Thank you very much and thanks to everyone to join us for this Q3 results call. I'm here in Brussels with Karim and Maria. I will try to cover, as usually pretty quickly to leave enough space for the Q&A part, the main feature of these results. Clearly we see that we are presenting to you strong results today, which demonstrate that the transformation journey that we have started with Solvay a couple of years ago is indeed bearing fruit. We think that these Q3 results show some strong evidence of our ability to deliver. Good organic growth in the quarter based on pricing power underpinned by the various excellence initiatives that we have deployed and that will continue to deploy for the Company. We think also that the portfolio upgrade that we have done contributes to this performance, but clearly with the Cytec integration we will see a significant step change. And we think that portfolio will continue to be an important element of the transformation.

When it comes to Q3, the macro context is indeed more challenging than we expected at the beginning of the year. China growth is moderating, although
we've seen mostly an impact, up until now, on the automotive market. Brazil is still facing significant economic challenges. And low oil price, which weigh differently on some of our business, is overall creating a negative impact on Solvay. This being said, if my memory is correct, this is the sixth quarter in the last seven quarters, where we've delivered double-digit growth. And I think that in this environment this is indeed a good performance, which shows that we have today a portfolio which allow us to navigate through the various challenges that we see here and there.

Karim will go into more detail on the on our numbers, but just a few comments. Sales up 5 percent at EUR2.7 billion, driven by forex. Prices are flat and volume flattish. Prices are flat, but as you know, in an environment where raw materials are going down, which means that we've been able to manage our prices quite effectively. And indeed our pricing power helps us generate REBITDA at EUR520 million, up 14 percent versus the same quarter of last year. And if I look at the last nine months, we have generated a growth of REBITDA of 11.5 percent, so very much in line with our objectives to generate 10 percent REBITDA growth, on average for 2014-2016. REBITDA margin strengthened at 19 percent, so quite a good number in comparison with our peers. Looking at the drivers of performance, I have mentioned pricing power across segments. Overall net pricing impact in fact was EUR58 million positive in Q3; since the beginning of the year: EUR148 million. So clearly pricing power is a very important feature in the way we deliver our results. Especially higher Performance Chemicals and Functional Polymers, but in fact we see even from businesses which are currently challenged, in terms of volume and market environment, we see us being able to manage very effectively our margins. And this is linked to the various excellence initiatives that we have deployed for the Group, both to improve our cost position, but also to manage prices per se very effectively.

REBITDA was up, for example, 9 percent in the Performance Chemicals cluster, despite the challenges in the tow market. We doubled at Functional Polymers recurring profitability from what was a low base.

Something which is very important for us is innovation, especially visible this quarter and I should probably say this year, in our Advanced Materials cluster.
Volume up 8 percent, and it's not just one-quarter event: since the beginning of the year we've seen an 8 percent increase in volumes. REBITDA at 26 percent up versus last year. Margins up to 27 percent. Clearly our largest segment now posts a new record-breaking REBITDA in the quarter. And this is largely due to the ability to bring new, innovative solutions to our customers in market as diverse as smart devices and automotive. And clearly this segment will continue to play a very significant role in the growth story that Solvay is putting in place.

Excellence initiatives – I was mentioning this when we were talking pricing power – but we continue to see a strong contribution from excellence initiatives. In fact overall we are expecting a contribution in 2015 which will be similar to what we've seen last year: around EUR300 million, which is once again very much in line with our objective that we set of generating EUR800 million by 2016, linked to these excellence initiatives.

In terms of markets, the Company is probably well positioned, I should probably say well spread between geographies and end-markets.

Geographies, Asia Pacific today represents 35 percent of our sales year to date. We are continuing to see a slight increase in our exposure there, and again we continue see very significant opportunities in this region, despite the worries that some people have expressed regarding China. In China the most important impact that we have perceived is linked to the automotive industry. In the other business that we serve, we continue to see opportunities which will allow us to continue to develop our positions there. North America today is stable representing 23 percent of our sales. And Europe slightly reducing. Europe today represents 32 percent of Solvay's sales.

In terms of end market, we see also a situation where we have very good exposures to quite diverse number of markets. Smart devices and auto continue to be strong. I was mentioning the weakness of the Chinese auto market. This is compensated by the fact that Europe is doing well in terms of production. But probably even more important, we are continuing to gain market share in the auto segment, because they are continuing to replace
metals for light-weighting application. And this gives us a lot of opportunity in this segment. Healthcare, agro, consumer goods: satisfactory.

The significant challenges that we see today are in oil and gas and the acetate cable. Oil & gas, we continue to see a very volatile and difficult to predict market in North America. We've seen the North American “stimulation” market going down 60 percent year on year; very significant. “Production” market however is satisfactory, which is very much line with the comments that you would hear from other industry players. For Novecare our sales to the oil and gas market have reduced by 30 percent, so very significant. But we are trying to adjust to this situation by a combination of cost reduction, developing innovative solutions, which fits with the strong focus of our customers to improve their competitiveness and cost position. There's a feeling that as soon as the oil price will go up, people will be willing to restart stimulation, but they want to do it with the best possible solutions, which present them the most competitive production costs. And we are working very hard to meet these challenges. And we are also working on other opportunities outside this North America to diversify our exposure.

Acetow we are starting to see some improvements. The destocking is probably over when we look at the Western players. There's probably still a bit of inventories in the Chinese supply chain, but overall the situation which is becoming more favorable.

And just to end these comments on our performance, strong free cash flow generation, EUR188 million, almost entirely from continuing operations. We continue to focus very much on working capital discipline, making sure that we reduce the peaks, both the low-end and the high-end in terms of working capital, and making sure that, throughout the year, we can maintain a very satisfactory level of working capital. 2015 is a year of significant CapEx; we knew it. We are currently finalizing a number of projects. We have started our fluoroelastomer plant in China in the last month. We have also commissioned the largest bicarbonate plant in Thailand. And again these are just two out of nine projects which will start in 2015. And this explains the significant amount of CapEx that we've spent, both, in Q3 EUR223 million,
and if you look at the past nine months, we have spent EUR672 million in terms of CapEx.

