



Solvay Specialty Polymers

More products with more performance™

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April 24, 2012

AGENDA

- 1 • **Our positioning and strengths**
- 2 • **Our strategy**
- 3 • **Our growth ambition**



1 • Our positioning and strengths



April 24, 2012

Solvay specialty polymers at a glance

Balanced sales in three key regions

2011 Net Sales

€ 1,251m

2011 REBITDA

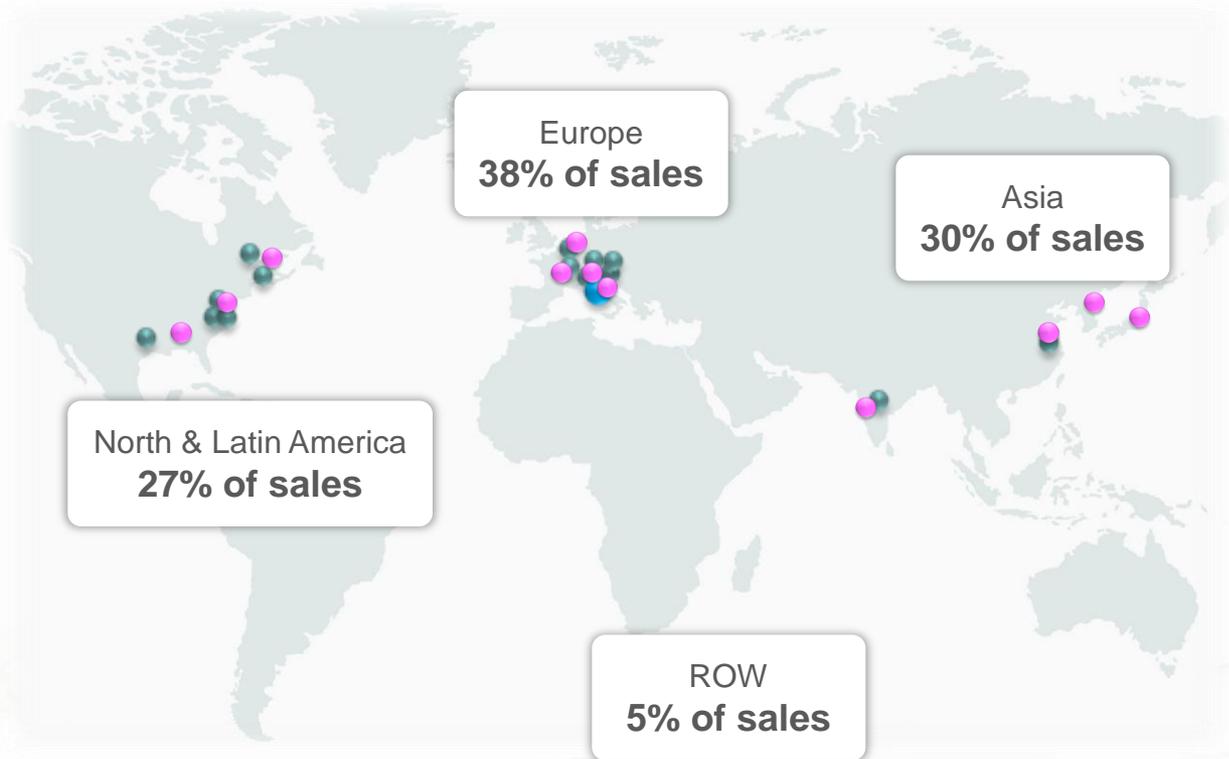
€ 365m

Close to Customers and Markets

- 1 Global Business Unit
- 11 RD&T Centers
- 14 Industrial Sites

Business Strengths

- 40+ Proprietary Technologies
- 300+ Commercial Employees
- 450+ RD&T Specialists
- 1500+ Products
- 2500+ Employees Worldwide
- 2900+ Patents in Force
- 4000+ Customers



