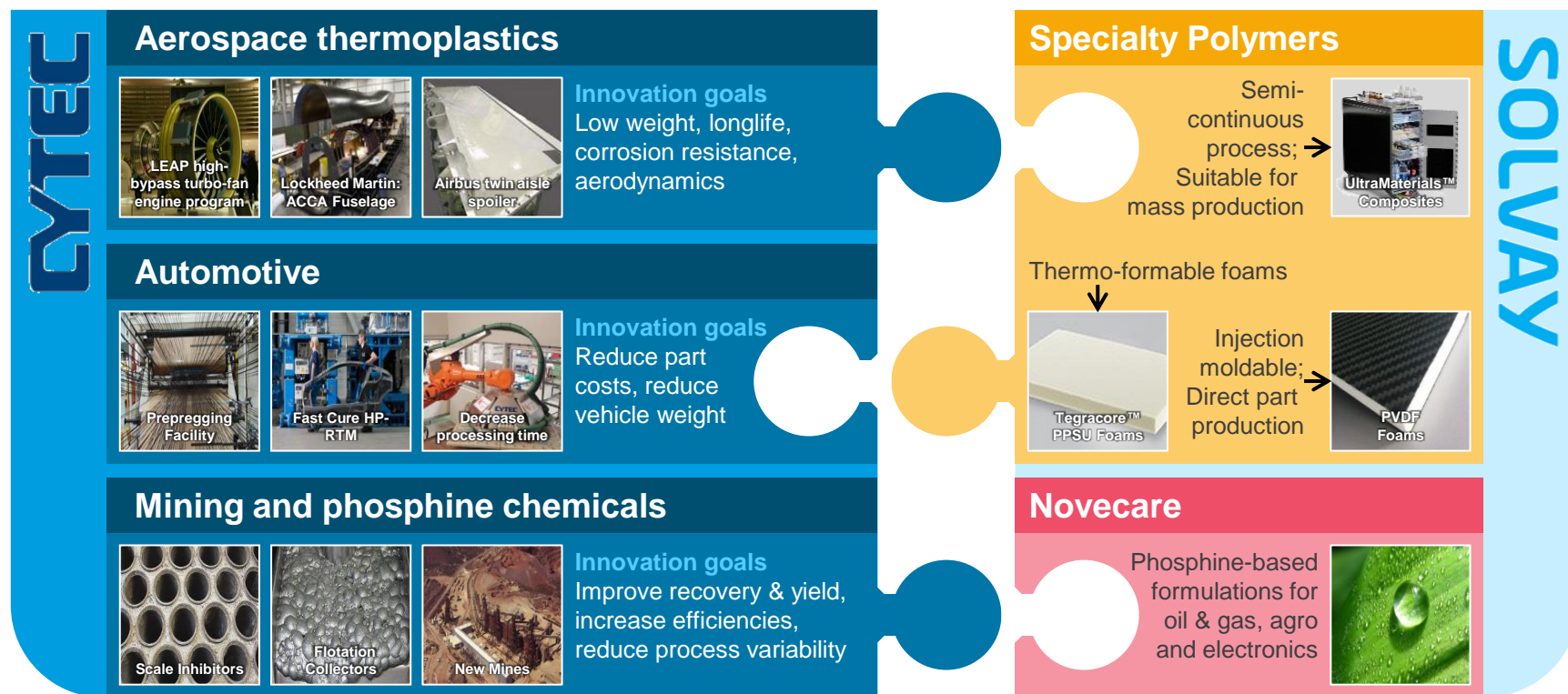
4,600 
Employees

29 
Manufacturing
& R&I sites

* For indicative purposes only, determined on the basis of earnings from operations, net special items and D&A elements as publicly reported by Cytec

AEROSPACE MATERIALS		MINING & SPECIALTY MATERIALS		Global position
Aerospace Materials	Industrial Materials	In Process Separation	Additive Technologies	
#2	#2	#1	-	
<ul style="list-style-type: none"> → 3 large players → High barriers to entry → Limited substitution risk 	<ul style="list-style-type: none"> → >6 large players → Barriers to entry vary by application 	<ul style="list-style-type: none"> → Niche markets → Limited number of global suppliers → Limited substitution risk → Customized services business model 		Market structure
 <p>Advanced materials for aerospace</p>	 <p>Automotive, Wind, Process materials, Sports materials</p>	 <p>Copper & alumina, Phosphine Gas, Pharma</p>	 <p>Automotive, Emulsion polymerization</p>	Leading products
<p>Aircrafts:</p> <ul style="list-style-type: none"> → Wings → Fuselage → Interior parts → Engine parts 	<ul style="list-style-type: none"> → Supercars → Wind Power (blades) → Aerospace process materials → Recreation 	<ul style="list-style-type: none"> → Mining → Pharmaceutical → Electronic manufacturing → Fumigation 	<ul style="list-style-type: none"> → Plastics → Paints → Coating & printing inks 	End markets
50%	16%	20%	14%	% sales
<p>→ LIGHTWEIGHTING</p> <p>→ IMPROVE ENERGY EFFICIENCY</p> <p>GROWTH ENGINES </p>		<p>→ DECLINING ORE GRADES</p>	<p></p> <p>RESILIENT CASH GENERATOR</p>	Drivers

Cytec-Solvay: complementary technological know-how ...



... with innovation synergies accelerating future growth



while diversifying Solvay end-markets to aeronautics

Cytec financial details

Offer value

- 28.9% **premium** to closing price on 28 July 2015
- **Enterprise value** of US\$ 6.4bn
- **EV/EBITDA¹ multiple**
 - 14.7x excluding synergies
 - 11.7x including synergies²

Pre-tax synergies⁶
> €100m p.a.



Substantially
realised by year 3

Financing

- **Short term financing**
 - US\$ 5.8 bn bridge
 - Contingent hedges for long-term equity part
- **Targeted long-term financing**
 - € 1.5 bn new equity
 - € 1.0 bn hybrid debt
 - Other bond issuances

Balancing
caution
&
value

Transaction structure

- **Cash merger**
 - Requiring Cytec's shareholder majority vote
 - **Unanimous recommendation** by Cytec board
- Customary closing conditions
 - Incl. regulatory approvals (CFIUS³, anti-trust, ...)

Expected
closing
Q4 2015

Impact on Solvay

- **Improves** REBITDA **margin** and **growth**
- **Accretive to** adjusted **EPS⁴** after year 1
- **Enhances FCF⁵** from 2017
- **CFROI accretive** in medium-term

Maintain stable
to growing
dividend
policy

1) Based on broker consensus 2015 EBITDA of US\$433 million for Cytec

2) Based on US\$110 million run-rate synergies

3) CFIUS: Committee on Foreign Investments in the United States

4) Adjusted EPS excludes non-cash Purchase Price Allocation impacts relative to the transaction, based on shareprice at 28/07/2015

5) Free Cash Flow before interests

6) EBITDA impact

Cytec offers an excellent strategic fit with Solvay



**Propels Solvay to global #2 largest player
in aerospace advanced composite materials**

Strengthens Solvay's growth and resilience

**Improves Solvay's sustainability offering
& environmental profile**

Provides earnings momentum

Creates Value

Perfect fit with Solvay's strategy Focused on sustainability & value



CYTEC

Platform to accelerate Solvay's portfolio reshaping

Group
profile



Growth



Resilience



Returns

Annexes

- Additional Q3 2015 financial data
- 2015 considerations
- Group presentation
- Cytec acquisition
- **Segment & GBU presentation**



SOLVAY

asking more from chemistry®

Organized in Operating segments and Global Business Units

	Advanced Formulations	Advanced Materials	Performance Chemicals	Functional Polymers	Corporate & Business Services
	Novecare Aroma Performance Coatis	Specialty Polymers Silica Special Chem	Soda Ash & Derivatives Peroxide Acetow Emerging Biochemicals	Polyamide <i>P&I Engineering Plastics Fibras</i> Chlorovinyls <i>RusVinyl</i>	Solvay Energy Services Corporate Functions
Q3 ytd 2015					
REBITDA <i>YoY change</i>	€ 294 m ↘ 7.3%	€ 651 m ↗ 21%	€ 591 m ↗ 11%	€ 119 m ↘ 24%	€ (129) m ↘ 11%
REBITDA margin <i>YoY change</i>	14% ↘ 52 bp	26% ↘ 55 bp	26% ↗ 113 bp	10% ↗ 283 bp	
FY 2014					
REBITDA <i>YoY change</i>	€ 426 m ↗ 23%	€ 709 m ↗ 14%	€ 724 m → 6.1%	€ 111 m ↗ 25%	€ (188) m ↘ 43%
REBITDA margin <i>YoY change</i>	15% ↗ 66 bp	26% ↗ 122 bp	25% ↗ 109 bp	6.7% ↗ 169 bp	

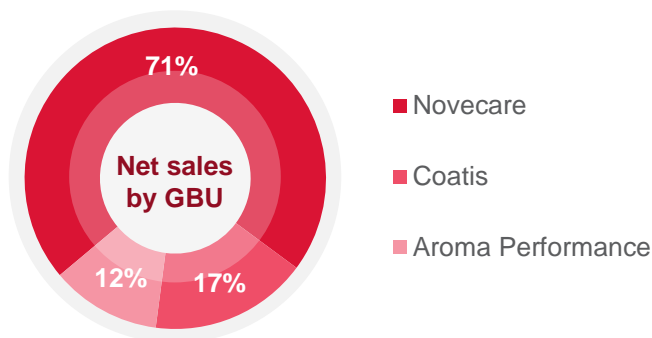
Advanced Formulations

2014 figures

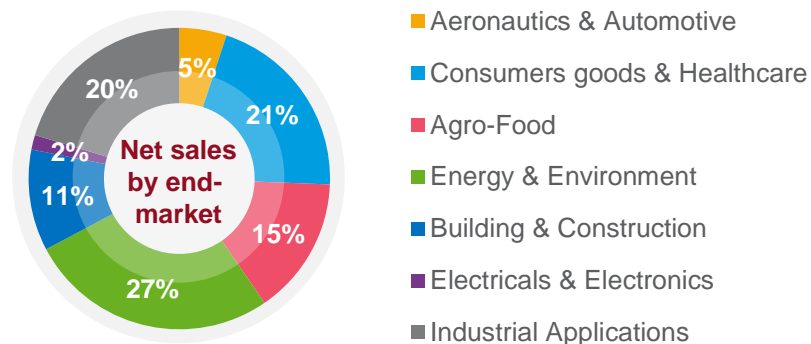
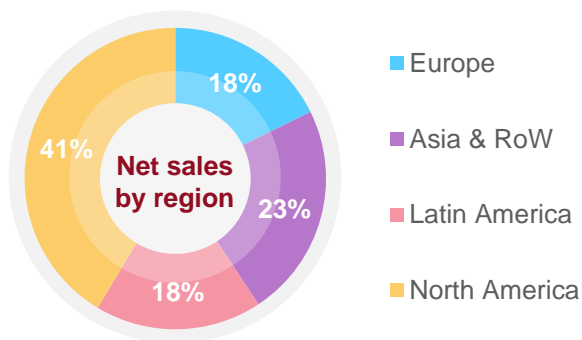
€ 2,854 m
Net Sales