Portfolio upgrade. And I will update you on Cytec. Clearly it's a major step change that we have announced in July. We are very excited about this project. By the way, you've seen the Cytec results published a few days ago, which confirm that indeed Cytec is doing very well in most of its markets and very much in line with the guidance and the expectations that they have shared at the beginning of the year.

The various regulatory approvals are moving according to our expectations. We have received already the clearance on the antitrust authorities in the US and Mexico. We are progressing very well on the various other clearances that we need. You've seen that Cytec has called for its shareholder meeting in late November. So our expectation to close this deal by year end is still what we expect to do.

We've been working very hard in the past few weeks to get ready for the integration. And, frankly speaking, it will be a very quick integration. We have already put in place a large integration management office. We have more than 200 people working to prepare for the integration. Our expectation is that on day 1 we will have already a clear view of the key elements of the organization. And we'll be moving very quickly to deliver on the synergies. And we will take advantage of the fact that in North America, where most of the synergies will be delivered, we can move much faster than in Europe. And our intention is indeed to make this integration a very quick and effective one.

We are also working on financing. You know that we have a bridge loan which has been secured, but we want to make sure that we can refinance it very, very quickly. We will work on the long-term debt financing end of November, early December. And then we'll make sure that the other component of the financing package can be put in place as quickly as possible. I remind you that as far as the equity is concerned, it's very important for us to have the support of Solvac, our reference shareholder. Solvac has announced
that it will take all their rights and that they will participate to the rights issue to the fullest extent of their current position within Solvay.

Frankly speaking, I think the integration will move very quickly. We are impressed by the quality of the Cytec team that we've met. And the Cytec top management is very supportive of this transaction and willing to make sure that the integration moves as quickly and as efficiently as possible. And our level of expectation regarding Cytec is probably even a bit higher today than it was when we announced the transaction back in July.

Maybe just a final word on this introduction, to say that portfolio improvement doesn't stop with Cytec. I think that in the next couple of years we'll see a few more significant portfolio projects, maybe more on the divestment side than the acquisition, as we will be working very hard to integrate Cytec. And, by the way, portfolio upgrade is also the result of some of the CapEx spending that we have done. The project regarding fluoro-polymers in China is a very good example of our willingness to strengthen our position in businesses that we consider as being the key growth engine for Solvay.

Well, sorry for this a bit long introduction, but I'm very pleased now to turn to Karim, to ask him to spend a bit more time with you on some of our numbers, to give you a bit more color and flavor on what we've achieved during this quarter.

Karim Hajjar: Jean-Pierre, thank you and good afternoon, everybody. What I'd like to do now is to refer to certain slides that are in the results presentation available on our website.

And I'll start with slide number 6 which shows, as usual, the evolution of our net sales and REBITDA quarter on quarter. The highlights I'd like to draw your attention to are as follows. One – fact – sales up 5 percent year on year to EUR2.7 billion. This is entirely attributable to foreign exchange, as you can see, and really reflects the appreciation of the dollar versus the euro. We're comparing $1.11 in Q3 this year to $1.33 in the same quarter last year.
You can see that overall volumes remained largely stable, which actually is an improvement over the first half of the year. What's important to note is that most of our activities showed growth. Some such as Specialty Polymers are very much positive outliers. And that progress had to compensate for the ongoing reduction in the oil & gas market, as Jean-Pierre mentioned, and clearly lower volumes in Acetow as well compared to last year. In short, the undertone on Acetow is that we're very encouraged to see some modest improvement sequentially in the volume in Q3 compared to the first half of this year as well.

Pricing, stable overall.

REBITDA, as Jean-Pierre said, is up 14 percent, and margins have expanded from 18 percent to 19 percent. The volume impact is a negative 3 percent and that really is a mix effect, and no more. What is particularly encouraging for us in terms of quality of the growth is the pricing power that we've alluded to. There are four factors I'd like to highlight.

One, we retain to the benefit resulting from lower raw materials prices. Two, pricing power across all operating segments, especially performance chemicals, were there contributing. Three, transactional ForEx positive EUR25 million, leading up to net pricing. Four, and by no means least, excellence programs really helping to reduce our variable costs, make us more efficient, and contributing EUR58 million. This is not the first quarter, and really shows the ongoing strength of the pricing power in Solvay.

Fixed costs are up, with new plants certainly, as Jean-Pierre mentioned. One – I'll refer to the totals in the moment – what is also worthy to note is the fact that inflationary cost pressures on our fixed costs are being compensated by continued strong delivery in operational excellence. And also the cost increase that you see there also the effect of a one-off negative of EUR7 million which is linked to the impairment of carbon emission rights in Brazil.

In summary, as I take a step back and look at these results, …, which is really the fact that highlights the quality of a diversified portfolio, combined with a
continued momentum, real strong delivery on the excellence programs, and that helps make progress despite the headwinds in oil & gas and acetate tow.

Now let me take you through some of the businesses on slide 7. Advanced Formulations, you won't be surprised to see a decline of 8 percent. And also you will welcome the fact that we maintain margins in a stable level at 15 percent. Now in the context of low oil prices and volatile prices, it's not a surprise the volume drop at Novecare did continue. It's not everywhere. So, for example, in the oil & gas “cementing”, “drilling” and “stimulation”, yes of course it fell. That's not new news. “Production” subsector demand is holding up quite well. There is some resilience. Good progress is being made in other parts of Novecare and also in other parts of our portfolio. For example, Aroma Performance really recovered very strongly compared to last year, albeit from a low base, because we did have the impacts of production issues last year. Coatis also progressed, helped by a most important foreign exchange impact.