Headquarters – Bollate, Italy

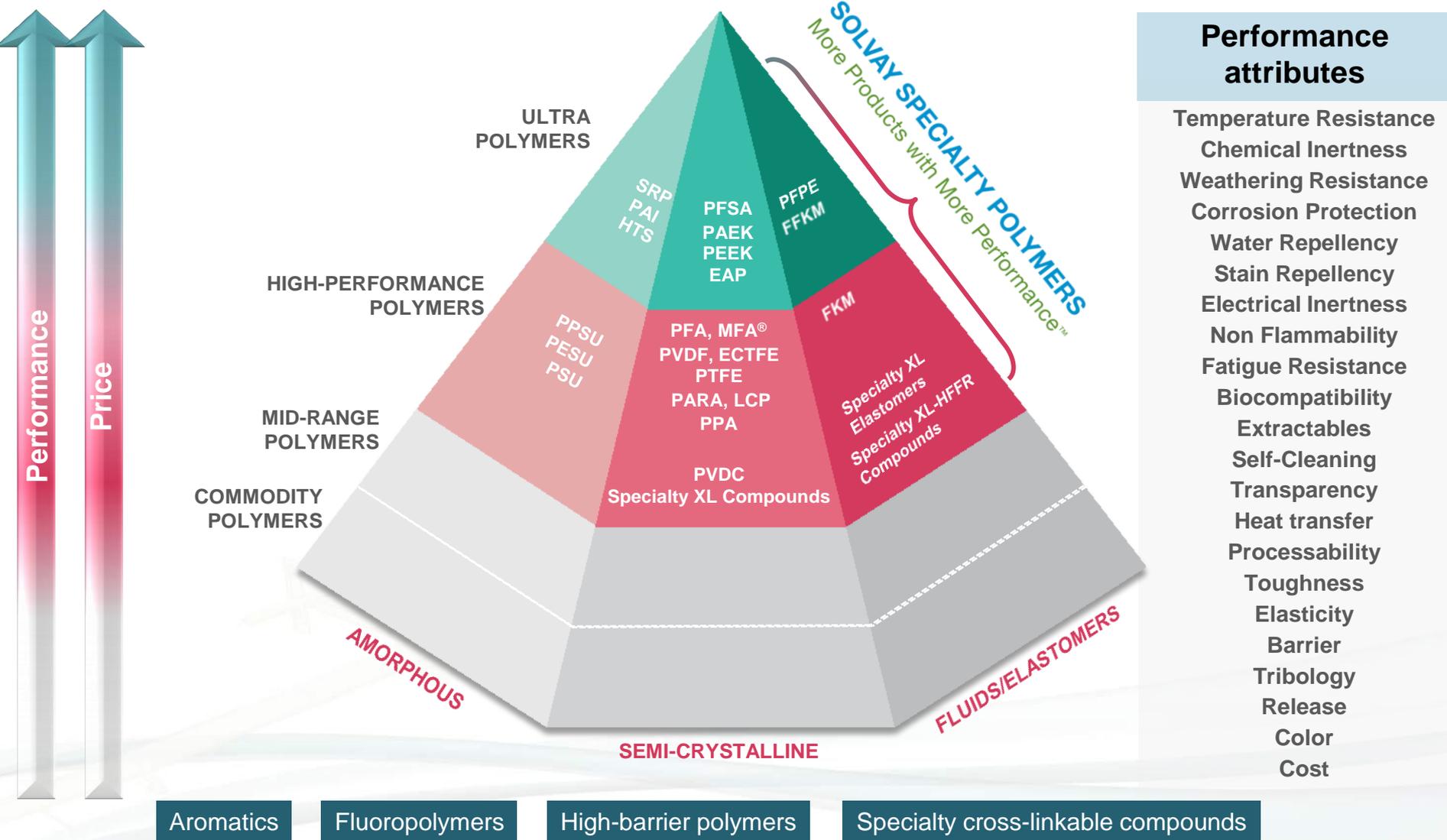
Manufacturing sites

14

RD&T centers

11

Leading at the top of the pyramid with the widest product portfolio

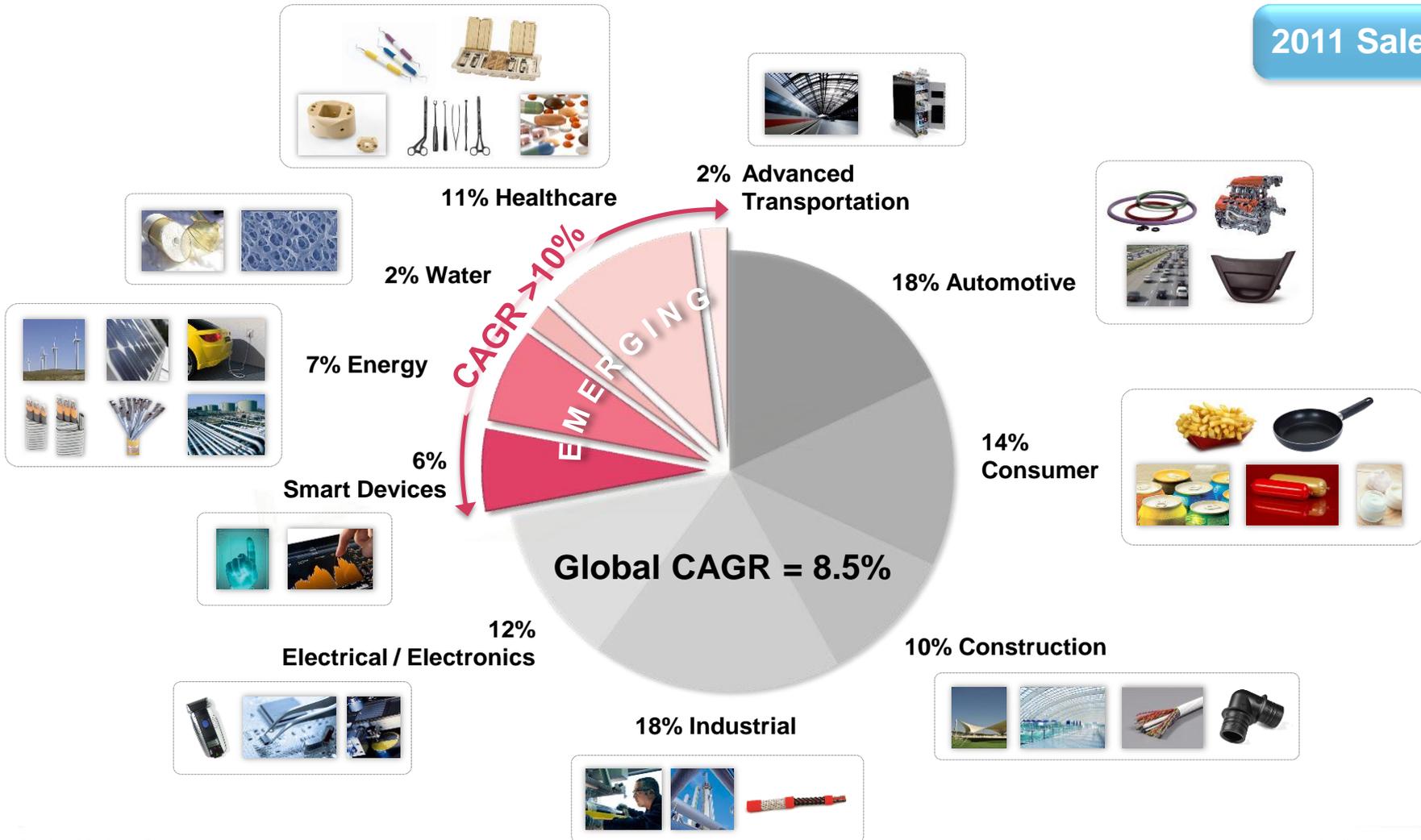


Built on four product technologies

Serving well-diversified and highly dynamic markets

Emerging markets will be 60% of top line growth by 2016

2011 Sales



2. Our strategy



April 24, 2012

A new organization and a well-defined strategy

Our Strategy

The New Solvay Specialty Polymers

- New organizational model and management team
- Focused market strategy
- Operational excellence commitment

