Converting our vision into value

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Converting our vision into value

Levers

Operational & commercial excellence

Portfolio strategic management

More selective investments

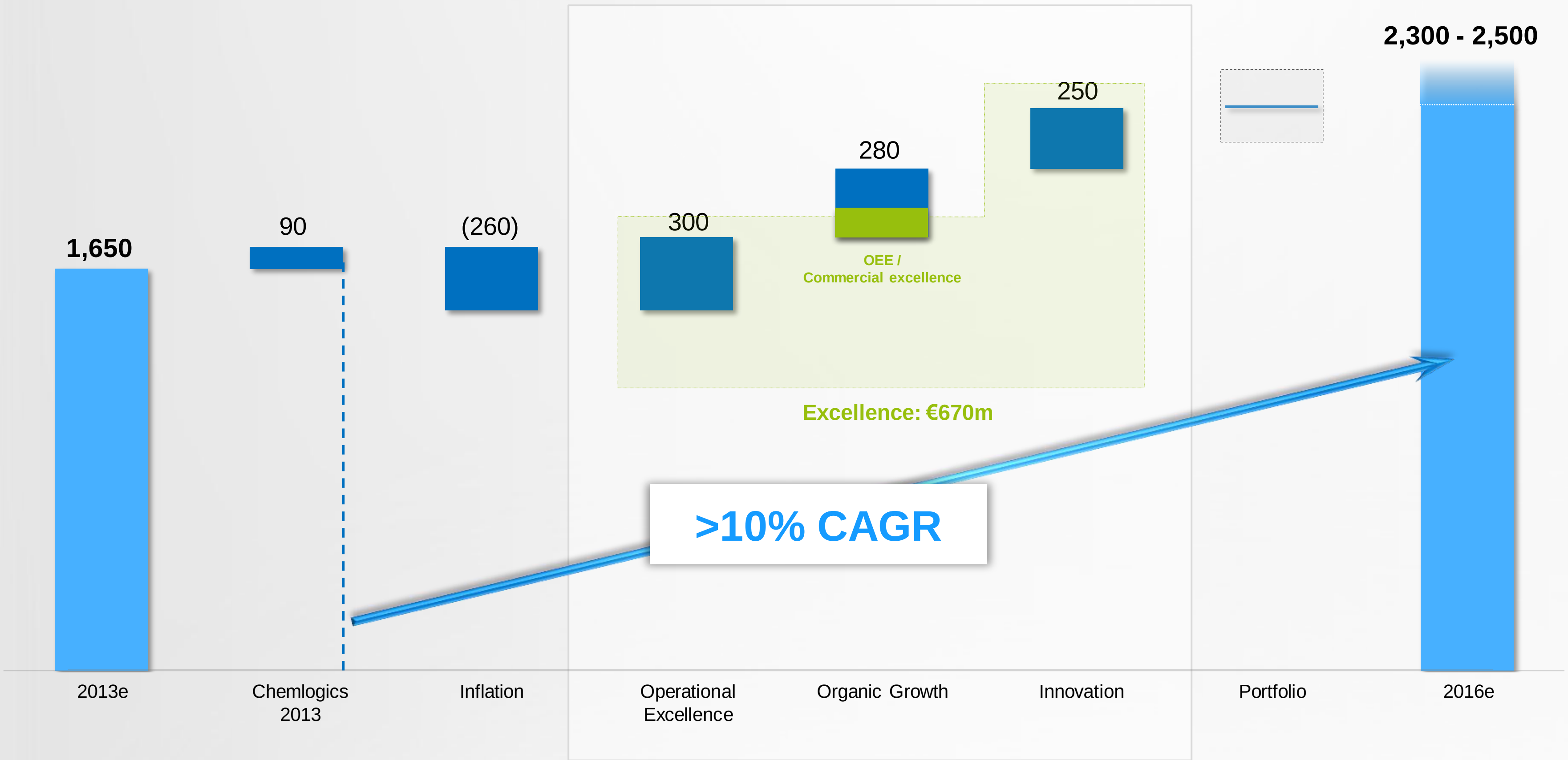
Robust financial framework

Targets BY 2016

- REBITDA to reach **€ 2.3bn- € 2.5bn**
- CFROI to increase by **over 100 bp** vs 2013
- **Two-thirds** of our business assets in **value creation** zone