€ 426 m
REBITDA

15%
Margin



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



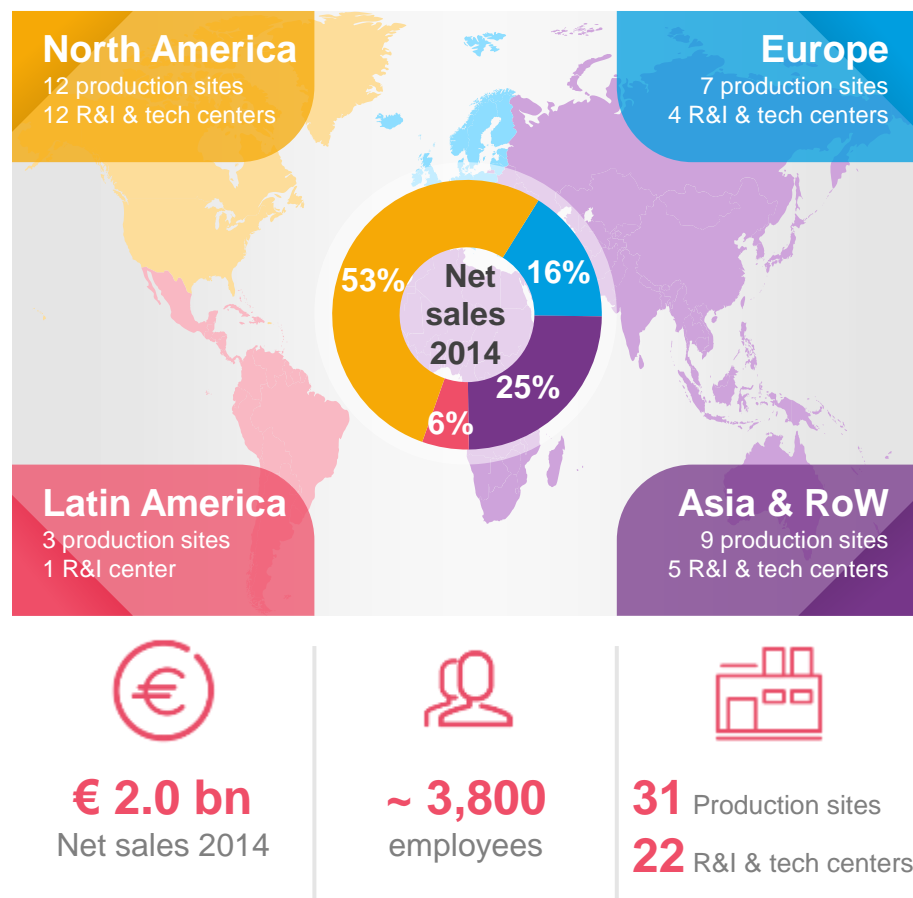
Novecare

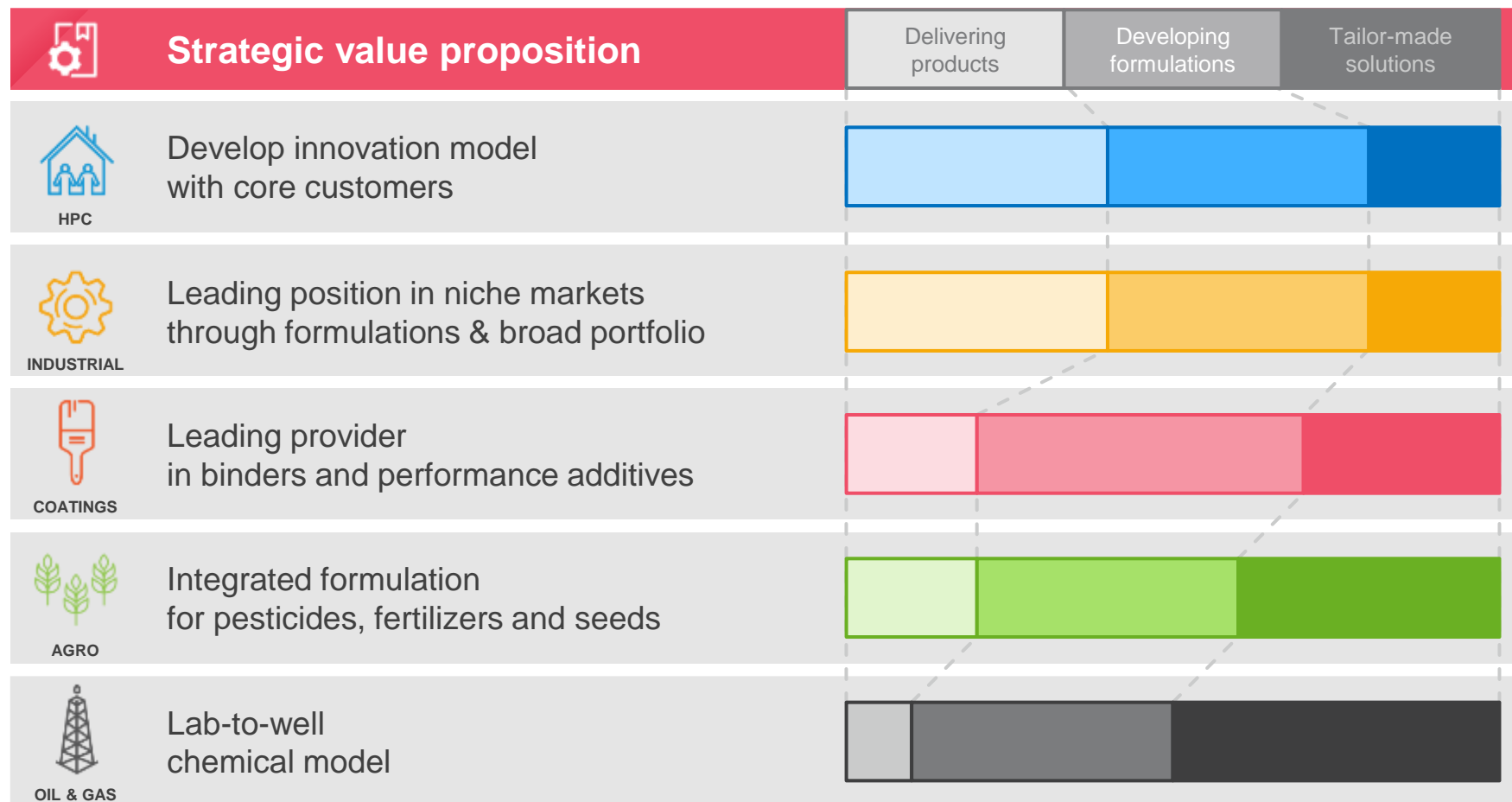
Delivering sustainable solutions for surface chemistry

