

Our energy Your success



SOLVAY

asking more from chemistry®



ILHAM KADRI
CHAIRWOMAN
OF THE EXECUTIVE
COMMITTEE & CEO

THE PEOPLE OF SOLVAY

24,500 people
125 industrial sites
61 countries
100 nationalities



76%
Employee
engagement index



83%
Employees feel proud
to work at Solvay

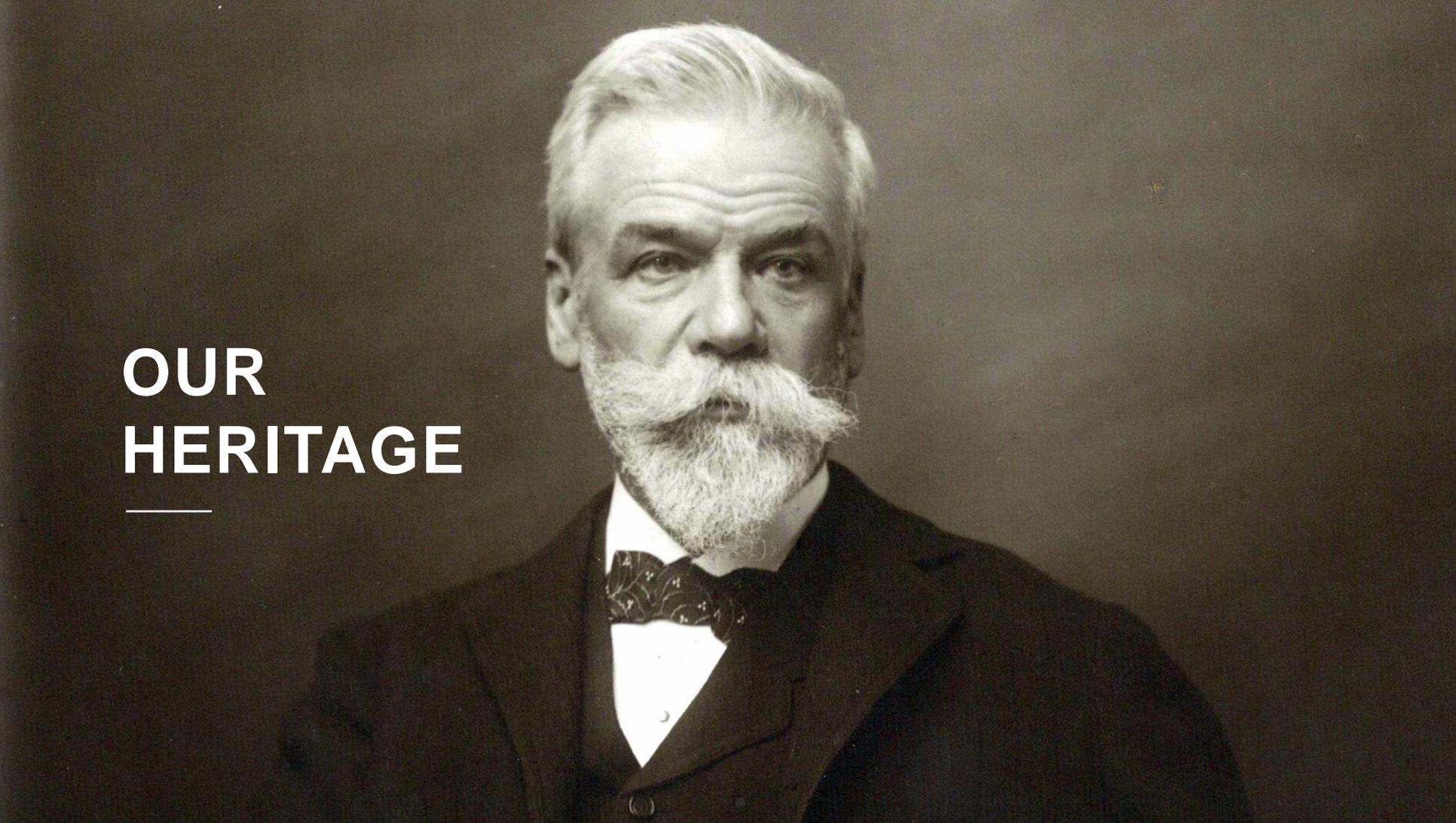
2018 SOLVAY
PEOPLE SURVEY

Solvay
Cares



Circular
economy





**OUR
HERITAGE**



BRUSSELS, Belgium

TODAY



EWHA, Korea



ALPHARETTA, United States



BOLLATE, Italy

2018 OVERVIEW

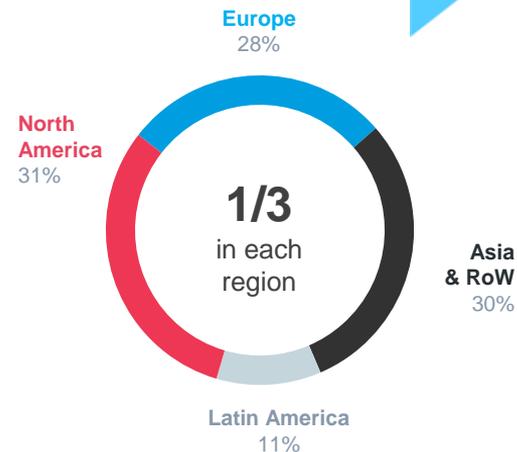
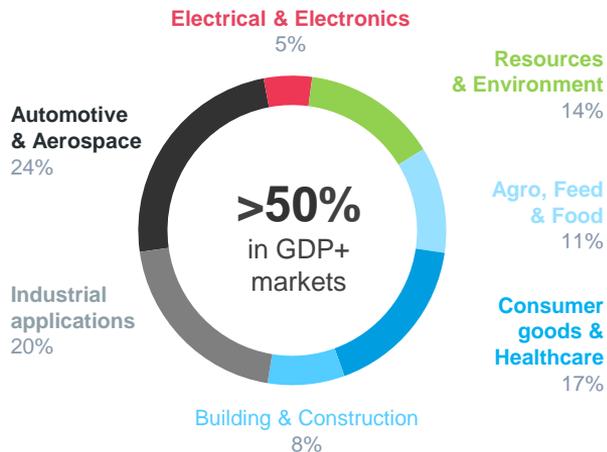
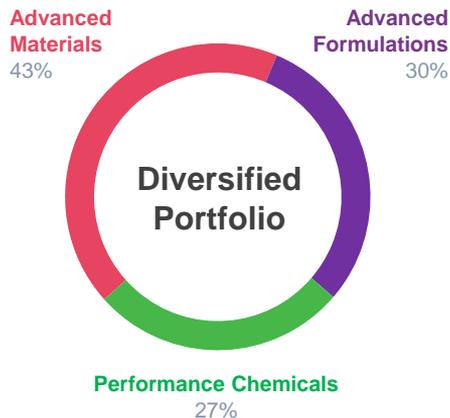
€10.3 bn
net sales

50% sustainable solutions

€2.2 bn
underlying EBITDA

Margin 22%

We are an advanced materials and specialty chemicals company, committed to address key societal challenges



MARKETS WE SERVE



Industrial



Healthcare



Electronics

NEXT GENERATION MOBILITY



Aerospace



Automotive

RESOURCES EFFICIENCY



Mining



Oil & Gas



Agro



Consumer goods



Food



Construction

APPROX 50% OF GROUP SALES

OUR CORE TECHNOLOGIES



Process leaders
in Soda Ash &
Peroxyde Chemicals



Polymer &