REBITDA expansion outperforming market growth

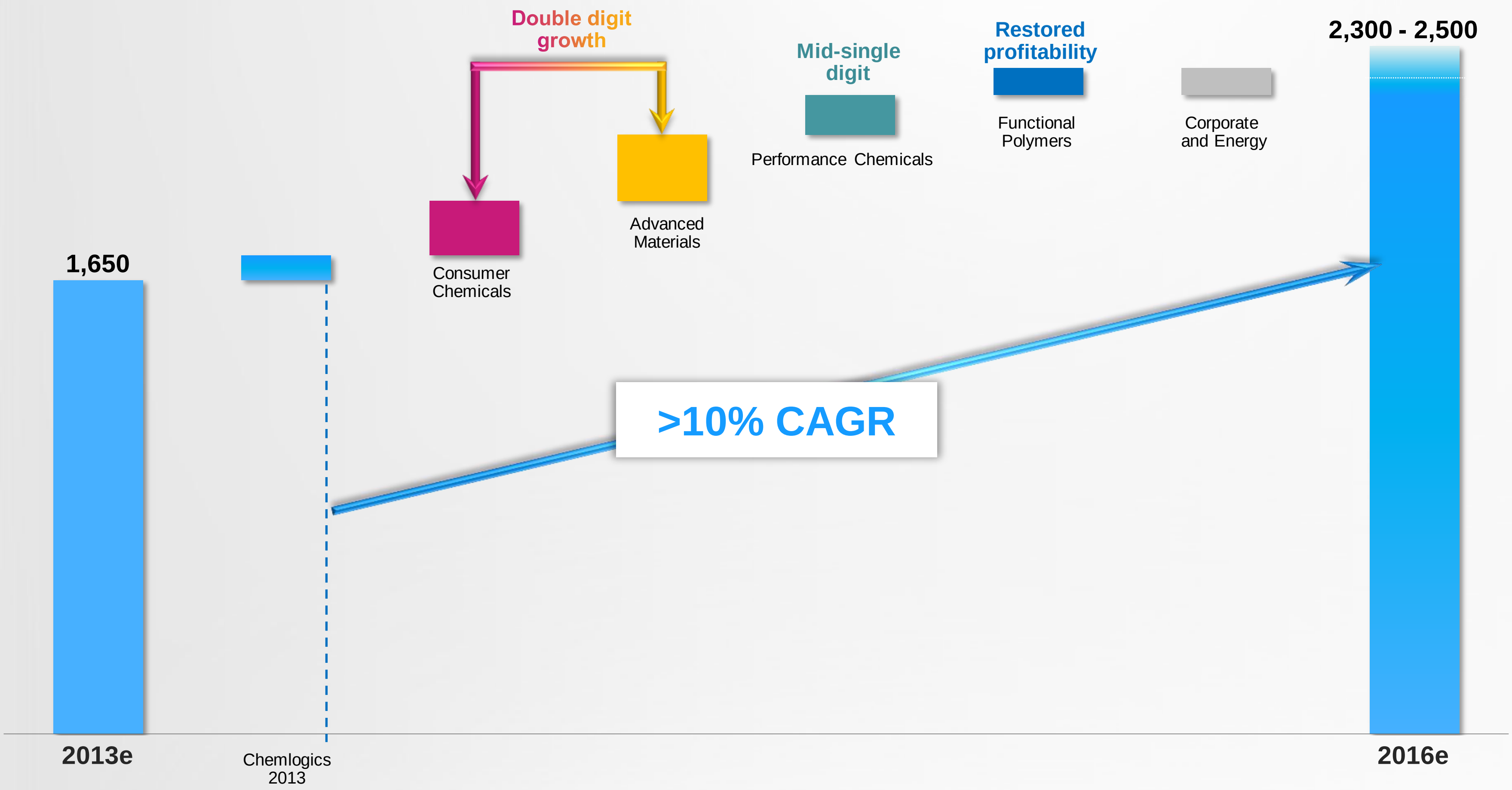
REBITDA in mEUR



At constant scope

Enhanced quality of earnings across segments

REBITDA in mEUR



At constant scope

Earnings quality and earnings growth combined with margin expansion