Focused on key markets



% of Novecare 2014 net sales





Moving all businesses towards more tailor-made solutions

Novecare

Broad portfolio of innovation projects across markets and aligned to megatrends



Evolving demography
& consumers
behaviours

13% of our portfolio



Innovation
acceleration

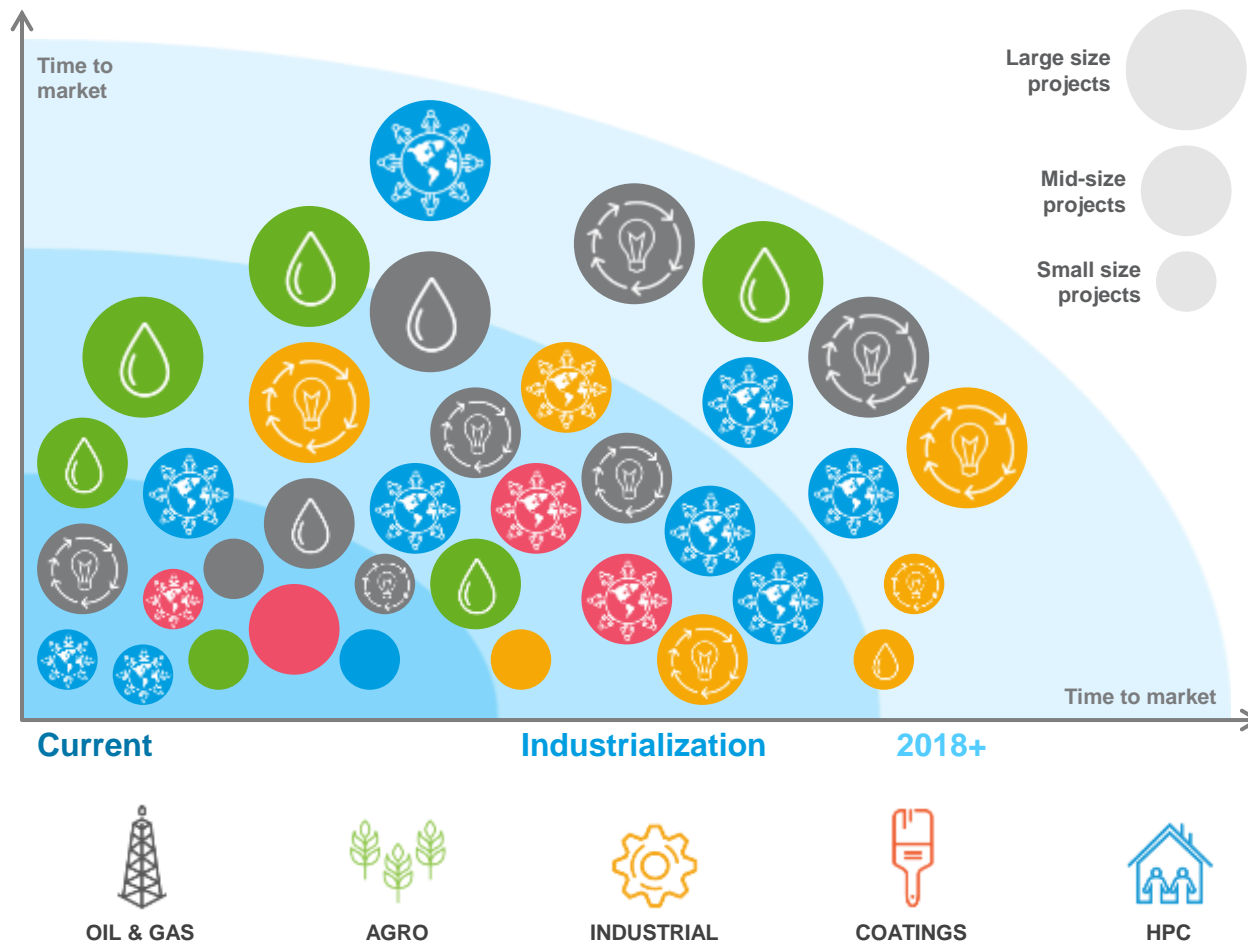
40% of our portfolio

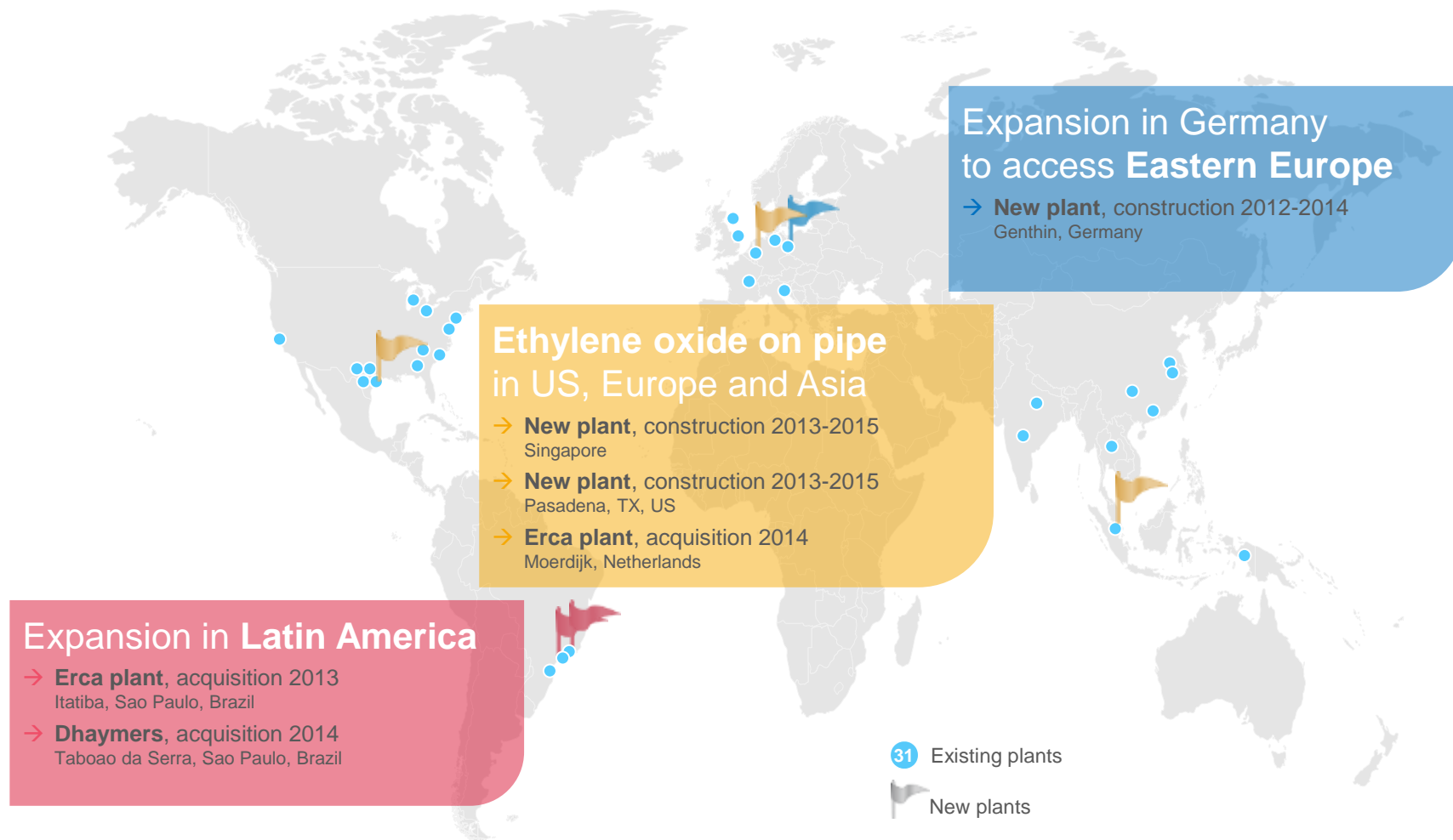


Resource constraints
& increased
sustainability demand

31% of our portfolio




16% aligned to other trends





Novecare

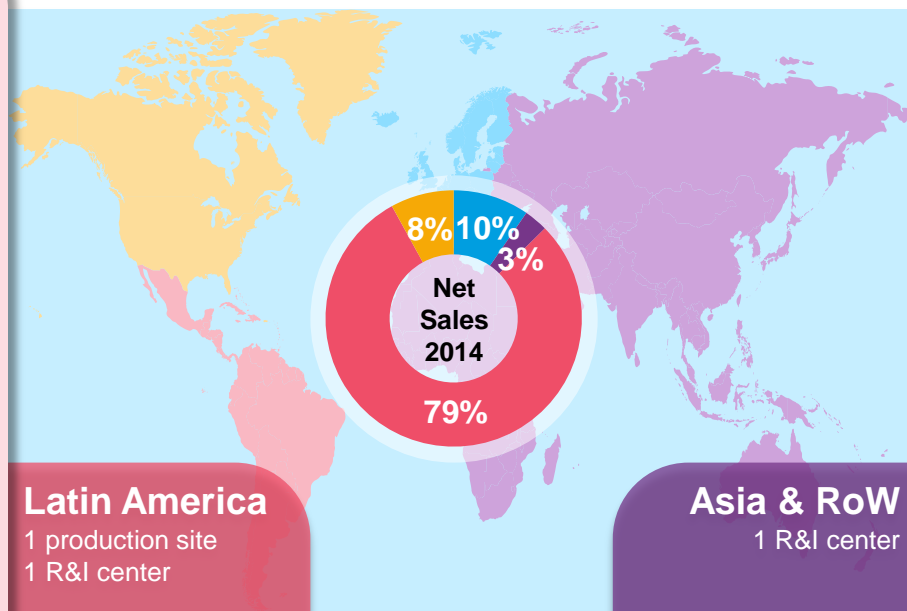
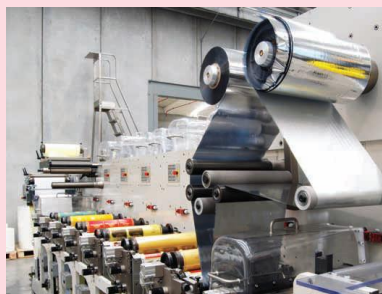
Successful strategy delivery across markets underpinning growth levers

 Markets	 Strategic levers	 Growth trend evolution
% of net sales	Tailor-made solutions Inno- vation Competi- tiveness	2010-2014 2014-2016
 20% HPC	<div> <div></div> <div>✓</div> <div>✓</div> </div>	high 1-digit 2-digit
 20% INDUSTRIAL	<div> <div></div> <div></div> <div>✓</div> </div>	high 1-digit high 1-digit
 10% COATINGS	<div> <div>✓</div> <div>✓</div> <div>✓</div> </div>	high 1-digit 2-digit
 15% AGRO	<div> <div>✓</div> <div>✓</div> <div></div> </div>	2-digit 2-digit
 35% OIL & GAS	<div> <div>✓</div> <div>✓</div> <div>✓</div> </div>	strong 2-digit oil price dependent

Coatis

Sustainable solvents solutions provider and leading Latin American player of phenol

Multiple applications for phenol and oxygenated solvents



€ 0.5 bn
Net sales 2014



~ 600
employees



1 production site
2 R&I centers

Aroma Performance

World's largest Diphenols & Fluoroaliphatics integrated producer serving customers growth and innovation



Vanillin ingredients for Food, Flavors & Fragrances



Diphenols for Monomer stabilizers, Agro & Pharma



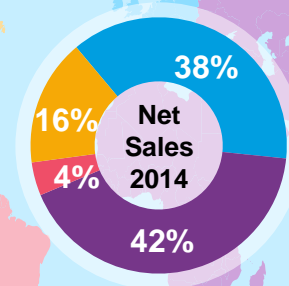
Fluorinated compounds for Batteries & Displays

North America

1 production site

Europe

3 production sites
1 R&I center



Asia & RoW

1 production site
2 R&I centers



€ 0.3 bn
Net sales 2014



~ 800
employees



5 production sites
3 R&I centers

Advanced Materials

2014 figures

€ 2,762 m
Net Sales

€ 709 m
REBITDA

26%
Margin



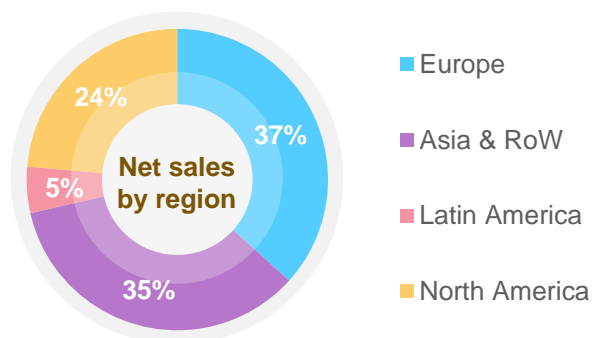
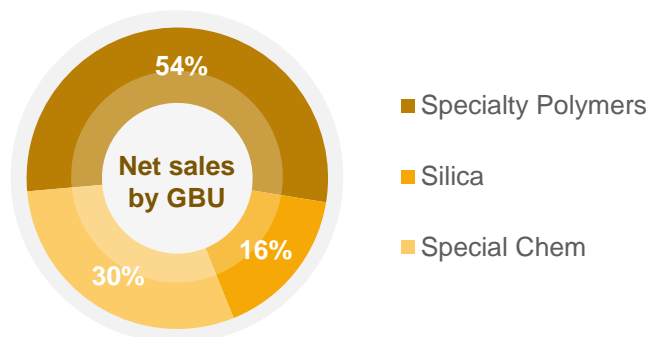
Specialty Polymers



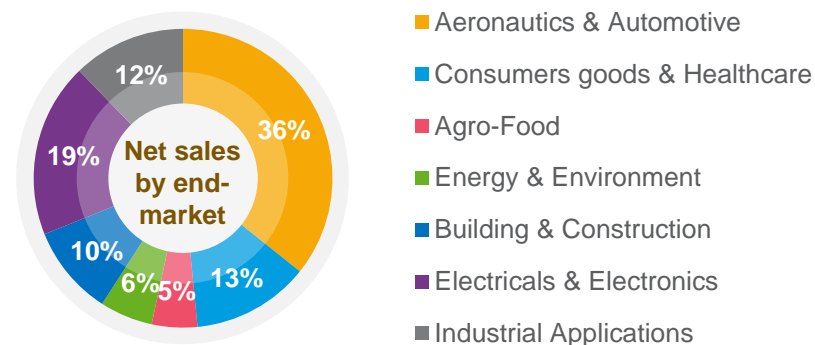
Silica



Special Chem



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 and long-term partnerships with customers provide a compelling competitive edge with industries seeking increasingly energy efficiency and less polluting functionalities.