Composite
Technologies



Surface &
Liquid
Chemistry

HOW WE WIN INNOVATION AND COLLABORATION



21

R&I
centers

€ 352 m

Investments

2,200

R&I
employees

18%

New sales
ratio

> 75%

R&I pipeline in
“Sustainable
Solutions”

264

Patent
applications

1,500

Intellectual
Property
agreements

€ 80 m

Venture
investments

15

Digital Industrial
Plants

R&I
ecosystem



Dynamic
innovation
portfolio
management



Open
innovation



LISTENING TO CUSTOMERS AND INNOVATING



Less fuel
More efficiency

SolvaLite™

40% lighter than metal
Faster cure
Composites



Replacing toxic
product

Jaguar® C162

Less irritant
Better resource efficiency
Polymers



Looking for
miniaturization

Higher
performance

Kalix® bio-based

40% of petrol consumption reduced
Polyamide



More planes
Stringent
regulations on CO₂

FUSEPLY™

improved build rates and lightweighting
Composites



Growing population

Demand for greater
agricultural yields

AgRHO®

- more nutritional value and less waste
- for yields of over 20-30%

Surfactants



Substitution
to synthetic
vanillin

Rhovani® Natural CW

- Sustainable sourcing and process
- New purification process to vanillin (99,5%)