REBITDA breakdown by operating segment*

% represent Operating Segments REBITDA margin

REBITDA margin in the top quartile of peer group

** Excluding Corporate and Business Services*

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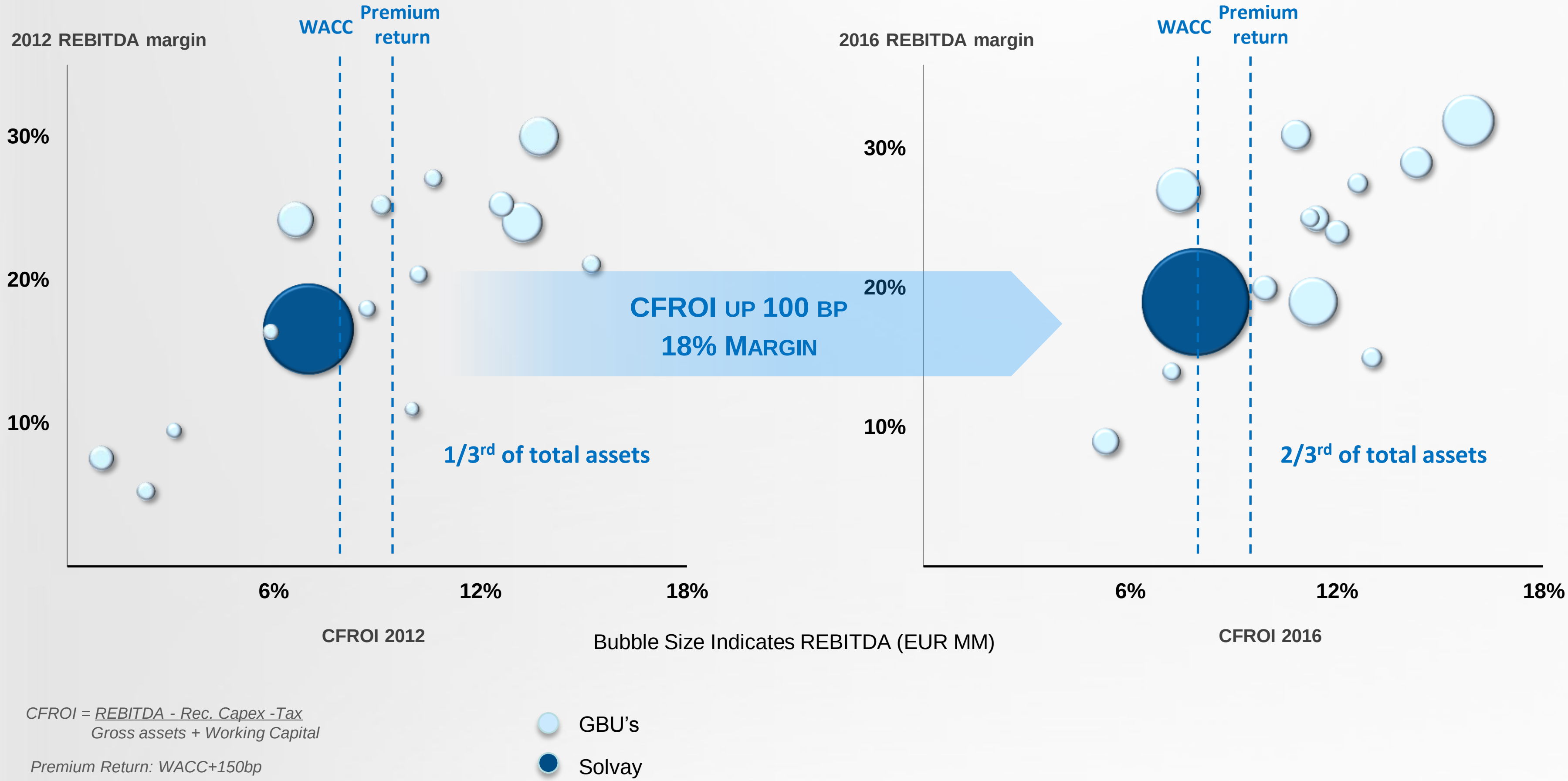
Unlocking our value