Solvay Specialty Polymers

Inventing the future every day

Diversified end markets with superior growth potential

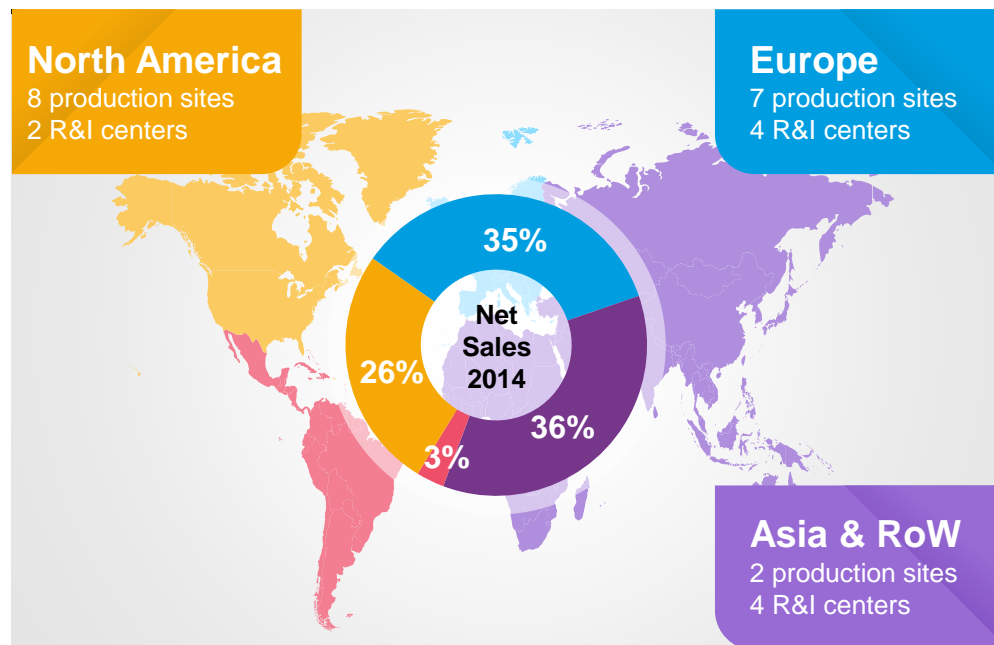


North America

8 production sites
2 R&I centers

Europe

7 production sites
4 R&I centers



Asia & RoW

2 production sites
4 R&I centers



€ 1.5 bn
Net sales 2014



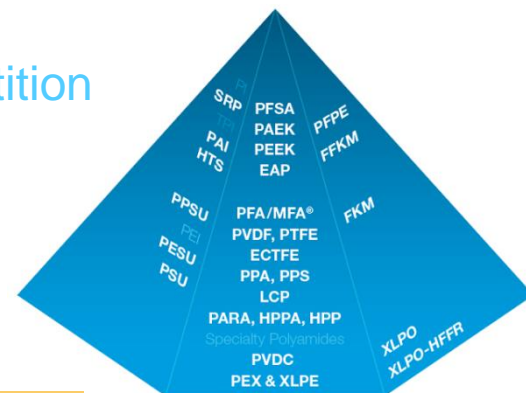
~3,000
employees



17 production sites
10 R&I centers

Specialty Polymers

Unique solution offering, differentiating Solvay from competition



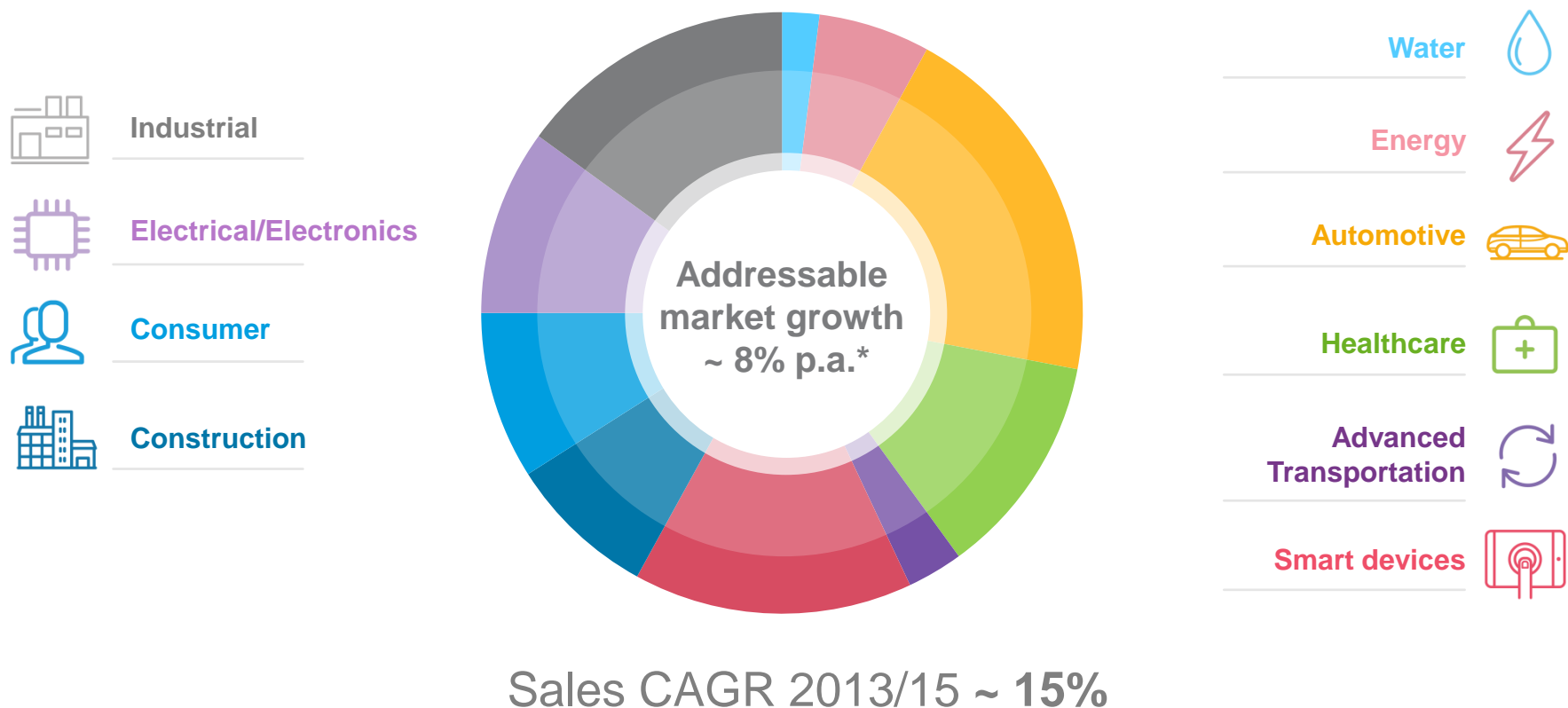
Aromatics						Fluoropolymers					High-barrier polymers	X-linkable compounds
LCP	HPPA	PPS	PEEK	PAI	PSU	PTFE	PVDF	PFA	FKM	PFPE	PVDC	XLCP
●	●	●	●	●	●	●	●	●	●	●	●	●
	●						●					
	●				●							
						●	●	●	●			
●	●					●		●	●	●		
						●	●	●	●	●		
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... further strengthened through innovation and acquisitions

Specialty Polymers

Outgrowing markets

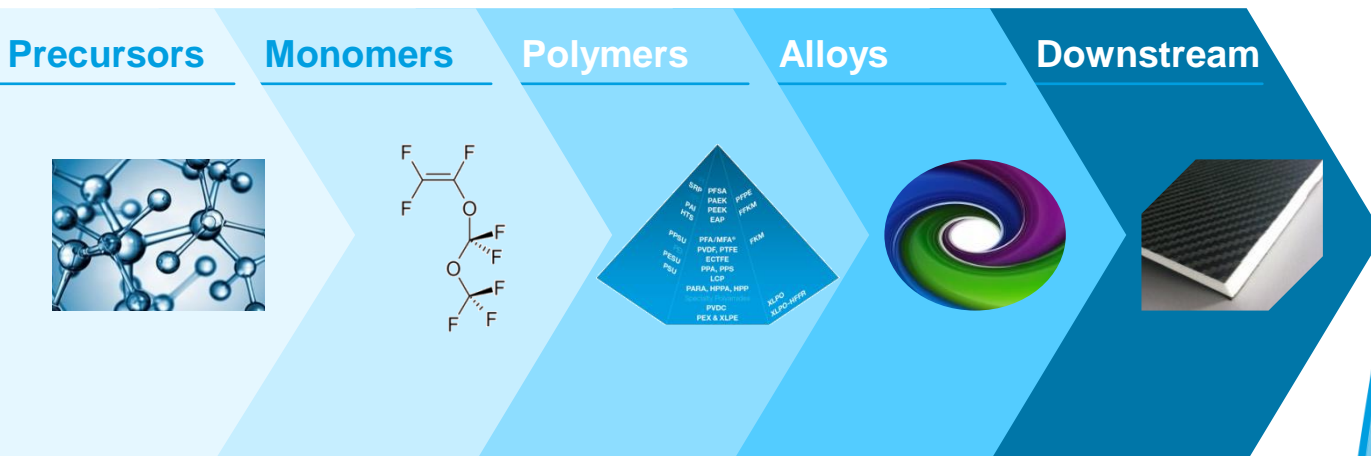
Solvay Specialty Polymers 2014 sales by end markets