1 Focus growth in emerging and fastest growing markets

2 Develop faster growth in Asia

3 Reinforce our global innovation platform

4 Drive performance excellence

5 Explore acquisitions and partnerships

6 Engage global workforce



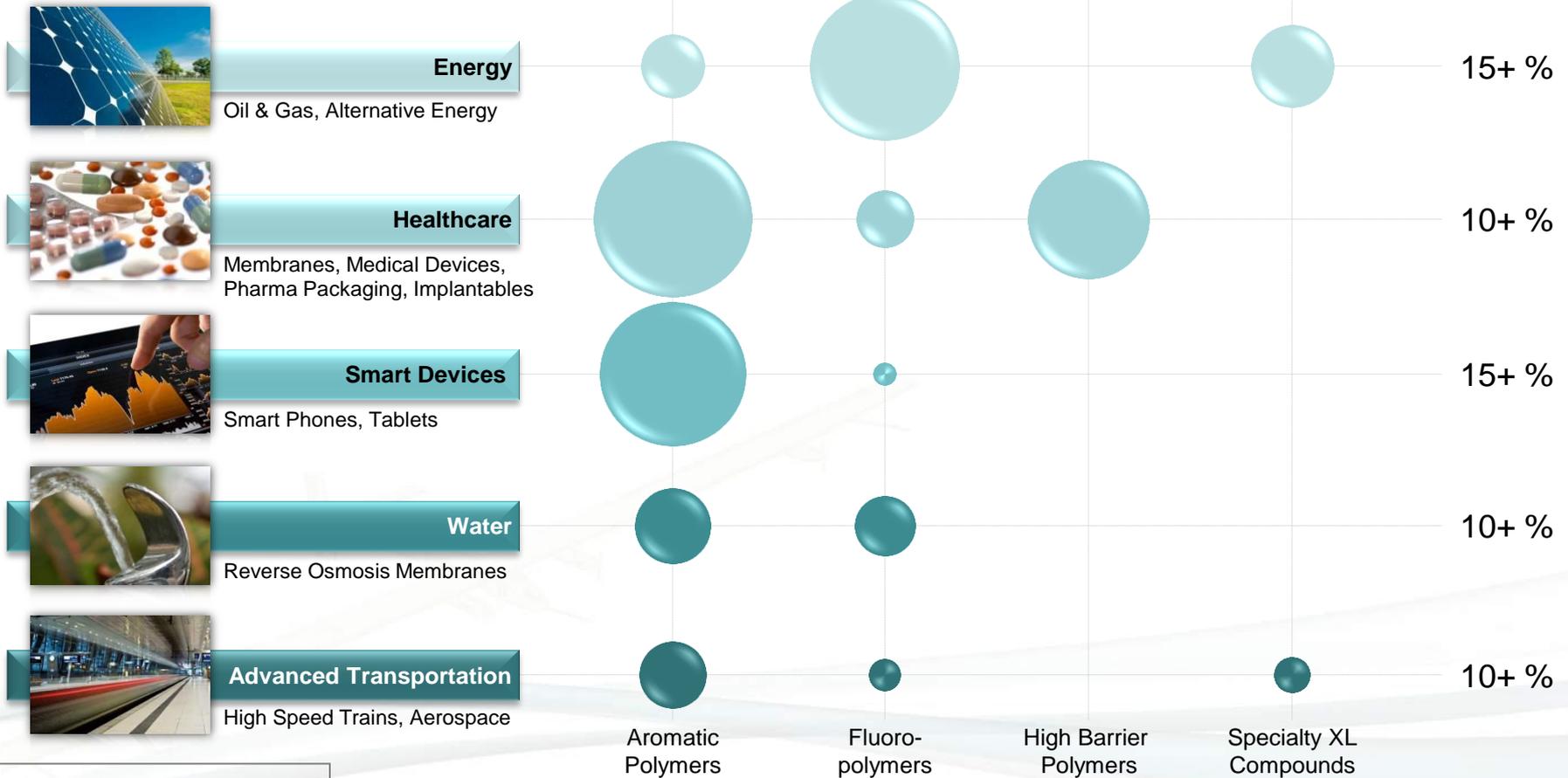
Sustainable growth driven by megatrends

Focusing on most-dynamic growth markets

Sales by Emerging Market

Bubble Size: Net Sales

2011/2016 CAGR

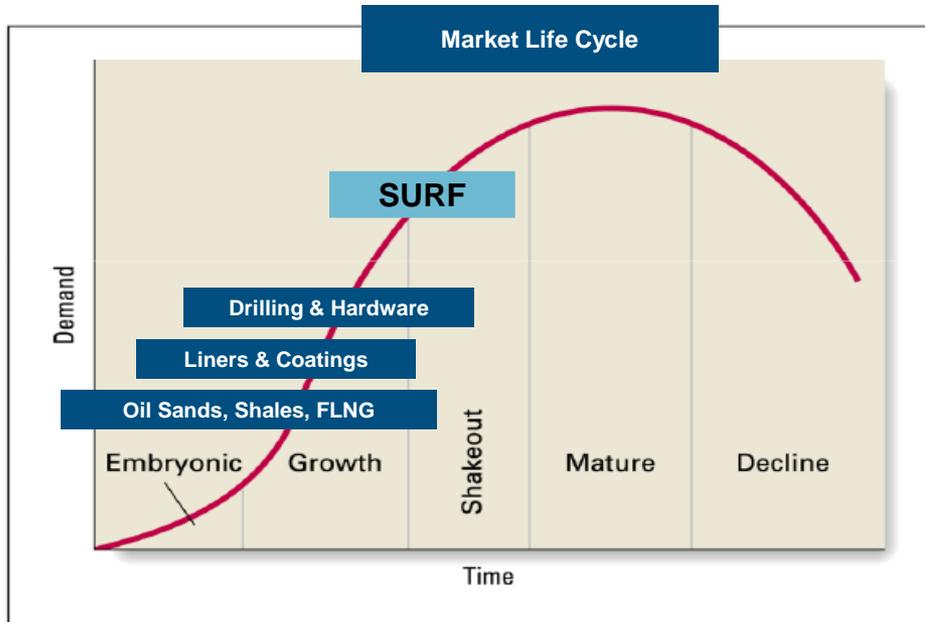


Solvay's own estimates

Strength from four product technologies

Oil & Gas, an exciting emerging fast growing market

Solvay: Market leader and innovator



10+ % CAGR 2011/16

Solvay's own estimates

Key market drivers

- Increasing global demand for fossil fuels
- Deep water exploration expected to double by 2015
- Rehabilitation of existing onshore pipeline infrastructure

Key product focus

- PVDF
- Specialty XL Compounds
- PEEK, PPA, PFA/MFA®, ECTFE
- FKM, FFKM

Subsea Umbilicals, Risers, Flowlines (SURF)



Drilling and Hardware



Liners and coatings against external corrosion, and subsea thermal insulation



Oil sands, shale and Floating Liquefied Natural Gas



An exciting SURF* segment within Oil & Gas market

SURF – Solvay is the market leader and innovator

- Major investment potential in subsea sector ~ \$150-200 billion by 2015 and SURF market is around 10% of this
- Our specialty polymers used as barrier layer in SURF flexible pipes