Advanced Materials, 26 percent improvement. It's another consecutive record. Margins expanding 26 to 27 percent. Now that reflects continued strong demand, mainly in Specialty Polymers, in auto and in certain industrial applications, but of course as well in strong demand in smart devices. And we want to acknowledge the fact that order patterns for certain campaigns for smart devices can create an irregular pattern quarter on quarter. So we tend to look at this in terms of them selling in a longer continuum of time and do note strong continued progress, even in that space, which is very encouraging. Volumes in Silica and Special Chem up as well. Positive net pricing and ForEx helped to more than offset the higher fixed costs. Jean-Pierre talked about the new fluoroelastomer plant that we opened in China with Specialty Polymers. We also had the opening in Q2 of the greenfield silica plant in Poland. All of that will create value as we invest into future growth. But it does impact in the short-term fixed costs.

Performance Chemicals, REBITDA up 9 percent. Margins remained flat at 26 percent. Pricing power is the main contributor and it helped to more than offset the volume drop in Acetow. Pricing of Soda Ash and Peroxides was strong. Margins also improved in Emerging Biochemicals, particularly as
ethylene prices dropped in South East Asia, helping to improve our margins. The volume impact, you won't be surprised, was negative and it's largely because of the mix effect. And that reflects the volume drop that – I hope you won’t be surprised to heard of – was in Acetow compared to last year.

Functional Polymers more than doubled their REBITDA to EUR44 million and expanded their margins from 5 to 12 percent. And that again is primarily attributed to net pricing increases in our Polyamide business, particularly where some the benefits of lower raw material prices, we were able to be partially retain, for example in the Engineering Plastics business.

Finally in Corporate & Business Services net costs were EUR66 million compared to EUR50 million the same quarter last year. Corporate and functional costs were EUR3 million up and that really reflects two things; cost reductions very positive, inflation and foreign exchange. The split side of having a supportive impact of foreign exchange on our profit is a negative impact on our fixed costs. So net EUR3 million we view as very positive in these circumstances. Energy Services had a negative contribution compared to last year, reflecting both the impairment that I referred to of EUR7 million, and somewhat weaker markets in energy and carbon markets.

I'll now turn to the elements below the REBITDA line on slide 13. There are three particular matters I’d like to draw attention to. Firstly, other elements were EUR37 million negative and these relate to financial and foreign exchange impacts in the RusVinyl JV. Now what does that comprise? Essentially talking of EUR7 million of normal financial interest charges on the debt in the JV, but more importantly a EUR27 million foreign-exchange-related impact in the euro debt in that Russian ruble JV. And that really reflects a 15 percent devaluation in the ruble versus the euro. That is what has driven it. Secondly, non-recurring costs are up EUR31 million against last year, for one reason. Essentially, EUR32 million of non-cash contingent hedging costs in relation to the Cytec acquisition. Now what does that relate to? It relates to the fact that in announcing the deal to do Cytec, we tried and we did actually secure the dollar cost of acquisition on the equity that we are issuing in euros. So by going for a deal contingent forward, we pay a premium, but we absolutely lock down the euro cost to secure economics.
This becomes embedded with the price when we close the deal, but that's just non-cash for now. Finally, the contribution from discontinued operations was negative. In the third quarter we only have Indupa. And performance there was reflecting challenging market conditions in Latin America. May I remind you that last year we had the profits of Eco Services that we sold at the end of 2014. And we also had the results of the European chlorovinyl business which is now part of the INOVYN JV since the beginning of July, 2015. In short, these three factors all relate to portfolio. And this really is a consequence of the development and the transformation of the portfolio of the Group.

Moving on to cash, page 14. Cash is up and steady at EUR188 million. It's more than 50 percent higher than last year. Yes, strong working capital discipline. Our ratio of industrial working capital to sales was 15.6 percent in Q3. That's 0.7 percent better than last year. Looking ahead, as Jean-Pierre mentioned as well, I'm gonna confirm that we anticipate a smoother working capital profile at year-end compared to last year as well.

CapEx was up by EUR17 million compared to the third quarter. But it's worth taking note that, on a cumulative basis, the first three quarters, our year-to-date CapEx is EUR672 million. That's EUR130 million more than last year. About half of that increase is linked to dollar/euro foreign exchange impacts. CapEx levels are totally in line with our expectations. And we also confirm our expectation that, looking forward into 2016 and beyond, we do anticipate the reduction in CapEx intensity. Looking forward on cash, you will recall that last year we had an exceptionally strong Q4 in cash. Just for the continuing businesses, I remind you we had EUR542 million of free cash flow in Q4 2014. We also highlighted the fact that it benefited from exceptional performance, really strong performance in working capital, including the recovery of long-outstanding VAT receivables. If I take a step back and share with you, our view is the following. On an underlying basis, taking account of those exceptional factors, leaving aside the cash flows from discontinued businesses, Eco Services, etc., we expect our operating cash flow generation in this year to be largely flat against last year as a result of reinvesting higher operating profit into higher CapEx, roughly about EUR100 million more –
again FX is a big factor – and some working capital build to make sure we're there to meet the needs of our customers early into the year.

Other highlights on cash are essentially the elements on acquisitions and divestments of EUR8 million. Two factors. One, we did receive EUR150 million in cash on the set up of INOVYN, That became EUR110 million cash once we accounted a certain amount working capital adjustments. And there are non-cash deconsolidation effects that impacted net debt as well. We also reflect in those figures a payment for the acquisition of the minority interest in Solvin.

Net debt as a result of all those movements reduced from EUR1.6 billion to EUR1.5 billion.

And with this I hand you back to Jean-Pierre.

Jean-Pierre Clamadieu: Thank you very much, Karim, for this very comprehensive presentation. Maybe just a couple of comments to close this soft part of our meeting.

Outlook. First, looking back, we've been able to deliver a solid double-digit growth over the past nine months, 11.5 percent of REBITDA growth, despite significant adjustments in two of the markets that we serve. In Q4 we expect to see the usual seasonality, maybe slightly more pronounced than what we've seen in the past year because we think that some of our customers in the current environment will manage very carefully the end-of-year inventories, which are always a very important reference point for a lot of our customers in the various supply chains that we serve. But no breakthrough other than this slightly more important than usual seasonal adjustment. And this leads us to reconfirm our expectation of solid REBITDA growth for the full year 2015.