* CAGR 2013-2015

Specialty Polymers

Powerful innovation levers across the value chain



2014 data



32%

of net sales realized
with products < 5-y



50+

New product grades



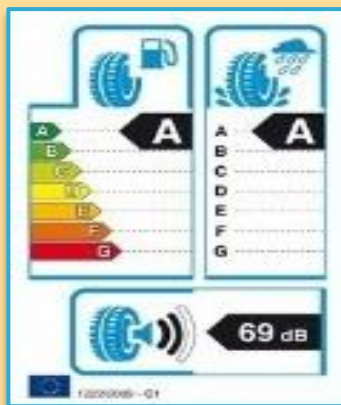
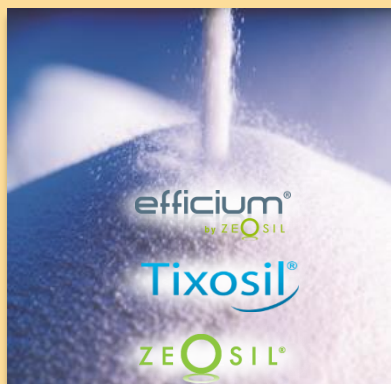
3,300+

Patents in force

Silica

Growth through innovation for sustainable mobility

HDS (Highly Dispersible Silica)
for fuel-efficient &
performance tires



North America

1 production site

Europe

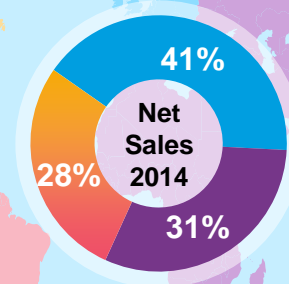
3 production sites
(1 in construction)
2 R&I centers

Latin America

2 production sites
1 R&I center

Asia & RoW

3 production sites
1 R&I center



€ 0.5 bn
Net sales 2014



~ 700
employees

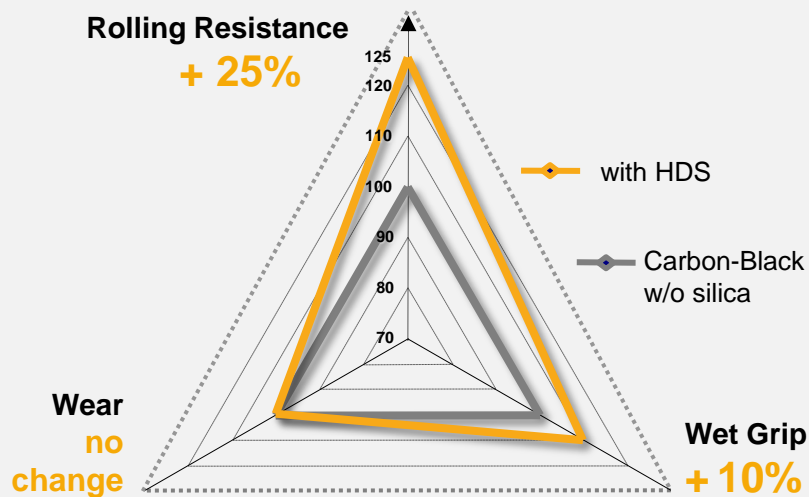


9 production sites
4 R&I centers

Silica

Highly Dispersible Silica (HDS) delivers value to the tire industry

Excellent technical performance ...



Enables a **5-7%** improvement in fuel 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 instead of carbon black

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

Source: Smithers Rapra, Solvay estimates

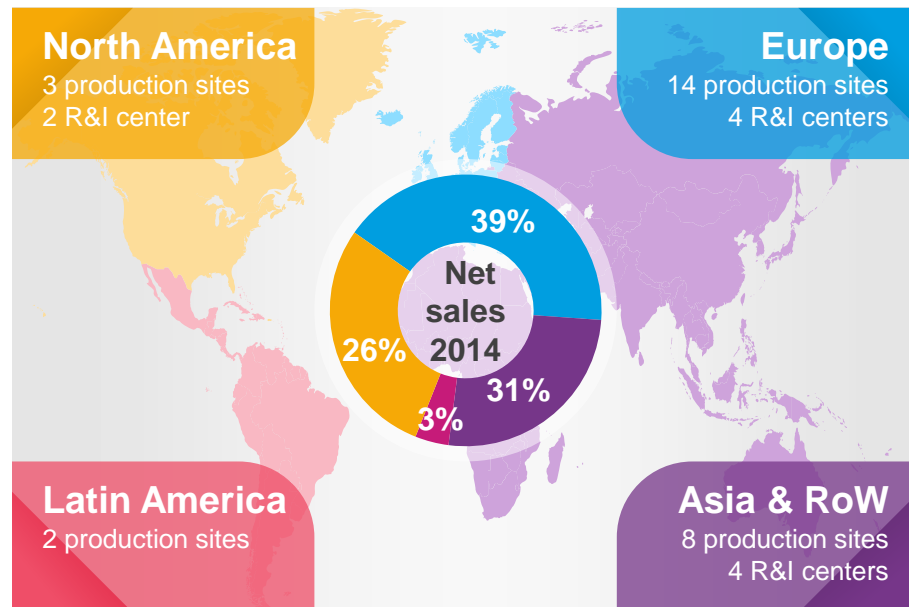
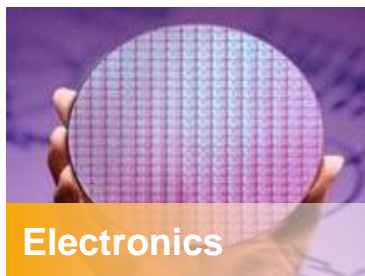
Special Chem,

Innovative solutions for growth industries

Formulations

Fluor

Rare earths
& other metals



€ 0.9 bn
Net sales 2014



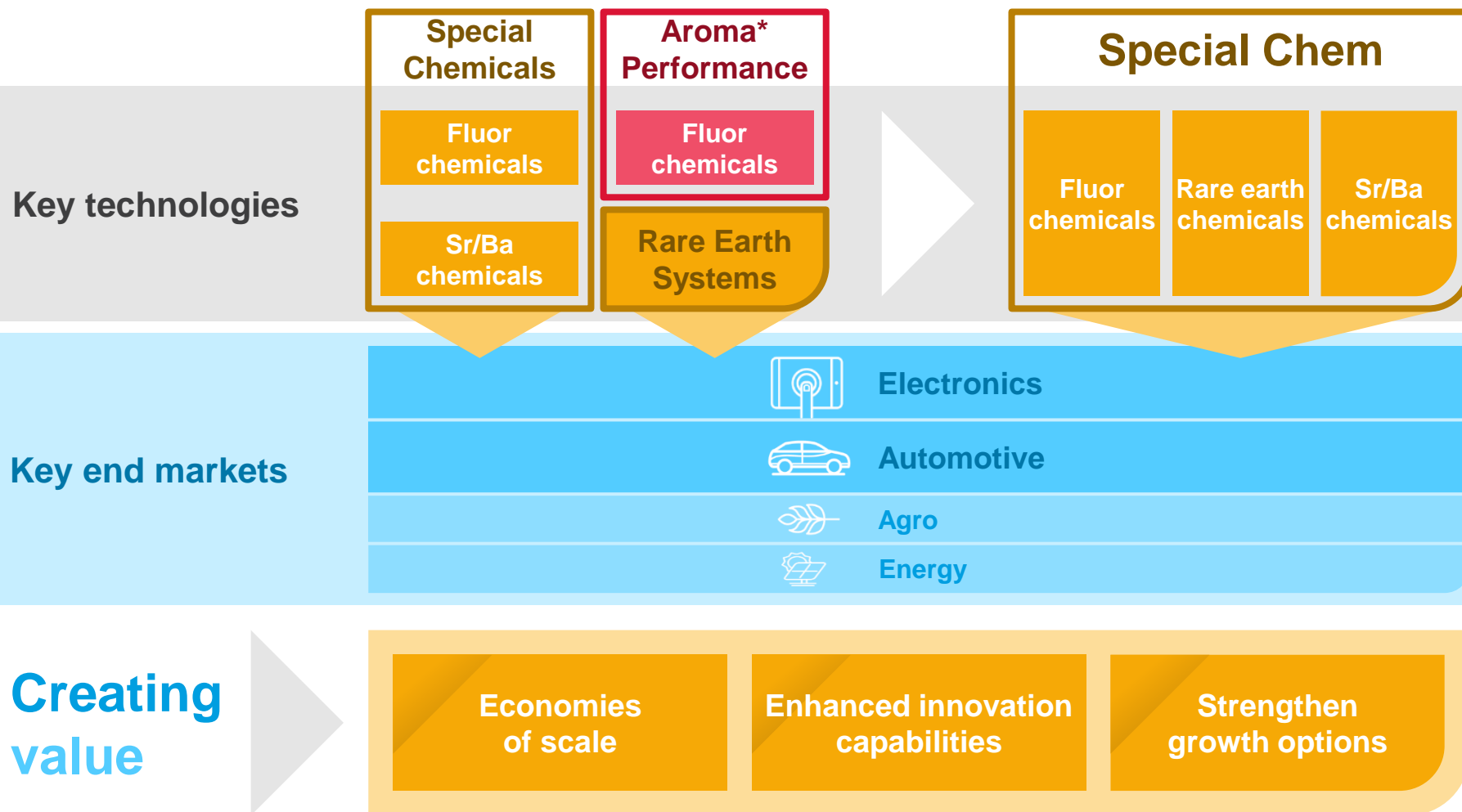
> 3,000
employees



28 production sites
10 R&I centers

Special Chem

Creation of new GBU, enhancing scale, innovation and growth options



* Fluor-based business of Aroma Performance. From April 1st 2015, Aroma Performance GBU comprises exclusively non-fluor-based activities, mainly vanillin and monomer inhibitors

Performance Chemicals

2014 figures

€ 2,944 m
Net Sales

€ 724 m
REBITDA

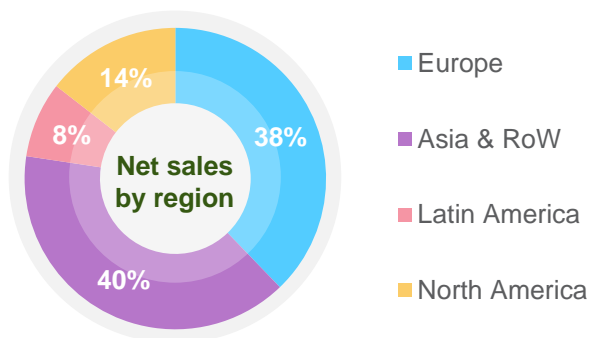
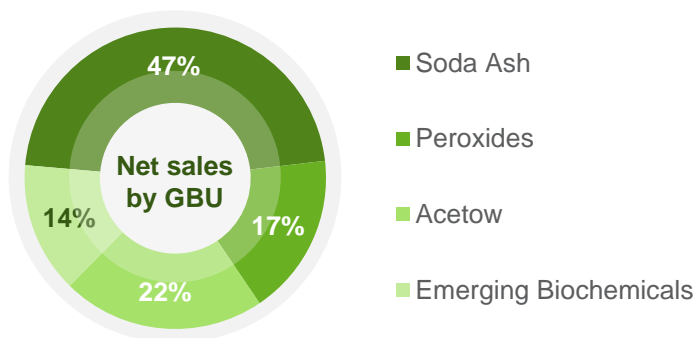
25%
Margin