RISER

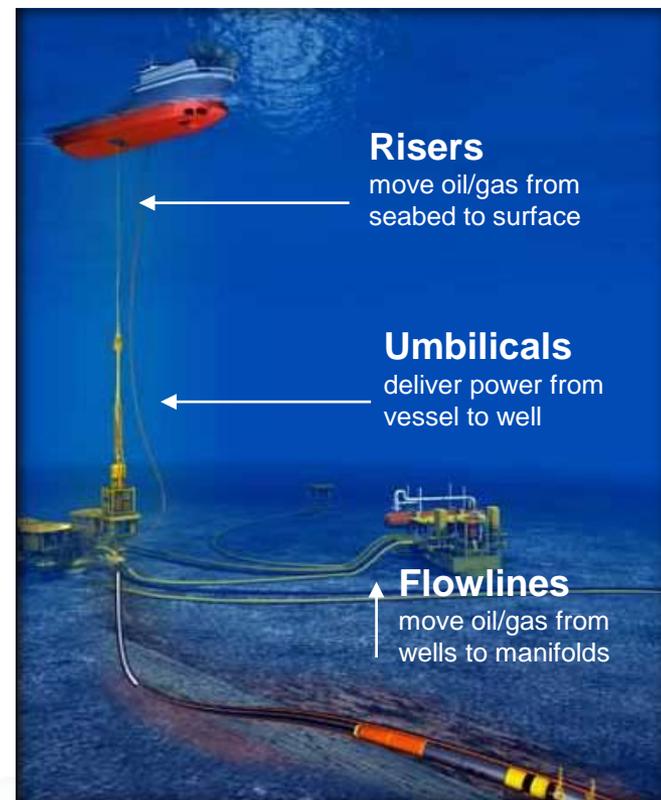


FLEXIBLE FLOWLINE



UMBILICAL

- Few competitors, large entry barriers, innovation driven



Solvay has a strong position with all the subsea industry players

Subsea Umbilicals, Risers, Flowlines (SURF)

Increasing capacity to serve market growth

Asset optimization through Operational Excellence and new capacity expansion

Overall Equipment Efficiency is delivering 15-60% capacity increase per unit with marginal investment

New Capacity Expansions

Tavaux, France

PVDF – Q2 2012

+50% capacity increase

Spinetta, Italy

FKM – Q2 2012

+100% capacity increase

Changshu, China

Compounding – Q2 2012

New Plant – 2014

- **FKM** +60% capacity
- **PVDF** +30% increase

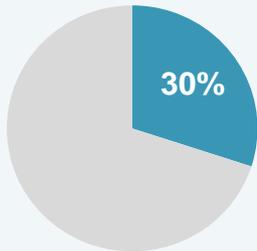
Capacity increases as a % of initial product site capacity

Developing faster growth in Asia

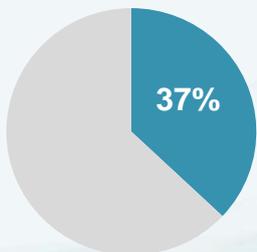
60% of strategic capital investment will be in Asia over next five years

Specialty Polymers Sales in Asia

2011



2016e



PEEK, PESU

Panoli, India

Micronized PTFE

Changshu, China



Compounding

NEW – Changshu, China
2012

PVDF/FKM

NEW – Changshu, China
2014



R&D Centers

NEW – Savli, India
Q2 2012

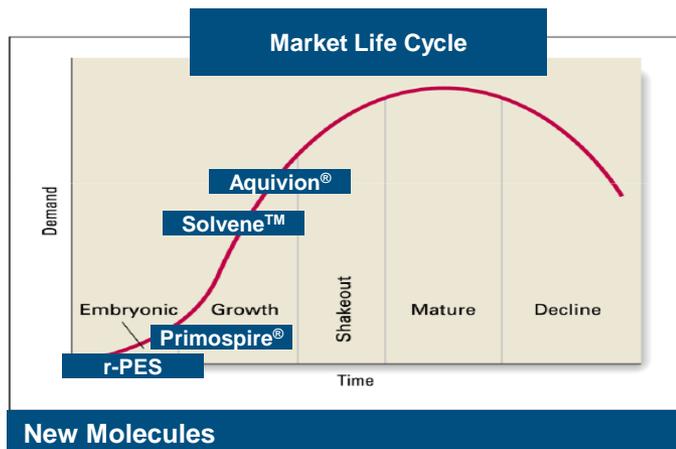
Shanghai, China
Onsan, S. Korea
Fuji City, Japan