One last point regarding dividend. We have announced our interim dividend, as we usually do. EUR1.36 per share, it's 40 percent of 2014 total dividend, so this is just the application of the usual dividend policy at Solvay. Record date is January 20. Payment is January 21. Just to be very clear, this dividend will be served for each of the shares that will exist at the time of this record
date. As you know, we have announced a rights issue. It is very important for you to realize that the interim dividend will be paid for all existing shares at the time of the record date. However, if we do proceed with the rights issue to finance the acquisition of Cytec, which is our intention, we will adjust the total dividend payment regarding 2015 to reflect the distribution of rights, as it is customary for transactions of this type, so no surprises there. But the adjustment will take place when we will decide the amount of the full dividend. And this will be announced with our Q4 results.

So with that, I suggest we move to the Q&A part of this presentation.

Operator: Thank you. As a reminder, if you wish to ask a question, please press *1 on your telephone and wait for your name to be announced.

INVESTOR A: Hi, good afternoon. Two questions if I can. The first one is on Advanced Materials and mobile devices with almost 100 percent growth year on year. Within that, two questions. One, can you confirm that mobile devices is about 15 percent of Specialty Polymers? So I take it that just that got you close to the 8 percent volume growth for Advanced Materials. And the second question within that was my understanding is that last year, in Q3, you already benefited from product launches. And that therefore, on a year-on-year basis, the comparable was not that easy. So can you maybe tell us exactly what you mean by lumpiness of the new product launches? Is it that your customers this summer decided to give you the occurrence of six month of sales within one quarter and that, therefore, Q4 will be weaker? Or have we had more than just one product launch? I'm just struggling with this kind of growth on top of Q3.

And the second question was for Karim, just on the hybrid issue. Do you see any impact from the changes in – of this week, of what we've seen from S&P, looking again at the equity component? And do you think this could have an impact on your hybrid issue? Thank you.

Jean-Pierre Clamadieu: On the first question I might disappoint you a bit. I don't want to confirm the size of our position in smart devices. You will have, unfortunately, to make your own hypothesis. Second, yes, it's a market in
which product cycle has an importance. This being said, product launches, they tend to be similar year after year. So indeed the growth that we are seeing in our results, which is partially due to this market, but most of our markets in Advanced Materials are growing. This is linked to an increased market share, increased penetration that we've been able to achieve in this market.

And regarding Q4, there was nothing in my comment which related to a specific situation with this market. We expect, as I've said, a bit of a more pronounced seasonality this year because of the fact that some of our customers seem to be a bit more prudent. The environment is a little bit more volatile. But again nothing which was specifically linked to this market. And overall, again, in terms of seasonality of this market, there are very similar this year versus last year. So the improvement in our position there is really linked to an increased market penetration.

Karim Hajjar: And to your second point, Laurent, on the hybrid market, there is no major impact at all on us on that. What I would say, maybe just remind you that the hybrid market is somewhat more fragile, more volatile than the normal in that market. For example, as we see it, there was more volatility and price impact on hybrid markets when the VW, the Volkswagen issues, came to light then there is, for example, today as we see in the market with the S&P announcement. So that really isn't an impact, perhaps a slight impact on investor demand and pricing, but nothing significant to the issue.

INVESTOR A: And that wouldn't make you change the way you're financing the deal? You're not thinking a bit more of this, a bit less of that, or you're flagging disposals. Let's do the disposals first and then get …

Karim Hajjar: No, not at all. Fundamentally the structure that we've put in place is really focused on achieving two things: maintain investment grade and do so in a way that is most value accretive. The blend of senior debt hybrid and equity achieved exactly that and we don’t intend to vary from that.

Jean-Pierre Clamadieu: And frankly speaking, we follow very carefully, I would say, week after week, the cost of financing of this deal. And since the announcement we have not seen any material change. The interest rates going down
compensated some of the spreads slightly increasing in markets like hybrids. Overall, I would say financing costs, as we speak, are very, very similar to financing costs that we are expecting at the end of July.

Karim Hajjar: Absolutely.

INVESTOR A: Thank you.

Operator: Your next question comes from the line of INVESTOR B. Please ask your question.

Jean-Pierre Clamadieu: Bonjour.

INVESTOR B: Bonjour. Comment allez-vous? Two questions on my side, if I may. The first one is on Q4. So you are mentioning higher seasonality than last year. On the basis of what do you give that guidance? I'm very curious on inventory build-up from your customers. I understand that – in which particular countries or market segments or – I just want to have more color on that.

And the second one, it might sound like a tricky one, but knowing what you know today, and given that visibility actually decreases – that's what I hear from most of your peers actually – how confident are you to reach your 2016 objectives?

Jean-Pierre Clamadieu: Yes, the second one is probably a bit more tricky. But no, on seasonality, I just want to be specific but at the same time I don't want to create an issue on something which, in my view, is not an issue. We are usually seeing Q4 as being the lowest quarter of the year. So we've seen in the past, probably four, five years, a clear seasonal pattern. We think that this year it will be slightly more pronounced than it was last year. And the reason again – and it's not specific to any market or either geography or type of market – is that we see our customers being prudent and probably managing even more carefully than in earlier years, their inventory situation at year end. So that's the way I see things as we speak, but, frankly speaking, not a breakthrough versus the pattern we’ve usually seen but just a bit more pronounced seasonality.
On the 2016, frankly speaking, and taking into account all what we have, I don't see any reason for us to vary from the double-digit growth rate trajectory that we have signaled and which is, today, our reference for our performance until 2016. It's true that we depend on some macro elements, like foreign exchange for example. But overall, we see, with the new capacity that we've built in 2015 coming on line, with the increased penetration of our products in some markets, with the continuation of probably a very challenging oil & gas market in North America, with a bit of an improvement in the acetate tow market, when I add up all of these elements, I think that we are very much in this trajectory, although it's obviously a bit too early to give you a specific guidance for 2016. And by the way, the Group perimeter into 2016 will be a bit different from what it is today as we will include Cytec in our perimeter, very likely before year end.