Soda Ash & Derivatives

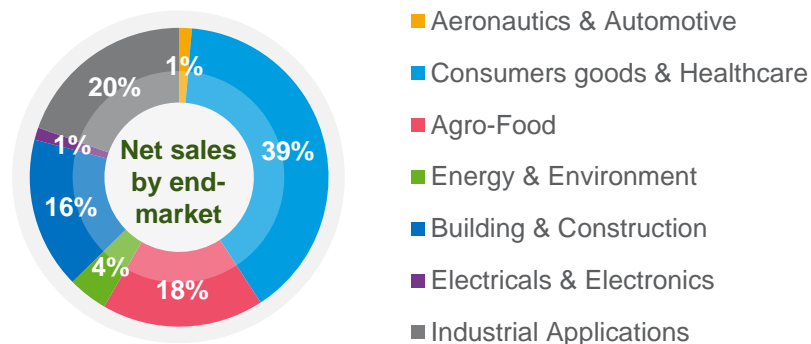
Peroxides

Acetow

Emerging Biochemicals



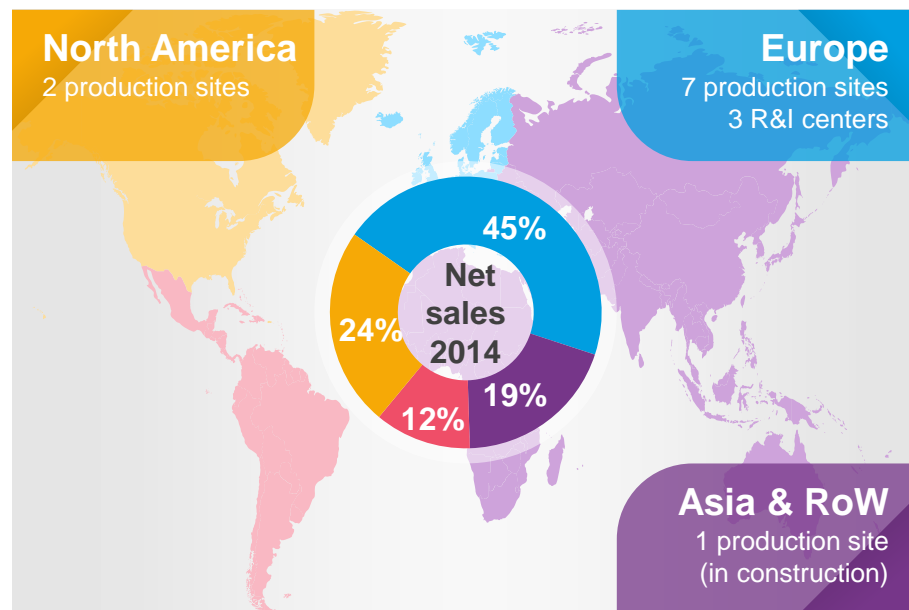
Operating in mature resilient markets, this Segment's success is based on economies of scale, competitiveness and quality of service. Solidly cash-generating, the Performance Chemicals businesses are engaged in programs of excellence to create additional sustainable value.



Soda Ash & Derivatives

Resilient cash generator for Solvay

Soda ash
in many applications



€ 1.4 bn
Net sales 2014



~ 3,500
employees



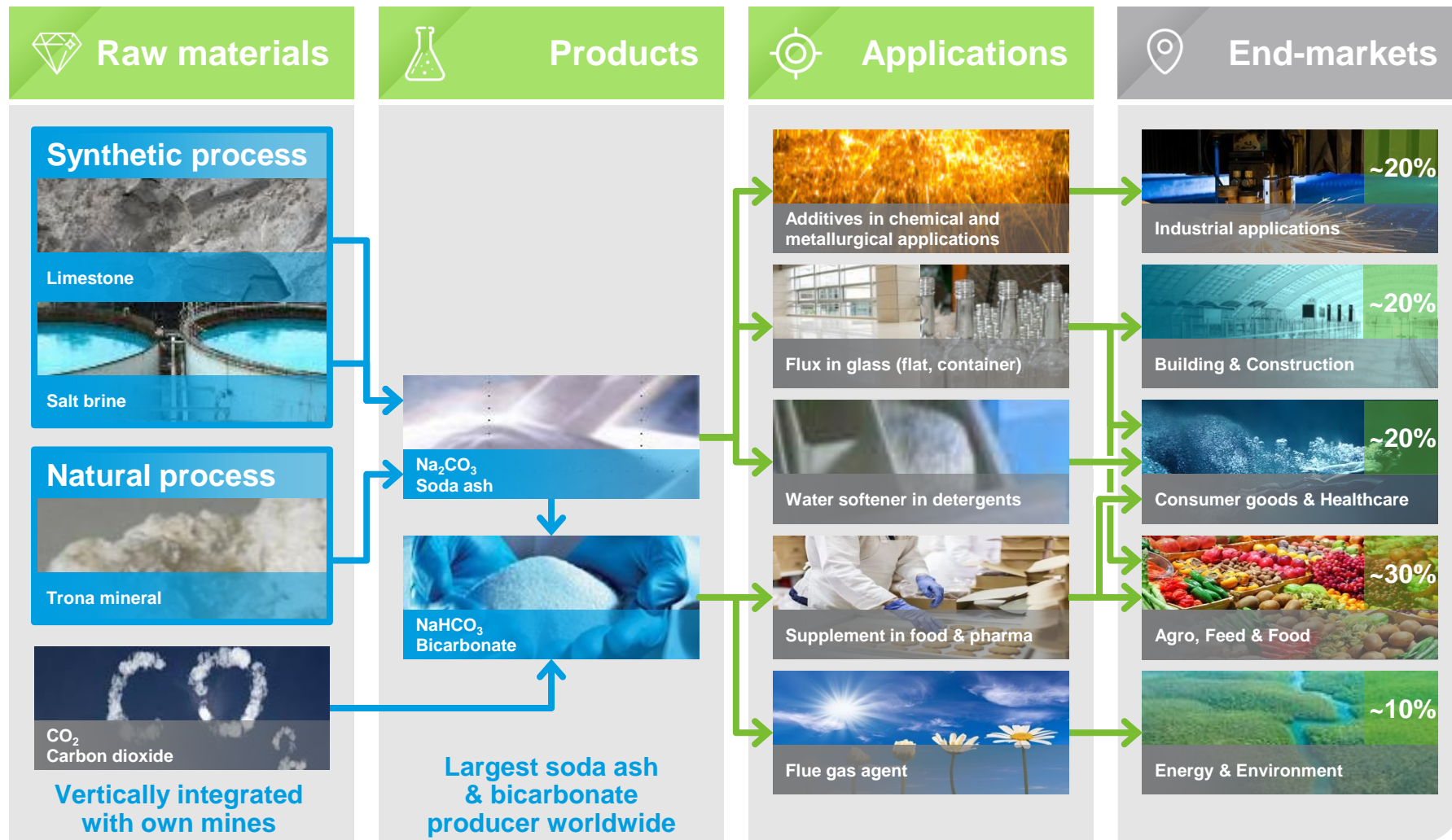
10 production sites
3 R&I centers

Soda Ash & Derivatives

Leading player with very competitive supply

Solvay products

approximate main
end-market exposures



Soda Ash & Derivatives

Market leader with “world-class” assets

Solvay assets

66% “World-class” assets
addressing regional
and export markets

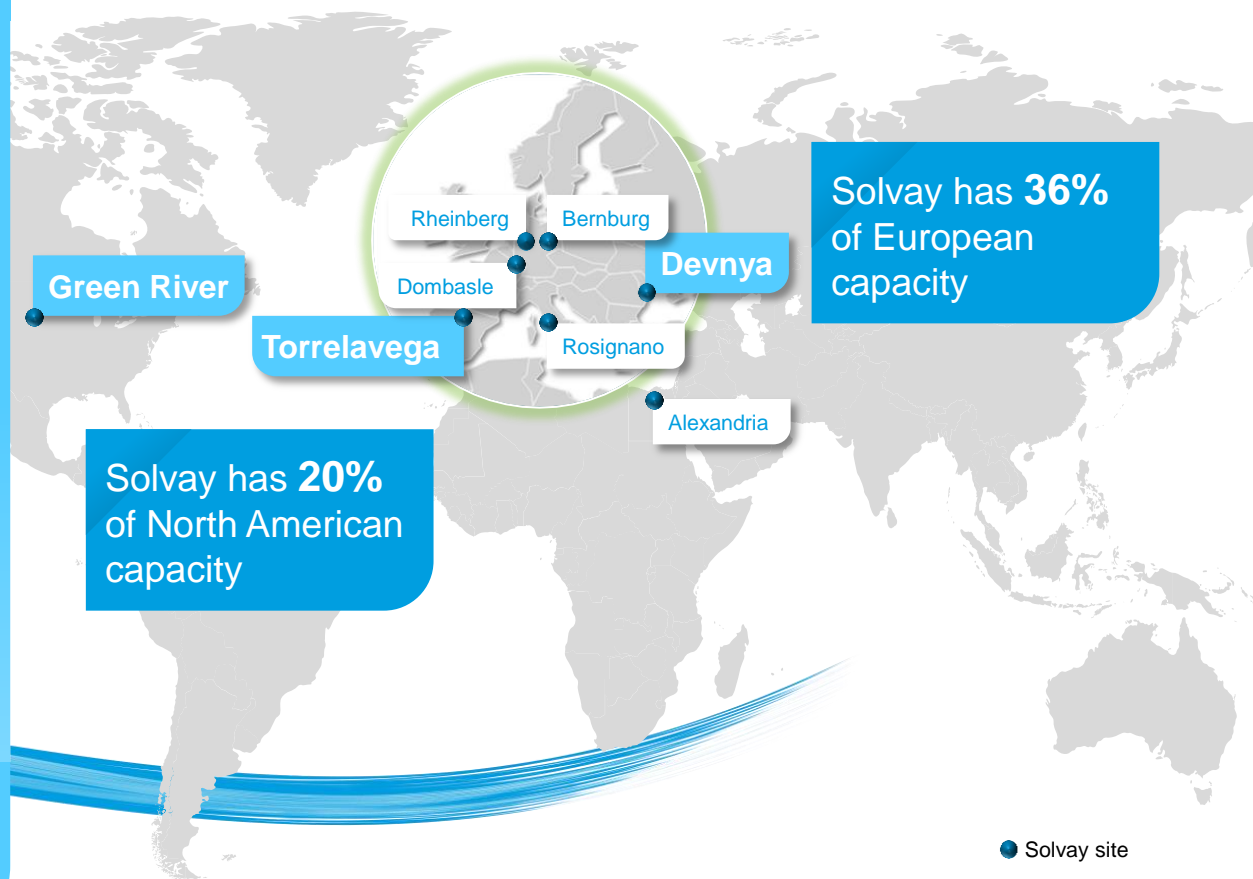
Green River (Wyoming, US)