CFROI vs. REBITDA margin



CFROI = REBITDA - Rec. Capex -Tax / Gross assets + Working Capital

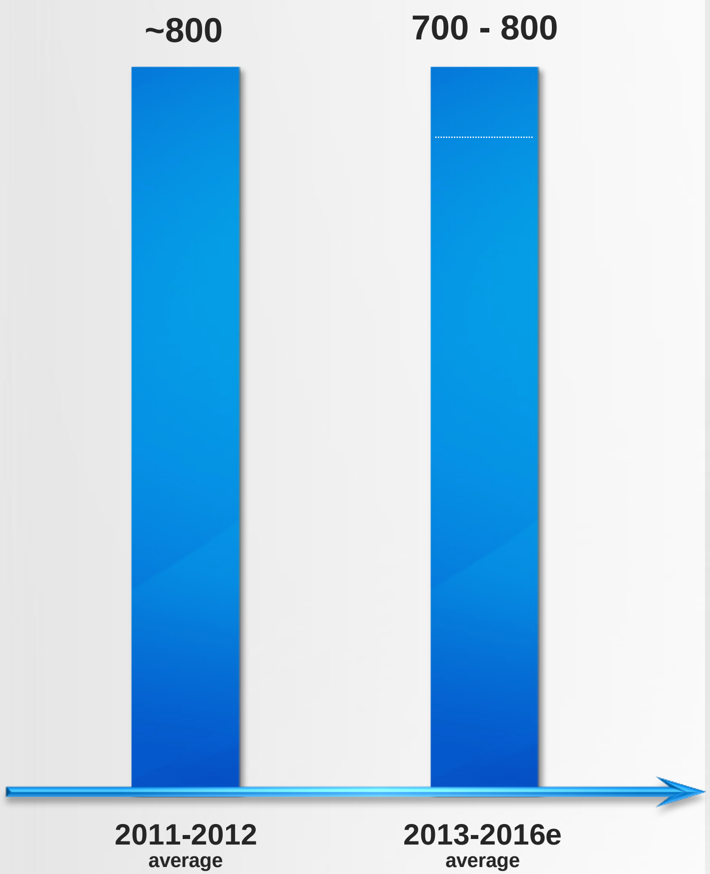
Premium Return: WACC+150bp

Balanced cash allocation

From	To
More profit	Strategic coherence Returns Risk **Investing for value**
Efficient balance sheet	Affordability Timing
Portfolio management	**Rewarding Stakeholders** Sustainability