Aroma and fragrance

**2018
RESULTS**

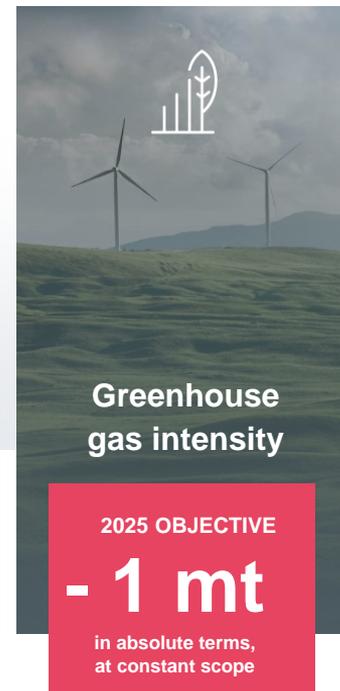
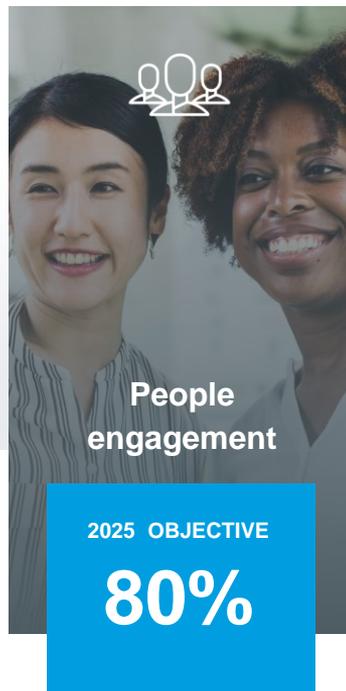
**EXTRA-FINANCIAL
& FINANCIAL
PERFORMANCE**



PROGRESS ON 2025 SUSTAINABILITY OBJECTIVES



PROGRESS ON 2025 SUSTAINABILITY OBJECTIVES



STRONG EBITDA GROWTH AND SUSTAINED MARGINS IN 2018



ORGANIC EBITDA GROWTH DRIVEN BY HIGHER VOLUMES



8.3%

organic growth

on average over
the 3 last years

At 2018 scope



> 49%
ADVANCED
MATERIALS

Organic growth:
+3.1%

> 21%
ADVANCED
FORMULATIONS

Organic growth:
+8.1%

> 30%
PERFORMANCE
CHEMICALS

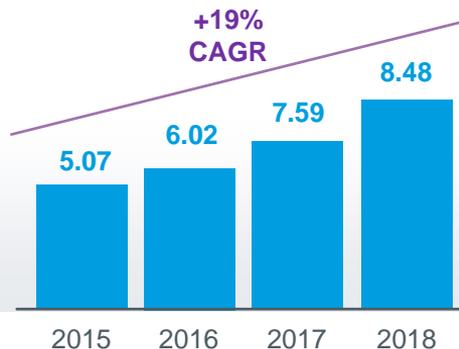
Organic growth:
+1.6%

Corporate & Business Services included in EBITDA and excluded from the pie chart as the contribution is negative

REWARDING SHAREHOLDERS WITH GROWING RETURNS

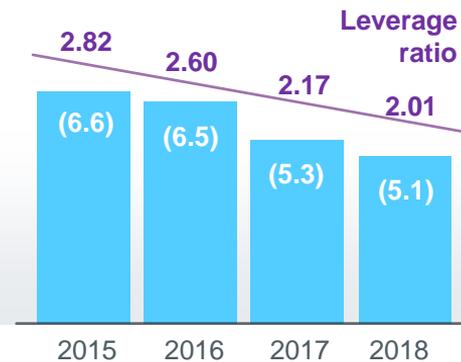
Underlying EPS

From continuing operations
(in €/share)



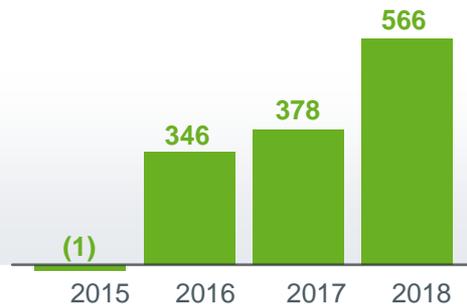
Net financial debt underlying

(in € billion)



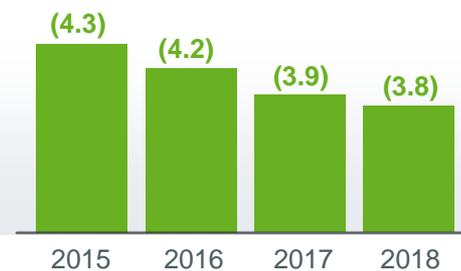
Free cash flow

To Solvay shareholders from continuing operations
(in € million)