Reinforcing our global innovation platform

Transforming Molecules to Money

Inventing the Future: New Products and New Applications



A healthy Development Pool with 800 projects with ~ €700 M potential sales (probability assessed at +70%) in 2016

Operational excellence commitment

A new “Way of Working”

Overall Equipment Efficiency (OEE)

New Production System
15-60% capacity expansion
per unit with
marginal investment

Research, Development & Technology Excellence

Disciplined Project Management
Functional Excellence Focus

Commercial Excellence

Capturing the full potential
with renewed focus on pricing

Unlocking significant profit growth potential

Attentive to acquisitions and partnership opportunities

Dual Strategy for External Growth

Molecules Strategy

Expand the existing portfolio at the top of the pyramid

Ex: Gharda (PEEK); Mississippi Polymers (SRP)

Product Form Strategy

**Expand into high value added
downstream activities leveraging our unique polymers and capability**

Ex: Ajedium (Films); Solvicore (Fuel Cells)

Unlocking revenue synergies from the combination with Rhodia



**Immediate cross-selling opportunities
with Rhodia Engineering Plastics**

**RD&T platform in bio-polymers and
high performance polyamides**

**Asset optimization
across regions**



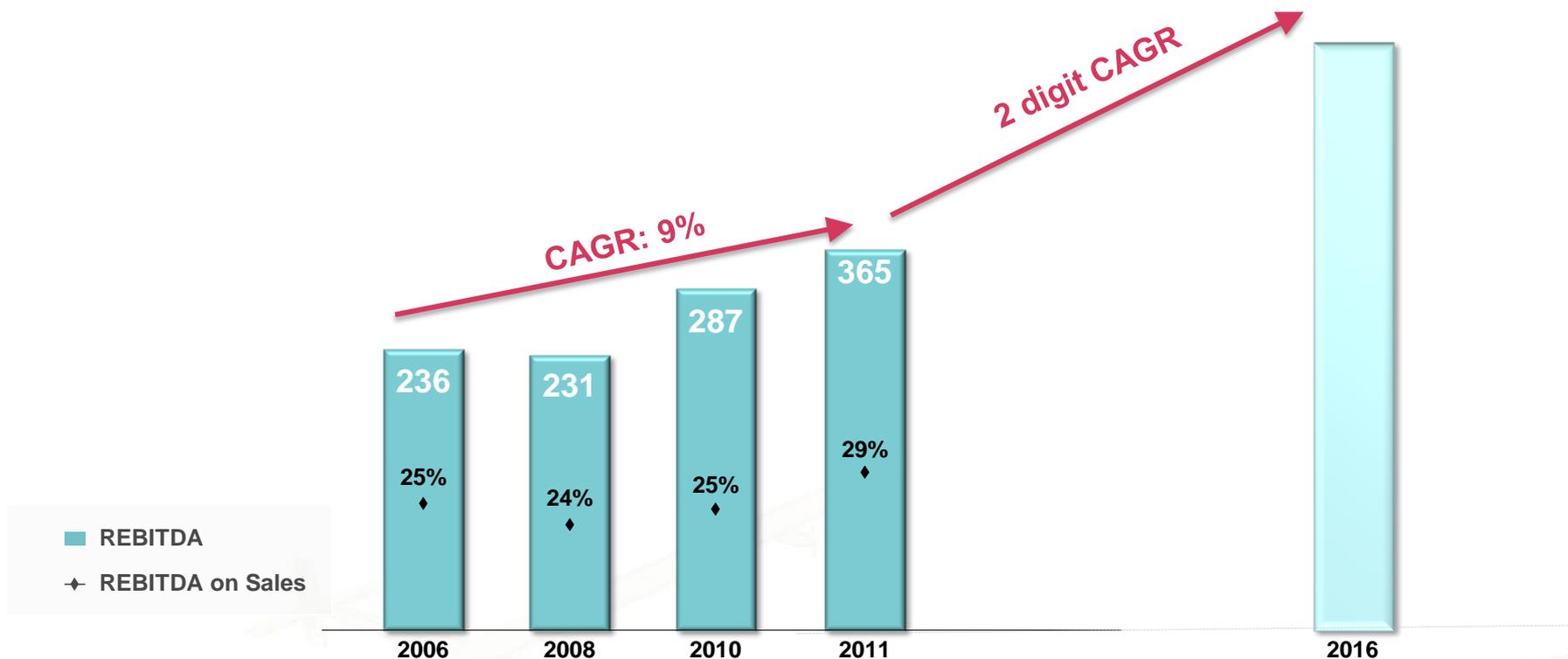
SOLVAY 

3. Our growth ambition



A strategy proving successful for growth

Solvay Specialty Polymers moving to the next level of growth



A key contributor for the Solvay Growth ambition



www.solvay.com

a Passion for Progress®

Appendices



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Over 35 product brands

Spire® Ultra Polymers

AvaSpire® PAEK
KetaSpire® PEEK
PrimoSpire® SRP