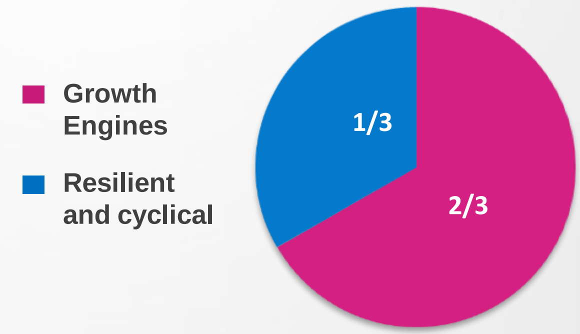
Disciplined capital investment

Capex in € million

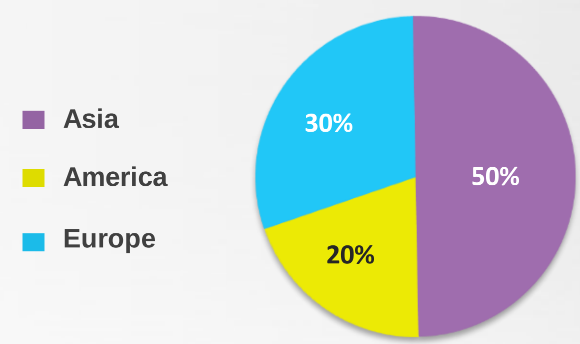


- Capital discipline
- Strategic coherence
- IRR ≥ 15%
- Timing

2013-2016 Total Capex

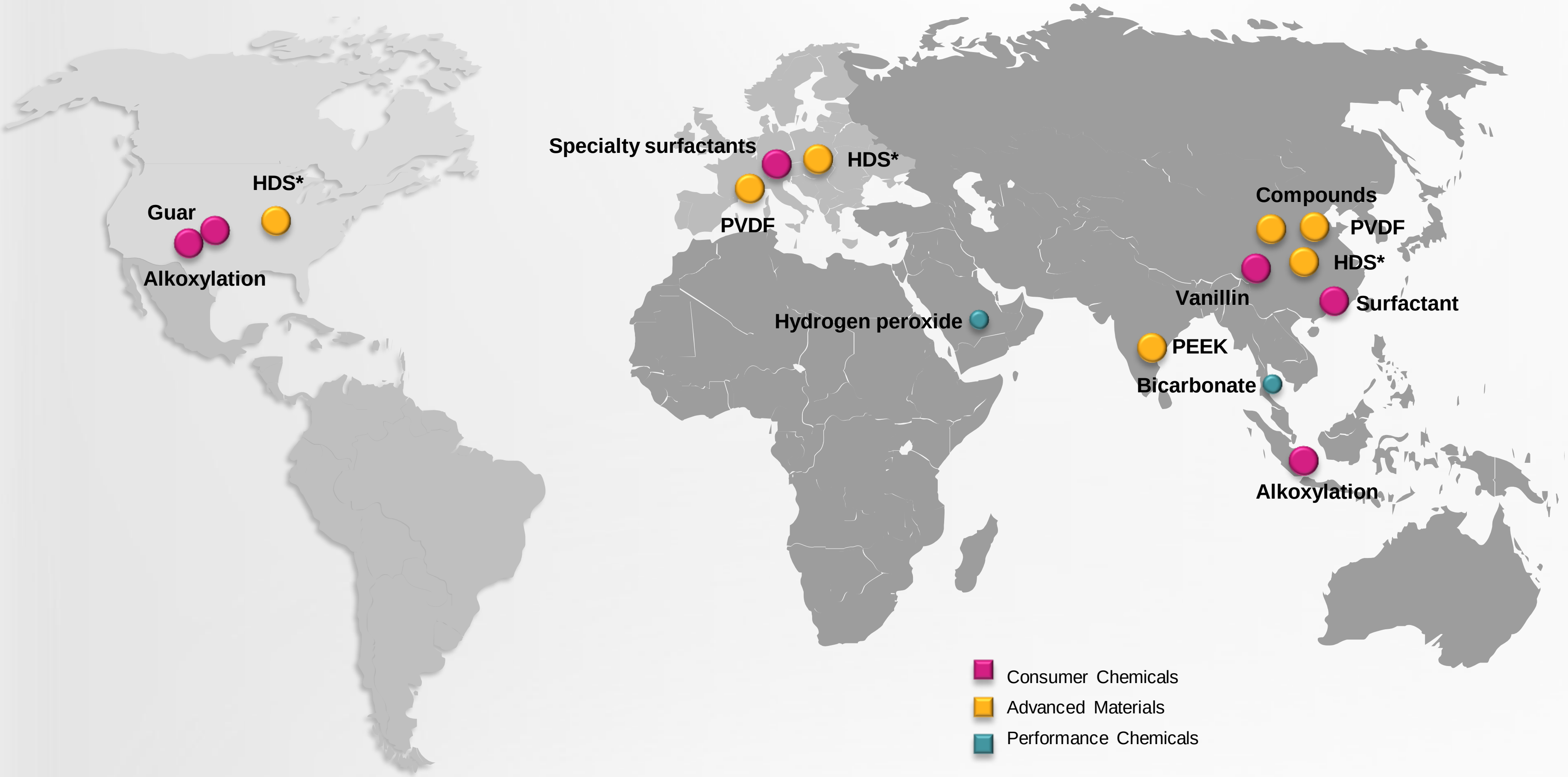


2013-2016 Growth Capex



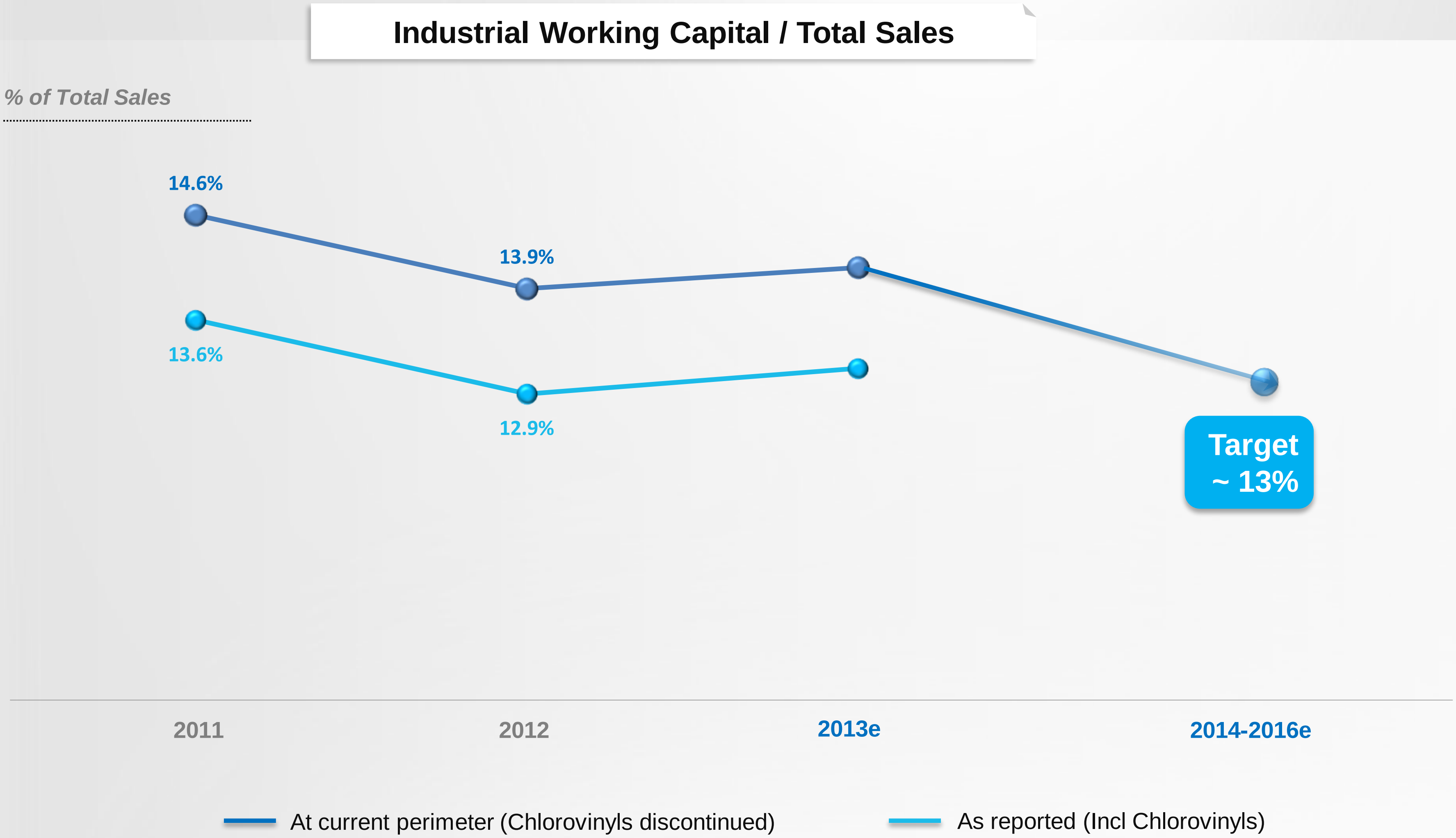
Focused investments for value growth

Continued focus on returns



** HDS: High Dispersible Silica*

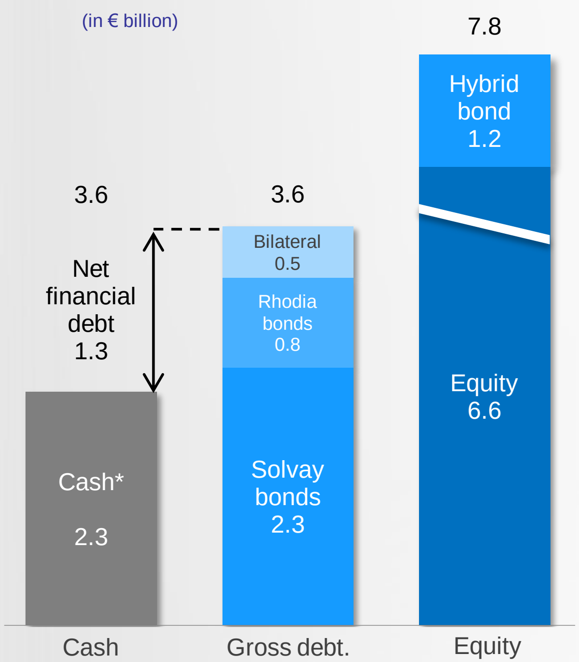
Maintain best-in-class working capital



A sound platform for growth

September 2013 figures (Proforma Hybrid and Chemlogics)

Capital Structure



Hybrid bond, IFRS treatment
- **Coupon as dividend**
- **Funds as Equity**

Ratios strengthened

	Solvay prior to Hybrid bond	Solvay + Chemlogics + Hybrid bond
Gearing (Net Debt/Equity)	22%	17%
Including pensions:	63%	54%
Leverage (Net Debt/REBITDA)	0.87x	0.76x
Including pensions:	2.44x	2.31x