Provisions

(in € billion)



☰ At 2018 scope

2019

**UNLEASHING AND
ACCELERATING
VALUE CREATION**



Q1 2019 RESULTS IN LINE WITH EXPECTATIONS

- 0.6%
vs Q1 2018

organic growth

Underlying
EBITDA

€ 571 m

EBITDA margin

22%

sustained

> 49%

**ADVANCED
MATERIALS**

Organic growth:
-5.7%

> 21%

**ADVANCED
FORMULATIONS**

Organic growth:
-1.7%

> 30%

**PERFORMANCE
CHEMICALS**

Organic growth:
+9.9%

+ 1.0%
vs Q1 2018

continuing operations

Underlying
EARNINGS
PER
SHARE

€ 2.01

Total underlying
EPS

+ 18%

**FREE
CASH FLOW
TO SOLVAY
SHAREHOLDERS**

continuing
operations

€ (91) m
vs €100 m in 2018

2019 OUTLOOK



EBITDA growth

Underlying
excluding scope and forex conversion

- Organic growth ^[1] **flat to modest decline**



Free Cash Flow

to Solvay shareholders from continuing operations

- **~€490 million** ^[2] exceeding dividend pay-out
- Allowing for debt deleveraging of ~€100 million

2019 PRIORITIES



Managing our costs



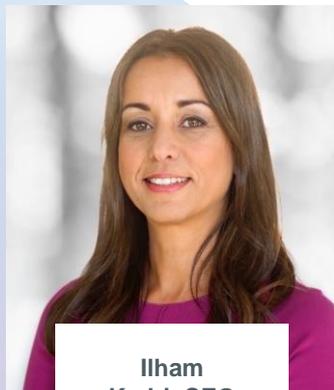
Managing our inventory levels



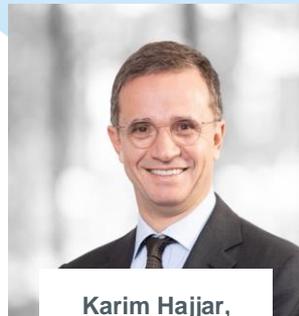
Customers FIRST

[1] Organic growth, excluding scope & forex conversion effects and IFRS 16 effect, compared to 2018 pro forma of €2,330 million
[2] vs 2018 pro forma of €566 million, already including IFRS 16 effect

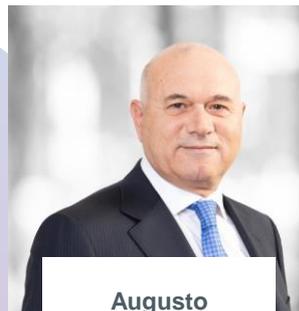
A NEW EXECUTIVE COMMITTEE



**Ilham
Kadri, CEO**



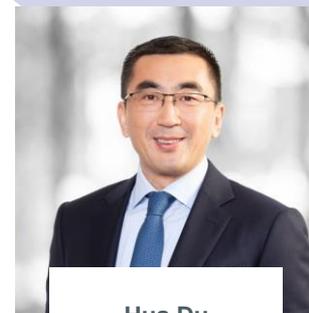
**Karim Hajjar,
CFO**



**Augusto
Di Donfrancesco**



**Vincent
De Cuyper**



Hua Du

THERMOPLASTICS COMPOSITES PLATFORM



Value Proposition

Enables higher build rates and manufacturing cost reduction



Enables Total Cost of Ownership reduction and improved performance

End-Use

Primary structure

Flexible Risers

Addressable Market

€ 0.7Bn

€ 0.5 Bn

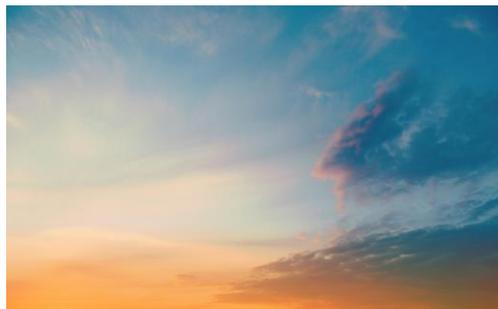


Well positioned to become Market Maker

MOVING FORWARD



Strategy review



Culture & purpose



Customers focus



WHY SOLVAY?

Thank you for your attention



SOLVAY

asking more from chemistry®