EpiSpire® HTS
Torlon® PAI

Solviva® Biomaterials

Zeniva® PEEK
Proniva® SRP
Veriva® PPSU
Eviva® PSU

Sulfone Polymers

Radel® PPSU
Acudel® mod. PPSU
Veradel® PESU
Udel® PSU

Semi-Aromatic Polyamides

Amodel® PPA
Ixef® PARA

Fluorinated Fluids

Fomblin® PFPE
Galden® PFPE
Solvera® PFPE
Fluorolink® PFPE

Fluoroelastomers/ Perfluoroelastomers

Tecnoflon® FKM
Tecnoflon® FFKM

Partially-Fluorinated Polymers

Halar® ECTFE
Solef® PVDF

Fluoropolymer Coatings

Halar® ECTFE
Hyflon® PFA/MFA®
Hylar® 5000 PVDF
Hylar® PVDF

Fully-Fluorinated Polymers

Algoflon® PTFE
Polymist® PTFE
Hyflon® PFA/MFA®
Hyflon® AD

Polymer Processing Aids

Tecnoflon® NM FKM
Solef® 11010 PVDF

Liquid Crystal Polymers

Xydar® LCP

High-Barrier Polymers

Diofan® PVDC
Ixon® PVDC

Cross-Linkable Compounds

Polidienne® XLPO
Cogegum® XLPO-HFFR
Polidan® PEX/XLPE

Specialties

Aquivion® PFSA
Solvane™ EAP
Solef® 80 000 e-PVDF
Torlon® AI PAI for Coatings
Virantage® Tougheners

Pyramid Acronyms

- EAP ElectroActive Polymer
- ECTFE Ethylene-chlorotrifluoroethylene
- FKM Fluoroelastomer
- FFKM Perfluoroelastomer
- HTS High-Temperature Sulfone
- LCP Liquid Crystal Polymer
- PAEK Polyaryletherketone
- PAI Polyamideimide
- PARA Polyarylamide
- PEEK Polyetheretherketone
- PFA/MFA® Perfluoroalkoxy (propyl, methyl)
- PFPE Perfluoropolyether
- PFSA Perfluorosulfonicacid Polymer
- PPA Polyphthalamide
- PSU Polysulfone
- PESU Polyethersulfone
- PPSU Polyphenylenesulfone
- PTFE Polytetrafluoroethylene
- PVDC Polyvinylidene Chloride
- PVDF Polyvinylidene Fluoride
- SRP Self-Reinforcing Polyphenylene
- XL Compounds Cross-linkable Compounds
- XL-HFFR Compounds Cross-linkable Halogen Free Flame Retardant Compounds

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