Current ratings

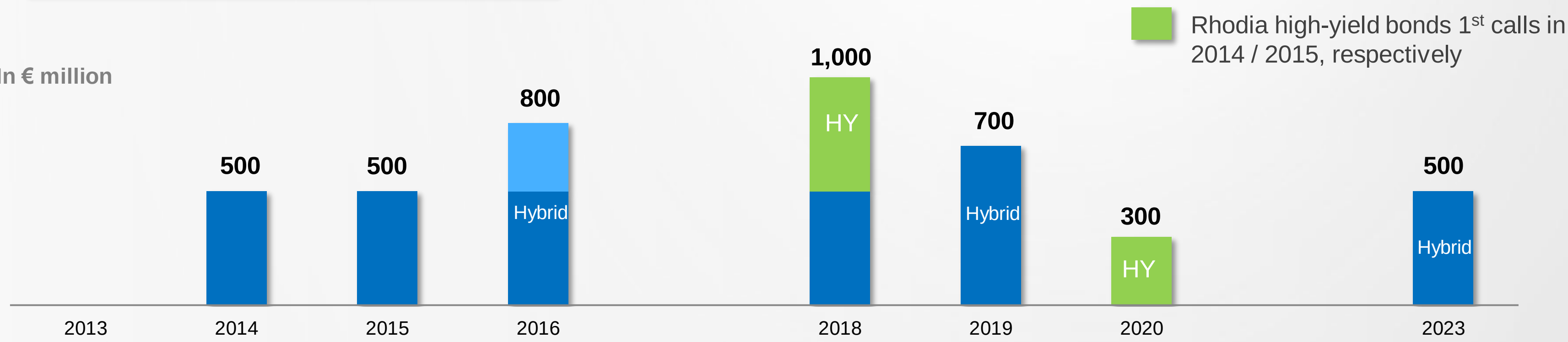
S&P	Moody's
BBB+	**Baa1**
Stable outlook	Negative outlook

* Cash and cash equivalents

Actively managing our capital structure

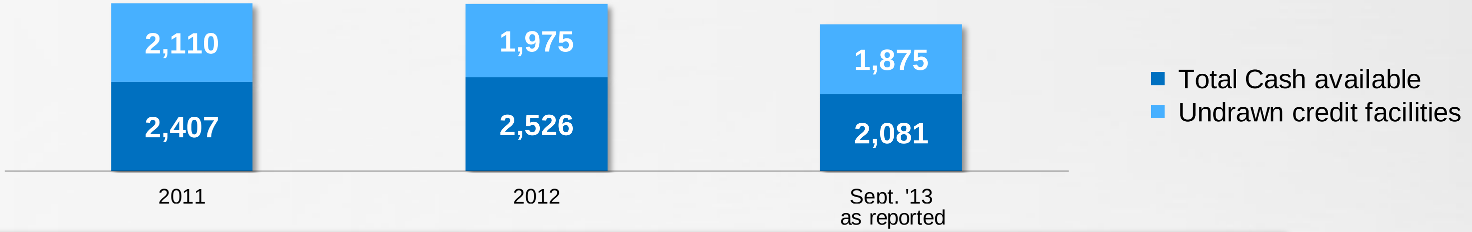
Maturity breakdown of debt

In € million



Strong liquidity position

In € million



- **Non equity Capital (hybrid bonds)**
- **Lower Cost (40 bps lower in 2014)**
- **More Efficient (cost of carry more than halved by 2015)**

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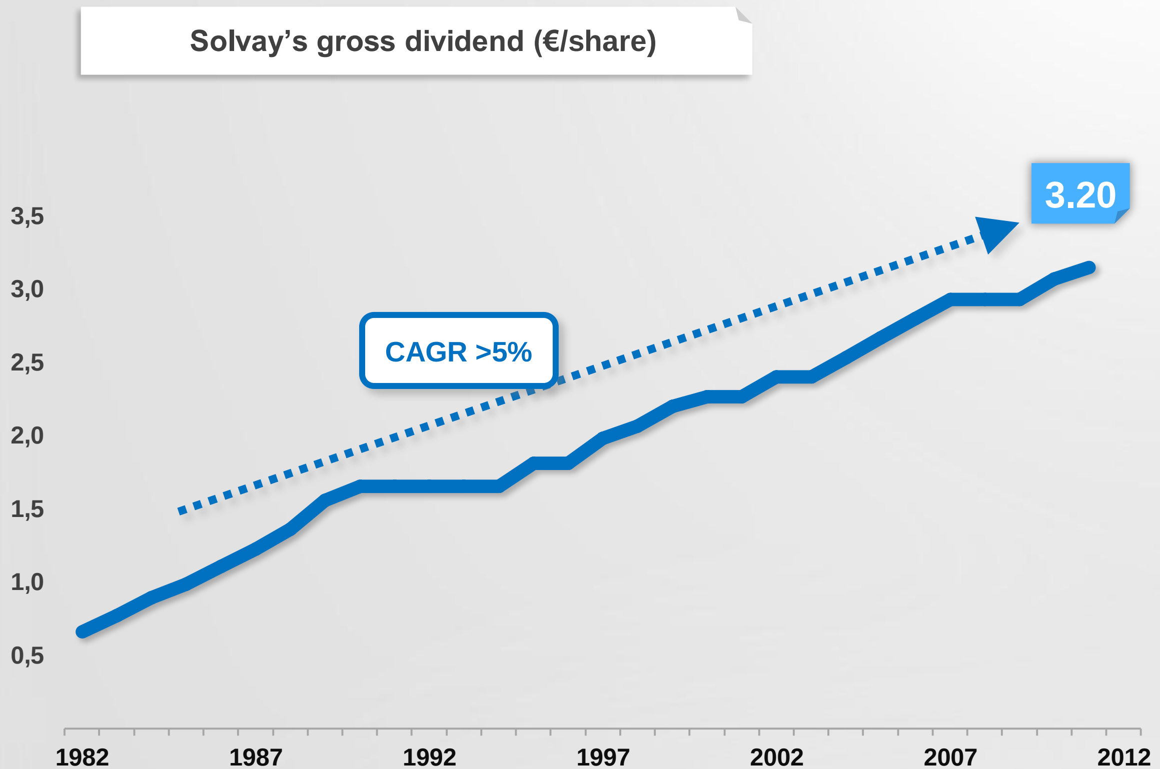
Sustainable shareholder rewards