- Green River (US, Wyoming)
- Natural soda ash production
- 2.5 mt/yr capacity
- 12% capacity increase 2014-2016

Devnya & Torrelavega (Europe)

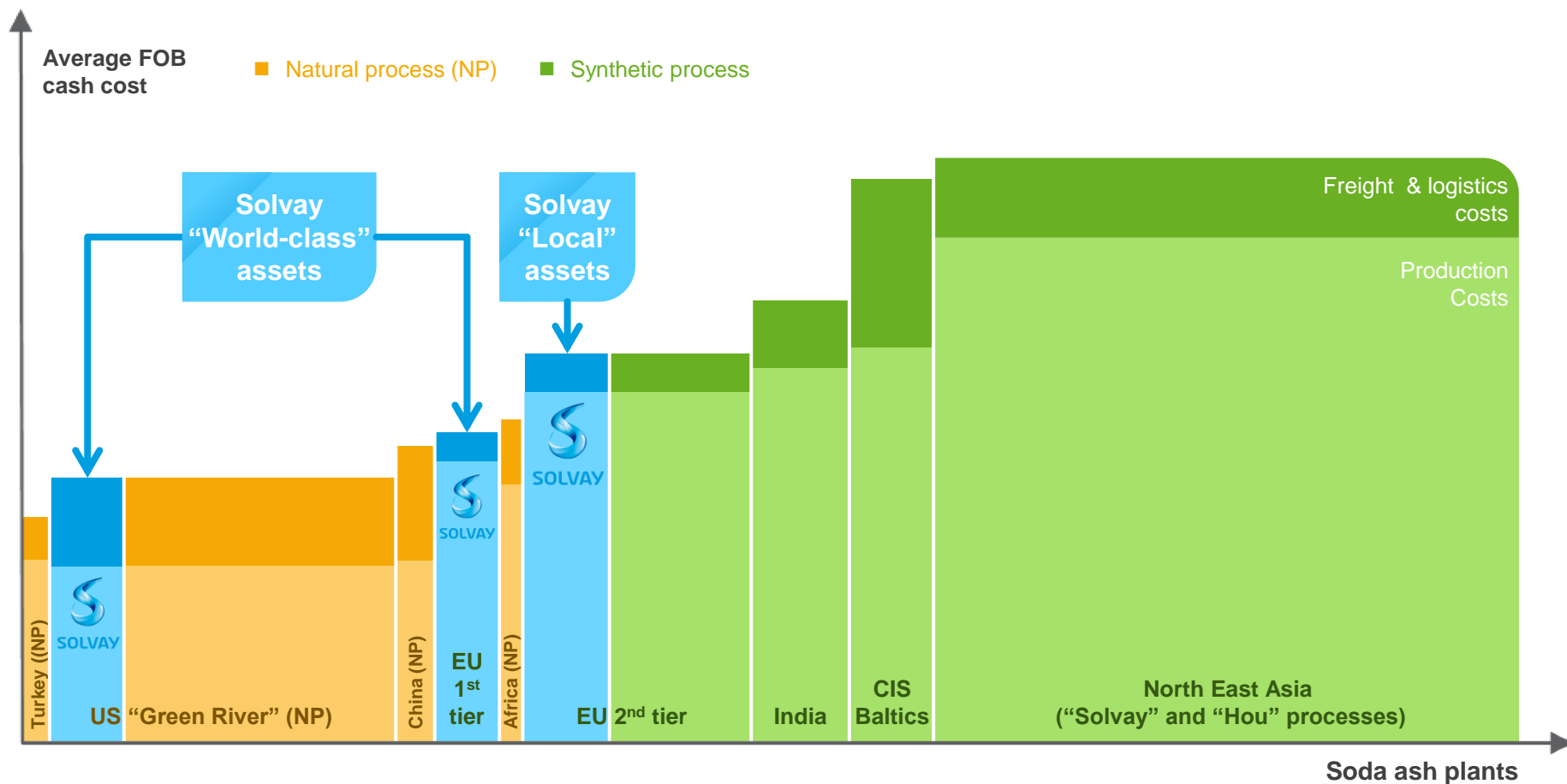
- At delivered cash cost comparable to natural process
- 2.0 mt/yr capacity

34% “Local” assets
addressing local markets



Soda Ash & Derivatives

Cost competitiveness, key success factor in the soda ash industry



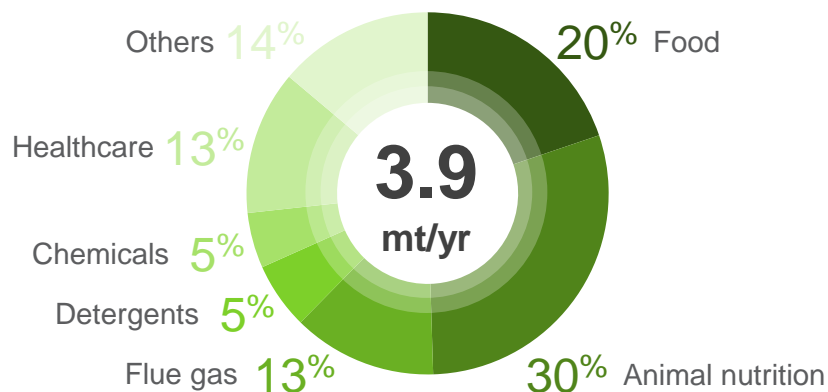
Source: Solvay estimates based on public information

Soda Ash & Derivatives

Market maker in Bicarbonate, a diversified growth story

Global Bicarbonate demand

Total market volumes (2014)



Global **market** growth slightly **above GDP**

driven by:

- Food needs
- Environmental regulations
- Aging population

Solvay positioning

- **Unparalleled security of supply**
 - 8 facilities in Europe and North America
- **New 100 kt/yr plant in Thailand (07/2015)**
 - To serve Asian premium markets
- **SOLVAir Natural Solutions**
 - 50/50 JV with Natural Soda
 - To accelerate development of SOLVAir for emissions treatment in North America
- **Solvay market leader**
 - Actively developing bicarbonate usage through innovative high-value applications

 **Ambition to grow at 2x bicarbonate market growth**

Peroxides

Global market & technology leader

Peroxides

in diversified markets

Pulp



HPPO*



Homecare



Food & aquaculture



Mining



Water treatment



North America

2 production sites

Europe

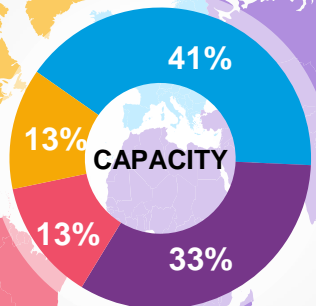
9 production sites
(1 HPPO*)
2 R&I centers

Latin America

1 production site
1 R&I center

Asia & RoW

5 production site
(2 HPPO)
1 R&I center



Production capacity & sites include all JVs



€ 512 m
Net sales 2014



~ 870
employees



17 production sites
4 R&I centers

* HPPO = HP (Hydrogen Peroxide) for PO (Propylene Oxide)

Peroxides

Solvay market and technology leader

Global market leader



Pulp
bleaching



HPPO



Food and
Aquaculture

Technology leader

- **On-purpose on-site technologies**
 - High productivity process for H₂O₂: mega plants to serve PO customers
➔ **> 70 % market share**
 - Reviewed H₂O₂ production process to allow for tailor made customer solutions
- **Process efficiency improvements on**
 - Specific consumptions
 - Energy management

Supported by innovation capability

Applications

- **Aquaculture** : Antiparasite for salmon farming
- **Environment** : Advanced oxidation for increasing environmental standards

Technology

- **New process design** : “MyH₂O₂”
- **Strong energy savings**

Peroxides

HPPO*, a game changer generating strong growth & guaranteed returns

HPPO plants

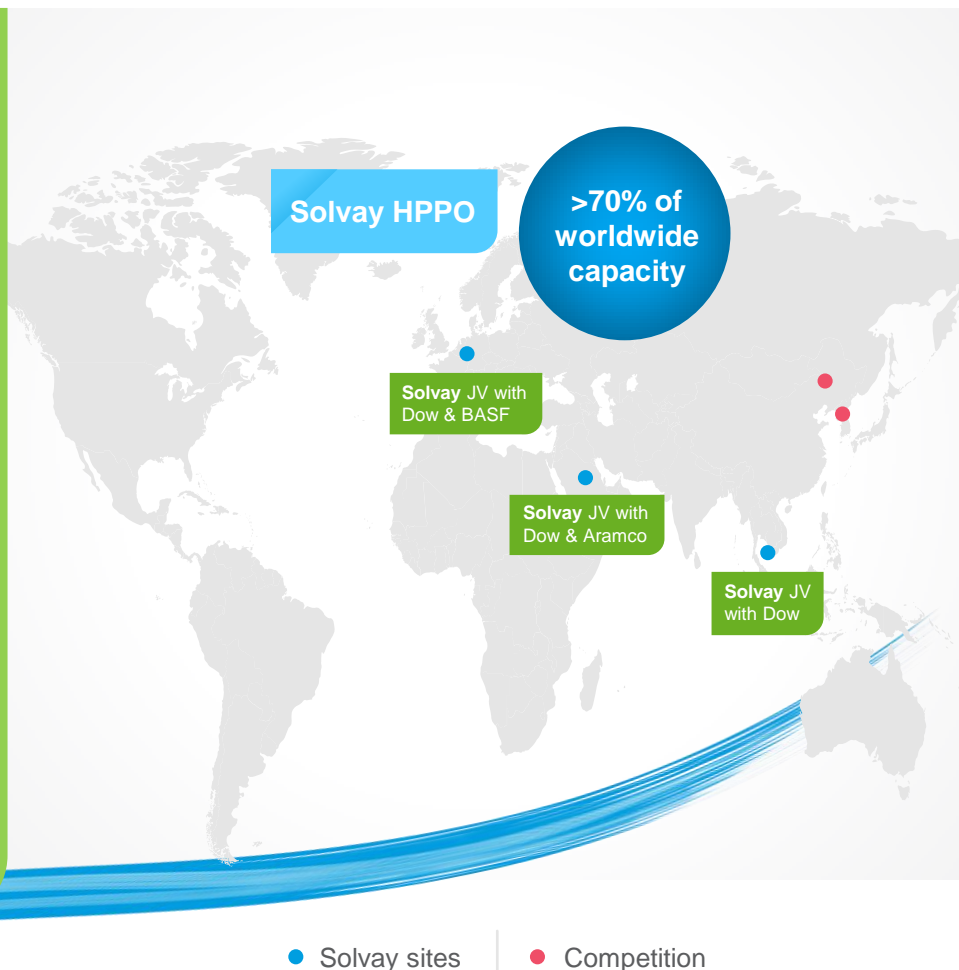


Long term contracts with the 2 WW leaders (BASF, DOW) in PO/PU chain

Only 2 players in Mega-HPPO plants

Strong Customer intimacy

Sustained & profitable business



HPPO:
the preferred
route to PO

On-purpose route

Low capital
intensity &
environmental
impact

50% of new PO
capacities since 2009
chose HPPO route

HPPO capacity
grew c.40% CAGR
over 2009-2015

* HPPO = HP (Hydrogen Peroxide) for PO (Propylene Oxide)