INVESTOR B: OK. I was actually referring to the – thank you for the answer that you gave – But I was referring to the absolute figure that you're targeting, excluding Cytec of course, with actually the lower end being EUR2.3 billion at REBITDA level. I think that's a bit risky actually to give such objectives because we obviously focus on it. So double-digit growth, I agree with that. Can you also say that you're confident with the EUR2.3 billion, excluding Cytec of course?

Jean-Pierre Clamadieu: Again I don't want to give, I think it's not really the right time to give a specific guidance for next year. But I can repeat the comment that I've made. I think – our trajectory is really to be able to deliver double-digit growth year after year. I think we have done it last year. We have done it for the last nine months and we are really very confident that we'll repeat the performance in the new perimeter in 2016.

INVESTOR B: Which is already very nice. Thank you for the answer.

Operator: Your next question come comes from the line of INVESTOR C. Please ask your question.

INVESTOR C: Good afternoon, everybody. Thanks very much. I've got four hopefully quick questions. Firstly in Novecare, Jean-Pierre, what does the word satisfactory
mean for your oil production business? Are you starting to see any signs that production-related activity is just sort of coming off of the peak levels that we've been seeing?

Secondly, on Polyamide, I think that the cost saving program all completed at the end of last year. So what's the driver of the business performance at the moment? Is it something to do with the reinvigorated relationship with Invista or just market conditions? Or are you sort of extending your underlying efforts to improve profitability there?

And then two financial questions. One on – you talk a lot about industrial working capital, Karim, but the non-industrial working capital swings around violently and you've referred to it about the fourth quarter impact. Can you give us an idea of what you think the non-industrial working capital effect will be for the full year? And in that context when you talked about operating cash flow, free cash flow being flat year on year on an adjusted adjusted basis, what's the number that we're comparing that to? Is it the EUR511 million that you had for continuing operations last year. How should we think about that?

And the last thing I had was on the bridging finance. If you were to wait maybe for slightly more favorable financing conditions, both for the rights issue and the hybrid issue, what would be the sort of incremental cost of just running the bridging finance per quarter, please. Thank you.

Jean-Pierre Clamadieu: Thank you very much, Peter. So I'll take your first questions and Karim will take the last two. On Novecare satisfactory, sorry, but I think satisfactory means satisfactory. If you look at the overall numbers available regarding the North American oil & gas market, we see a situation where “production” continues at a very satisfactory level. I think we are just starting to see a bit of moderation in terms of “production”. On the contrary “exploration” and “stimulation” have decreased very significantly. So we continue to see a very good level of demand in the “production” segment and we continue to perform well in this segment. The reality is that at some point of time, the “production” will start to decrease if there is no further effort in “stimulation”. And I think that's the key question, but I don't have better answers than all of my colleagues from the oil service companies who have
made a comment on this subject in the past weeks. At this point of time, the operators in the US will have an important question to answer about their willingness to reinvest in “stimulation” or not. And I think there will be probably two components in their decisions. One is the oil price at the time they will make their decision. And the second is the ability to come up with more cost-effective solutions and on this part we are working very hard. I think we've made some progress both in the organization and the supply chain and with the technology we are making available to our customers to make sure that indeed they can improve their competitiveness when they will have to reconsider whether they want to prepare for future production on their wells. So again satisfactory means that we've performed very well up until now. But it's still a market where we should be prudent before making any comments looking forward. If my memory is correct, I think it's probably the CEO of Schlumberger or maybe the CEO of Halliburton who said a few days ago that he has never seen a market so volatile. So our view is that we need to adjust to this. It will come back, I don't have any question. And we want to be ready the day it will come back.

Polyamide – yes – I mean we have ended up our program, the program that we have announced a couple of years ago we ended it at the end of last year. But we are continuing our efforts. And the good performance of Polyamide is a combination of some of the elements that you've mentioned. We continue to work on cost, both fixed and variable costs. We continue to work on various optimizations with other players. And it's really a business where swaps for example, time swaps or vertical swaps could help improve our position. And indeed the market especially in Polyamide is reasonably good as we speak We see a level of demand which is fine. We see a level of production which is reasonably well aligned with demand. We are continuing to make progress on our downstream Engineering Plastics market in a context where Engineering Plastics is gaining space in the auto world. So all the team is focused on improving profitability and indeed this is visible in our results for the quarter, but it will be also very visible for the full year.

Karim Hajjar: On your two other questions, Peter, a couple of things. One is non-industrial working capital, you're right, can be quite lumpy, difficult to predict. It has factors such as taxes, custom duties, provisions, contingencies, even litigation.
And by their very nature, they don't have the same predictable association with business performance, seasonality, etc. We talked about the EUR511 million of free cash flow that we generated in 2014. Let me just start there and maybe remind you that we did highlight the outperformance, the very, very strong performance in working capital and VAT. If you want to talk EUR200 million for that on the outperformance, then essentially the underlying would be nearer to EUR300 million than EUR500 million. What we're saying is this year on an underlying basis, we expect to be in that zone and essentially it's driven by reinvesting high profits, after tax clearly, into higher working capital because we would be smoothing and really being ready to tackle in the beginning of next year the capacity to respond to customers as well as the higher CapEx. That is the nature of the profile we anticipate.

On the bridge, a couple of things. One is there is commercial confidentiality issues, so I won't give you the specifics. I'll just remind you of a couple of things. One, it's a standback facility. Typically, one does not plan on using it. It's available for two years. If we were to draw it – it's completely within our rights to do so – it's very low cost. It’s short-term financing: much cheaper in terms of basis points than senior debt. But that's not the point because it's about risk, it's about making sure I have a prudent robust balance sheet. And as I said it's there as a standback facility and not anything else. There is a step-up mechanism if we were to draw it down on a quarterly or six monthly basis to ensure that we become economically motivated to draw down the finance, the permanent financing, should we need to. But it's really important to have that bridge finance because it does mean we're not compelled to go to the market if conditions aren't exactly the way we would want them to be. So it's really good to have that, but the intention and the plan is not to draw that down.