over more than 30 years

40% average pay out

Committed to stable / growing dividend

- Gradual dividend increase: CAGR>5%
- Best-in-class among peer group

Converting vision into value

Focusing on excellence

Making the right portfolio choices

Sweating our assets

Demanding returns

- Earnings quality

More profitable

Less volatile

Sustainable growth

- Improving cash returns / asset efficiency

Increasing value for all stakeholders

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Appendix

Additional financial indications

Depreciation and amortization

- Excl. PPA impact ~ € 590m in 2013 and ~ € 680m beyond
- PPA impact: ~ € 150m in 2013 and ~ € 110m beyond

Average cost of gross debt: 5.3% in 2013 and 4.9% from 2014

Other financial expenses

- Employee benefits (IAS-19) liabilities discounting costs ~ €(100)m in 2013 *

(*) average discount rate on post employment benefit liabilities (3,63%), applicable to high-quality corporate bonds in Euro, GBP and US zones as of Dec 31st, 2012.

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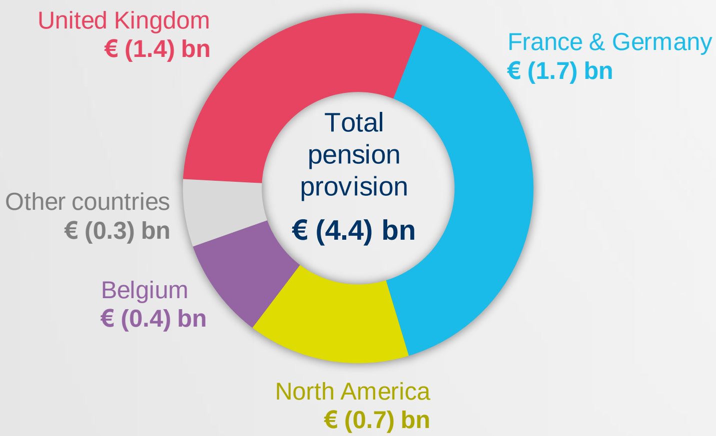
Pension situation

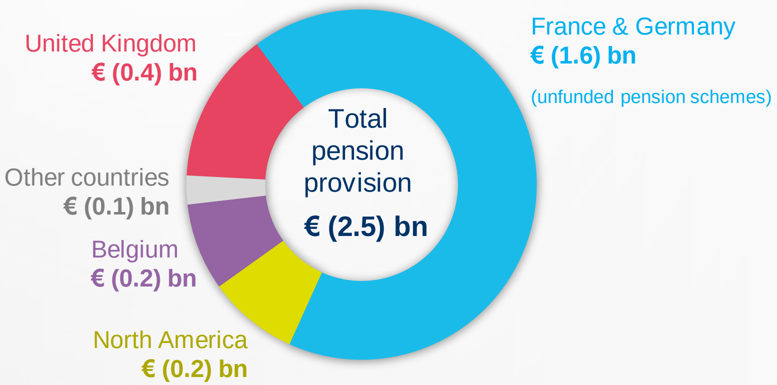
Gross

In € billion



Net

In € billion



2013 cash contribution of ~ € 200 m

Sensitivity to discounting interest rates

EUR million	0.25% increase	0.25% decrease
Eurozone	(59)	63
UK	(49)	51
USA	(18)	20
Others	(9)	10
Total	(135)	144

Pension assets portfolio

- 50% Equities / Diversified alternative Funds
- 50% Bonds / Real Estate