Acetow

Leading the market with quality and innovation

Products



Cellulose acetate flakes



Cellulose acetate tow

Applications



Cigarette filter



New applications:
Outdoor wood, Spectacle frames

North America

1 production J/V

Europe

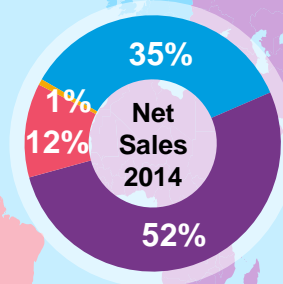
2 production sites
1 R&I center

Latin America

1 production site

Asia & RoW

1 production site



€ 0.6 bn
Net sales 2014



~ 1,300
employees



4 production sites
1 R&I center

Emerging Biochemicals

Leader in bio-based epichlorohydrine, vinyls and caustic soda in South East Asia

Vinyl applications



Films



Sheets



Pipe & fittings



Wires & cables



Profiles

Epicerol® applications



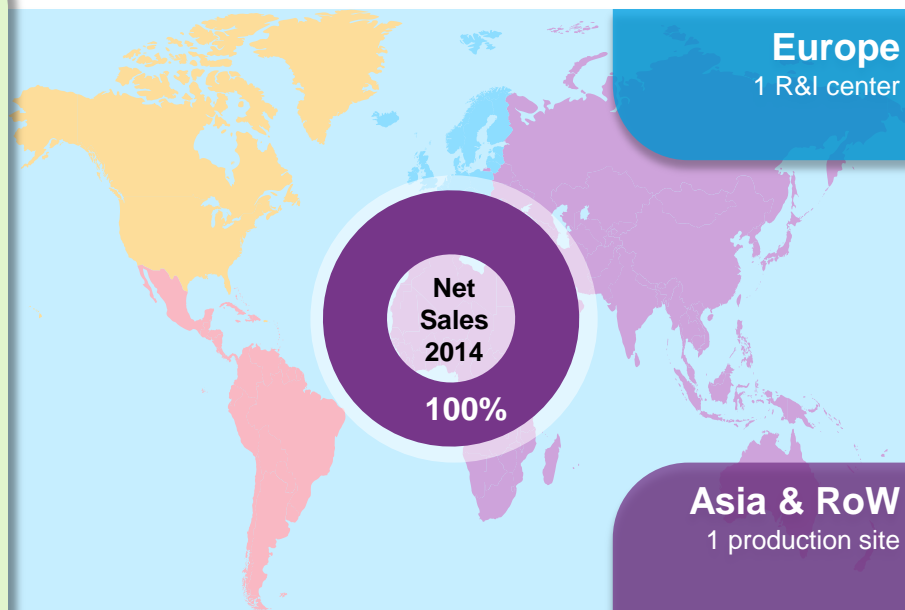
Coatings



Composites



Electronics



€ 0.4 bn
Net sales 2014



~ 500
employees



1 production site
1 R&I center

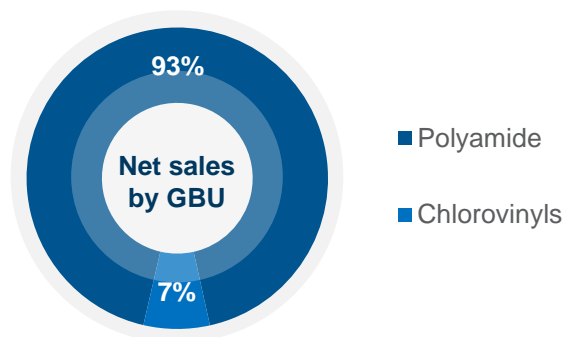
Functional Polymers

2014 figures

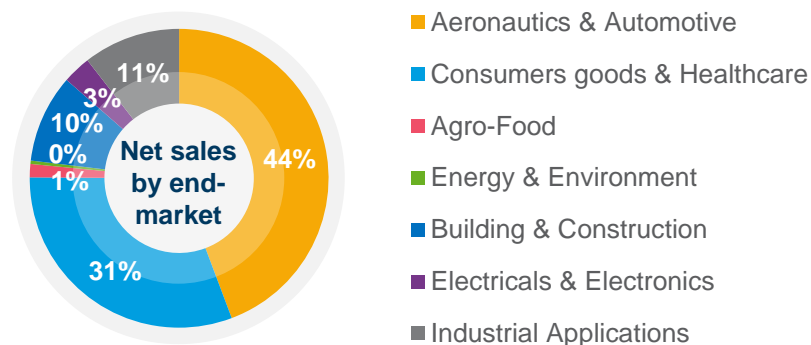
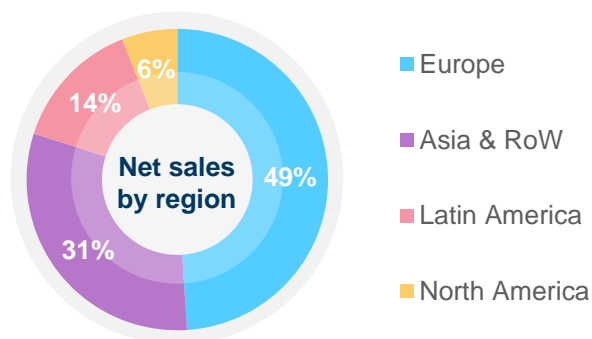
€ 1,654 m
Net Sales

€ 111 m
REBITDA

6.7%
Margin



The key success factor of this Segment, which primarily groups the Polyamide activities, is continuous manufacturing optimization. Solvay is one of few players to operate across the entire polyamide 6.6 chain.



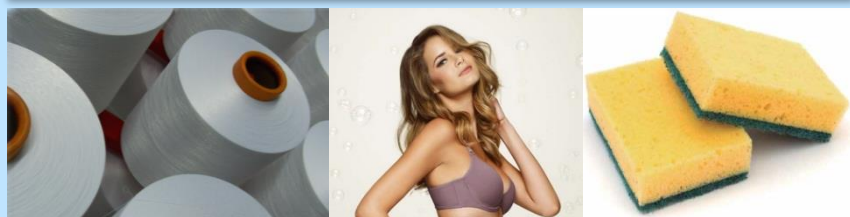
Polyamide

Integrated polyamide player

3 business units



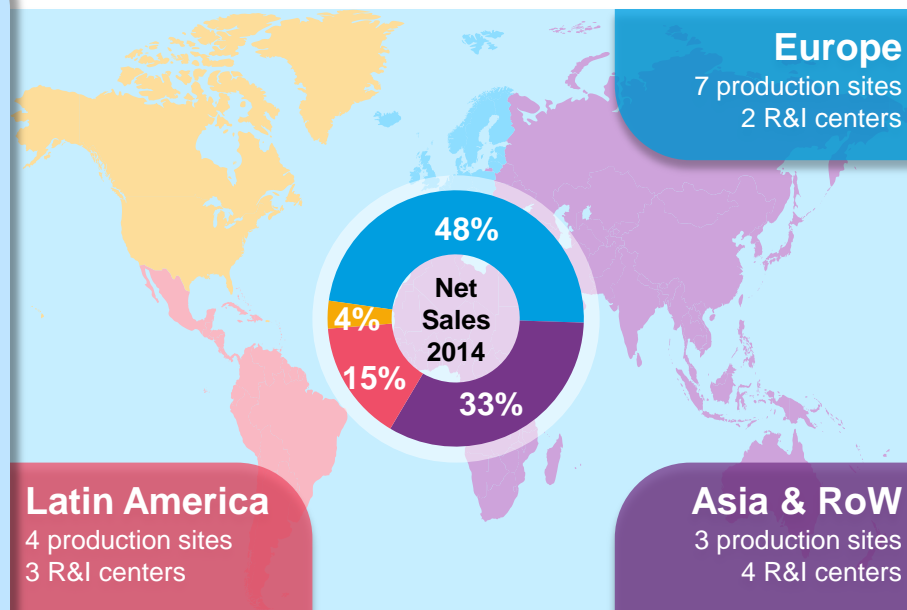
Polyamide & Intermediates



Fibras



Engineering Plastics



€ 1.5 bn
Net sales 2014



~ 3,600
employees

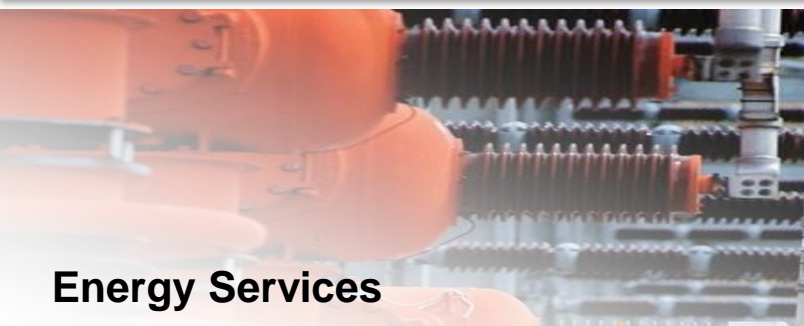


14 production sites
9 R&I centers

Corporate & Business Services

2014 figures

€ (188) m
REBITDA



This Segment includes the Solvay Energy Services business which delivers energy optimization programs both within the Group as well as for third parties. It also includes the corporate functions.

Executing a clear value creation strategy

**Towards a higher growth,
less cyclical
& greater returns
Chemical Group**



**Targeting Sustainable
Value Growth**





Si2

THE FIRST ROUND-THE-WORLD
SOLAR FLIGHT

MARCH 9 2015



SOLVAY
asking more from chemistry®