INVESTOR C: OK, thank you. And just to go back to that free cash flow number that we're referring to so around EUR300 million that compares with the – at the 9 months level that was about EUR13 million, if I'm right – so we should be looking for around about EUR300 million of positive free cash flow in the fourth quarter?

Karim Hajjar: The math you described makes sense.
INVESTOR C: Thank you very much indeed.

Karim Hajjar: Thank you.

Jean-Pierre Clamadieu: Next question.

Operator: Your next come comes from the line of INVESTOR D. Please ask your question.

INVESTOR D: Yes, hello. Good afternoon. Two questions from me. First on Silica, can you elaborate on the pricing conditions and also the outlook for pricing you see in that market? And then also on the demand side, Europe has performed relatively well there. Are you short of capacity that the new Polish plants will fill? In other words how quickly do you expect for example that 85,000 tonnes plant to be fully filled? That is on Silica.

On Aroma Performance, can you maybe explain the regional trends for that business? And also to what extent was there really underlying growth in the quarter or to what extent was it just catching up from very easy comps? Thank you.

Jean-Pierre Clamadieu: On Silica, I'm sorry, the answer is very simple. For price, we have a long term contracts with – when I say long-term, multi-year contracts – with pricing structure into them. It's really a business where we have significant visibility on our margin and then the variation is linked to contract renegotiation. But short term a very satisfactory situation and, frankly speaking, even through the contract renegotiations I think that we are well positioned in this market where we have a strong leadership position. So not a lot of worries on pricing in Silica. Capacity, yes indeed we are very tight. You know probably that it took us a bit more time than expected to bring the Polish capacity online. We are currently doing the product approval. It's an industry where it takes a long time to approve new products coming from a new plant. But the capacity will fill up very, very quickly. And in fact we are already thinking of the next capacity expansion, probably in Asia. And in terms of regional trend, I think the only meaningful element is a bit of a slowdown in Asia which is due to the current situation of the automotive
industry in China. But overall, a solid performance. Energy-efficient tires are continuing to gain shares in the various regions where they are not already a standard. In Europe, almost all tires now are energy efficient, but in North America and Asia there are significant opportunities and we continue to see nice growth.

Aroma Performance, probably the only meaningful element that I have in mind is that we've seen a bit of a slowdown in China, which is something which is not really material, and nothing in comparison with what we see for example in the automotive industry. But overall good performance with Aroma Performance.

INVESTOR D: OK, thank you.

Operator: Your next come comes from the line of INVESTOR E. Please ask your question.

INVESTOR E: Thank you very much. One question if I may just following up from earlier question. Are we to interpret what you said around the Advanced Materials margin that the step-up is – that we've seen in margins this quarter – is partly to do with trading conditions and we shouldn't be assuming a sustained level of margin improvement into 2016? Or is that we can assume that there is a sustained margin improvement into 2016? Thank you.

Jean-Pierre Clamadieu: Yes, I think that the margin improvement that we've seen is the result of our increased penetration and the result of innovation being brought successfully to the market. Now it's – we've not seen any – it's not a huge improvement overall. So there's always a bit of mix effect here and there and I won't promise you that margins will stay exactly where they are from one quarter to the next. But overall it's a business where we're increasing our penetration. It's a business where we are coming with innovation and innovation comes at a price and our customers are ready to pay today this level of prices for this innovation. So very optimistic about both the volume growth opportunities and the margins that we see in our business. Maybe one last thing you need to keep in mind is the effect of the Ryton acquisition. And, yes, Ryton is a business which – this acquisition which is going very
well, by the way. Integration was very easy and we are making progress on one of the technical issues that was left to solve when we acquired the business from Chevron Phillips, which was linked to a new technology that they were putting in place in the plant and they had significant difficulties. So we are progressing very well in solving these difficulties and this will also have an effect, positive effect I mean, in terms of margins. So positive expectations for this cluster for next year.

INVESTOR E: Thank you very much.

Operator: Your next come comes from the line of INVESTOR F. Please ask your question.

INVESTOR F: Yes, good afternoon. I've got three questions. The first one is on polyamide 66. I was just wondering how much of your increase in REBITDA was due to the force majeure at one of your competitors.

The second question is on RusVinyl. Could you give us an indication where you stand in terms of profitability, so on an underlying level?

And then finally is on the portfolio upgrade that you spoke about. I assume that still includes potential disposals. So can you tell us how you look at the market given the recent volatility in end market demand as well as the volatility that we've seen on the stock market? I know that is not fully reflected for all the assets that you have but how does the market look as a potential seller of assets? Thanks.

Jean-Pierre Clamadieu: Well, Polyamide, yes, I've read or I know that one of our competitor is facing a bit of difficulty. But the effect of this, which is likely to be positive as usual in such situation is yet to come. So it's not – it has not impacted Q3, but it will have a slight positive effect in Q4.

RusVinyl I don't want to be too specific but high operational profitability on this business. It confirms that indeed we have a plant which is probably the most efficient such plant in the world in terms of technology and we have very good access to – we have very competitive access to raw material and energy.
So overall very strong REBITDA margin at the operational level. I don't think we can be more specific on RusVinyl.

Regarding the portfolio, yes, my comment is that there are still things to come. We don't want to rush, but at the same time we think that we need to focus on some of these opportunities. I mentioned that we expect to be able to see some, let's say, action or impact in the next two years. So for us it's something on which we need to work. I don't want to be specific on the assets. Am I worried by the current situation? Frankly speaking, no. I mean, yes, we've seen volatility in the equity market. We've seen also some volatility in the debt market which could have an impact for some potential acquirer. But I really think that the opportunity or the ability we have to make transactions which are reasonable for our shareholders and value accretive has not diminished. So we will continue to work in the direction of an improvement in the quality of our portfolio without any pressure to do things quickly because as Karim has mentioned we will have a financing in place for the Cytec acquisition without the need to make divestiture. But continuing to transform the portfolio is clearly one of our strategic objectives and we will be attentive to deliver on this also in the next couple of years.

INVESTOR F: Thank you, Jean-Pierre. Can I just follow up on the Polyamide question? To my knowledge the force majeure, this has lasted from the end of June until the end of September. So …

Jean-Pierre Clamadieu: So I was not thinking of this one, sorry.

INVESTOR F: So yes, that was my question indeed. Why would there be an impact then on Q4, but?

Jean-Pierre Clamadieu: I was thinking of a different event. Now I have some doubts whether it was public or not, the other event I had in mind. But yes, one of our competitors is facing challenges. It could have a slight positive impact in Q4. Sorry for the misunderstanding. So yes, what happened in the event that you suggested had a marginal impact in our Q3 results, but very marginal.

INVESTOR F: OK, thank you.
Operator: Your next question comes from the line of INVESTOR G. Please ask your question.

INVESTOR G: Yes, thank you. Thank you so much. I have a couple of questions. First of all, could you just help us to understand the volume dynamic in Performance Chemicals? Because your comment around volume in Soda Ash and Peroxides leads to sort of flattish and I'm sort of guessing that Acetow year on year is still negative. So is it fair to then conclude that all the volume growth that we're seeing in that division is coming from Emerging Biochemicals? That's the first question.

The second question is really on Cytec. You referred to sort of getting the US antitrust approvals. Can you just update us in terms of, you know, where are you or how comfortable are you once you acquire this asset in terms of some of the defense business that Cytec has? Whether you will be able to continue this business and whether you're very confident on that? That's my second question.

My third question really is just relating to your improvement on portfolio comment. How should we think about this in terms of CFROI in two years time? I mean, are you still confident that with Cytec, and if you divest some of these businesses that you think you want to, you will still materially improve CFROI over the next couple of years? Thank you.

Jean-Pierre Clamadieu: The volume dynamic on Performance Chemicals in reality, I think the – you rightly commented on the big trends. In fact, the improvement we've seen on volume are probably more linked to Soda Ash and Peroxides. I think in his comments Karim mentioned flattish which – flattish to slightly positive. And at the end of the day these are the two – these are the two businesses where we see some volume improvement. It's especially the case for Peroxides which has been doing quite well in terms of finding new opportunities for our product. And yes, indeed Acetow was, we still see versus the same quarter of last year, a significant impact in terms of volume, although the situation is starting to normalize. Emerging Biochemicals is also contributing to the growth of this segment.
Cytec, we are very confident on the approval. As I've said, we got the [anti-trust] approval in the US some weeks ago. We are expecting to have the European approval by early December and this should conclude as a number of other countries, but we think that Europe is likely to be the last country to give its approval. We have an approval which is linked to the specific nature of the Cytec business, which is called CFIUS. We expect this also to – the review period in fact ends also early December. So our view is that we should have we should have all the regulatory approvals early December. That's why I'm confident that we should be able to close during the month of December. Frankly speaking, no issue with the defense business. If you look at for example the largest defense contract for Cytec is the F45. It's a plane that's being sold in various regions including Europe. And in fact, I probably think that the fact that it will become a European-owned or European-headquartered owner of this business probably helps to demonstrate that indeed – indeed, the supply chain which is used to produce this equipment is indeed a very global supply chain. So we don't see any reluctance to work with Cytec under a different ownership. And on the contrary, there's clearly, with it's use on the civil airplane side of the business, but also on the military, there's a willingness to make sure that the supply chain which supports these types of production is becoming even more global. And our position will probably help diversify production facilities around the world.

CFROI, Karim, are you ready to give a guidance for two years ahead?

Karim Hajjar: Can I maybe just take Jai's question and answer it even more broadly than your question which is value creation in Solvay and remind you that we look at it as a three – there are three factors we need to really drive and it's a balanced scorecard. One is earnings, earnings growth, earnings margins. Absolutely expect that to improve. Cash conversion, absolutely resolved to take that to the next level. The returns aspect which when CFROI comes in is the other aspect, and that's where I would say, clearly Cytec as we have indicated will moderate the evolution short-term. Mid-term, absolutely not. The other aspect is some of the portfolio transformation. Of course, if we were to monetize some businesses that have a very low CFROI drag on the Group that will have a big positive. But it's not impossible to also monetize, for value, businesses that have high CFROI. What I can say to you is this. It
won't be a one year, six month trajectory, or even two years. But absolutely, this is a portfolio transformation. It's an industrial transformation. It could take five years. We started three years ago, we're midway through. There is a lot more to be done there. I do expect an improvement in the CFROI and the returns component. But we're looking at it much more holistically, earnings, cash and returns; and all three will be fine on all cylinders over time.

INVESTOR G: Can I just ask a small follow-up on Soda Ash? I know it's maybe too early, but could you give us some color on pricing negotiations or how do you see pricing in 2016 because this is clearly a winner for you this year versus the raw materials dynamic. So just some color would be very helpful. Thank you.

Jean-Pierre Clamadieu: No, I would be prudent, we are in the middle of this negotiation and probably sharing too much data with you could damage a bit our position. No, we are very attentive on this negotiation. I think the fundamentals are overall good regarding this negotiation. But it's certainly too early to share comments with you.

INVESTOR G: OK, thank you.

Jean-Pierre Clamadieu: OK, maybe it's probably time to take the last or the last two questions, so depending on the length. So let's move on to the next question.

Operator: Your next come comes from the line of INVESTOR H. Please ask your question.

INVESTOR H: Thank you. Two questions. Firstly, on the variable costs, which decreased by EUR55 million in Q3. How much of that is temporary, meaning we have inflow profits from lower raw material costs, and how much is due to the efficiency gains on the back of your excellence programs?

And the second is on pricing. In Advanced Materials, pricing is up by 1 percent in Q3, while it was flattish in Q2. And in Advanced Formulations, the price decrease actually in Q3 softened versus Q2. So that means in both segments sequentially prices appear to be up. And this in a current deflationary scenario, and although you have these long-term price contracts
for example, in Silica. So can you help me to understand for that development?

Jean-Pierre Clamadieu: Well, on the second question, I will let Karim try to address the first one, asset timing. You're asking a level of precision in the answer which is not always directly available. But on pricing when I say long-term contract, long-term pricing these prices especially in the case of Silica includes deflators. In Silica we have a pricing formula which takes into account the cost of energy which is the most important input in Silica production. So it's a little bit difficult to make the analysis that you are developing. We see a very satisfactory pricing situation in this segment across the board. Knowing that it's really a business which is in the value creation zone, I should say very well in the value creation zone. And then the challenge for us is clearly for this business to increase our penetration and to generate growth. So it's not a business – we have other segments where the priority is pricing above everything. This is not the case in Advanced Materials because we think that margins are very satisfactory, that return on capital, CFROI in this segment is much higher than our cost of capital. And then the challenge for us is to generate growth opportunities.

Karim Hajjar: Variable costs – that’s, I admit, quite a tough one – but let me give you orders of magnitude. The primary two factors you sort of mentioned, one is foreign exchange has been supportive and so the transaction impact and operation excellence. Operational excellence I remind you is much more broad than just variable costs but there's very determined focus on that as well. They're the primary two. A distant third factor is the lower energy cost, lower oil price. That's a lot less significant. Your question is how sustainable is it, if I understood it right. And genuinely, I can't speak for ForEx, obviously we're not going to bank on that as sustainable. Same with the oil price, it's been up and down. The operational excellence absolutely confident we are able to maintain momentum. The real question is, to what extent are we confident we can continue to retain that margin in a competitive environment. So far we've demonstrated that delivery. But every day we have to win competitiveness to do that. So we are confident.
Jean-Pierre Clamadieu: Thank you very much, Karim. Now for the last, the next and last question.

Operator: Your final question comes from the line of INVESTOR I. Please ask your question.

INVESTOR I: Yes, good morning, or afternoon. Just two questions. The first one, you've always made it clearly actually since you announced Cytec, that you didn't feel under pressure to do disposals. Obviously before that you were saying people had been knocking on the door. Clearly you're probably talking to people I guess on some things. But just an update on Indupa with the Latin American situation. I presume you're still hoping that is on track.

And then the second thing is looking at the Acetow business. You make it quite clear sequentially the volumes have improved significantly, but still looking at the numbers, they still seem to be down double digit. How do you see that market developing in the next year? I know you said it'd be probably better, but how it feels on the ground at the moment. Thank you.

Jean-Pierre Clamadieu: OK. On Indupa, things are moving according to plan. I mean we started a new process in the beginning of this year or probably at the end of Q1 this year after the rejection of the previous deal by the Brazilian antitrust authorities. So the process is moving on. We have interested parties. The management presentation took place. We are at the point where we are about to receive the final offer so things are moving according to plan. I won't commit myself to a specific date for the announcement of the deal, it's too early. But it's moving as best that we can expect, in an environment that is a bit complex. I remind you that these assets are in Argentina and Brazil, in both cases, countries which are facing a bit of a challenging overall economic and political situation, so not a piece of cake. But the process is moving well with quality parties interested in the assets.

On Acetow, our view is very much in the line of what I've commented earlier on. We see a situation where volumes are normalizing. I think you probably heard converging comments coming from the players in this market saying that they think that the destocking with the large Western players is behind us.
There's probably still some volume in the Chinese supply chain, but we are – our exposure to China is rather limited, so we're probably not the best people to make this type of comments. We've started to see and we expect to continue to see volumes improving over the course of 2016. So yes, we think that this business should come back to a very satisfactory level of performance. You've seen also various – you've heard various announcements of players in this market adjusting capacities. So it's a market in which players are willing to make sure they can serve as best as possible their customers, but without extra capacity available.

So with that, let me just make a couple of very simple remarks to end up this call. First I think that up until now we have delivered a strong performance throughout the year, with very clear drivers. Innovation, ability to gain market share, self-help measure, the excellence initiatives are continuing to pay out, and obviously we've benefited from supportive foreign exchange.

We are very committed at Solvay to continue to improve quality of our portfolio. Cytec is a major step change and I have heard comments here and there of people saying that this is a risky acquisition. Frankly speaking, my level of enthusiasm is still very, very high on this project. I think we are moving very quickly on the integration. We feel a real willingness from the other side to make this integration as quick and as effective as possible and to make sure that the synergies we've committed to will be not only delivered but, I think, probably exceeded, especially when it comes to top line synergies where we see a lot of opportunities that we had not identified when we started this project.

Portfolio improvement doesn't stop with Cytec. I think there's probably a couple of projects that we need to execute within the next couple of years to continue to improve the quality of our portfolio. And yes, indeed I think that we'll continue on a growth trajectory in the next years. We have invested significantly within the current Solvay perimeter in new capacity which are coming on line more or less as we speak. This will fuel the growth for 2016. We see Cytec coming in with also very significant growth opportunities.
So overall I think that Solvay will be in a very good position to continue to generate solid growth, not only in Q4, but for the next following years. Transformation has been a very important element in Solvay's strategy. Transformation has delivered and is delivering, but transformation will continue in the next few years. And there is a strong willingness from the management team of Solvay to make sure that we become indeed a company with a very, very high quality portfolio very much focused on innovation and having the ability to increase the returns to our shareholders.

With that I thank you very much. I remind you that we have an extraordinary shareholder meeting on November 17 which will vote on giving the Board of Directors the authorization to proceed with the rights issue in connection with the Cytec acquisition. November 24 Cytec shareholders will vote on the transaction and we'll see each other in February 2016. I was looking for the exact date, February 25, I think for the full-year results of Solvay. Thank you very much and have a very good day.

Operator: That does conclude our conference for today. Thank you for participating. You may all disconnect.