

Solvay first quarter 2025 results

Resilient performance supported by a diversified portfolio and cost savings

Highlights

- **Underlying net sales** in Q1 2025 of €1,122 million were down -5.8% organically compared to Q1 2024. Uncertainties on the macro-environment led customers to be more cautious in the second part of the quarter, creating some softness in Soda Ash, particularly in March. Most of the other businesses showed resilient performance.
- **Underlying EBITDA** in Q1 2025 decreased year-on-year to €250 million (-5.7% organically) compared to Q1 2024, with 22.3% underlying EBITDA margin. It was supported by a one-off gain of c. €10 million on the favorable outcome of a patent dispute in Performance Chemicals.
- **Structural cost savings** initiatives delivered €27 million in Q1 2025, bringing the cumulative savings to €137 million since the start of 2024.
- **Underlying net profit** from continuing operations was €102 million in Q1 2025 vs. €119 million in Q1 2024.
- **Free Cash Flow¹** amounted to €42 million in Q1 2025, in line with normal seasonality, including **Capex** of €-70 million.
- **Underlying Net Debt** at €1.7 billion, implying a leverage ratio of 1.7x.
- **2025 outlook confirmed:** underlying EBITDA currently expected to reach the lower half of the guidance range; free cash flow¹ guidance of €300 million confirmed

Underlying (in € million)	Q1 2025	Q1 2024	% yoy	% organic
Net sales	1,122	1,201	-6.6%	-5.8%
EBITDA	250	265	-5.9%	-5.7%
<i>EBITDA margin</i>	22.3%	22.1%	+0.2pp	-
FCF¹	42	126	-66.5%	-
ROCE	17.2%	19.8%	-2.7pp	-

Philippe Kehren, Solvay CEO

"The current macro-environment is uncertain and filled with challenges that were not foreseen at the start of the year. However, our resilient global and local to local business model will allow us to navigate these challenges.

Our focus in the short-term is clear: accelerating the transformation of the company and disciplined spending to optimize cash generation. And I am pleased to see the ongoing progress in these areas, driven by our teams worldwide.

I have every confidence in the ability of the Solvay team to succeed in the current environment and continue to deliver for all our stakeholders."

¹ Free Cash Flow (FCF) here is the free cash to Solvay shareholders from continuing operations.

2025 outlook

The current demand environment is uncertain but the essential nature of its businesses makes Solvay resilient. The company expects the second quarter underlying net sales to be sequentially stable compared to Q1 2025, while underlying EBITDA would be sequentially down as Q1 included a one-off gain of c. €10 million and as Q2 will start to see an increase of the temporary stranded costs from the exit of the Transition Service Agreement with Syensqo.

Solvay confirms the 2025 guidance as follows:

- Underlying EBITDA: €1.0 billion to €1.1 billion; Solvay currently expects to reach the lower half of the range (should current market conditions and currency exchange rates continue to prevail)
- Cost savings: €200 million by the end of 2025
- Free cash flow to Solvay shareholders from continuing operations: around €300 million in 2025, of which the majority will be delivered in the second half of the year due to normal seasonality
- Capex: around €300 million, down from “between €300 million to €350 million”

Solvay is exposed to different currencies. We estimate that the average annual currency translation impact on underlying EBITDA is €15 million per 5 USD cents movement and €5 million per 25 BRL cents movement.

Financial performance

Key figures

Underlying key figures

(in € million)

	Q1 2025	Q1 2024	% yoy
Net sales	1,122	1,201	-6.6%
EBITDA	250	265	-5.9%
<i>EBITDA margin</i>	22.3%	22.10%	+0.2pp
EBIT	172	184	-6.7%
Net financial charges	-30	-31	+3.3%
Income tax expenses	-39	-33	-18.2%
<i>Tax rate</i>	28.1%	22.1%	+6.0pp
Profit from continuing operations	102	119	-14.5%
Profit / (loss) from discontinued operations	-1	1	n.m.
(Profit) / loss attributable to non-controlling interests	-2	-3	-19.0%
Profit / (loss) attributable to Solvay shareholders	99	117	-15.9%
Basic earnings per share (in €)	0.94	1.12	-15.4%
of which from continuing operations	0.96	1.11	-13.9%
Capex in continuing operations	70	61	+16.2%
FCF to Solvay shareholders from continuing operations	42	126	-66.5%
Net financial debt	1,725	1,544	+11.7%
Underlying leverage ratio	1.7	1.5	+13.4%
ROCE (continuing operations)	17.2%	19.8%	-2.7pp

Group performance

Underlying net sales of €1,122 million for the first quarter of 2025 were lower by -6.6% versus the first quarter of 2024 (-5.8% organically) primarily due to lower volumes (-6.3%), while prices were up slightly (+0.6%), mainly in Performance Chemicals.

Underlying EBITDA of €250 million in Q1 2025 was down -5.9% (-5.7% organically). Volumes (-5.7%) and Net pricing (-4.3%) were lower, mainly due to soda ash softness while Performance Chemicals had a more resilient performance. Fixed costs were stable in the first quarter, with savings offsetting inflation. Overall, the EBITDA margin was 22.3%, +0.2pp year on year.

Free cash flow to shareholders from continuing operations was in line with normal seasonality at €42 million in Q1 2025 with Capex at €-70 million and €-46 million of Working Capital. Cash outflows from Provisions reached €-60 million as expected, including €-21 million relating to pension and environmental liabilities, restructuring, Dombasle Energy (€-6 million), and the settlement of certain litigations.

Underlying net financial debt was €1.7 billion at the end of Q1 2025, increasing by €0.2 billion compared to the end of 2024, mainly from the interim dividend payments (€101 million) and leases related to the launch of the biomass boilers in Rheinberg (€105 million), partly offset by the positive free cash flow of €42 million. The underlying leverage ratio was 1.7x at the end of Q1 2025.

Provisions amounted to €1.5 billion at the end of Q1 2025, decreasing by €-42 million, and included €673 million of employee benefits (primarily pensions) and €507 million of environmental provisions.

Performance by segment

Basic Chemicals

Basic Chemicals sales in Q1 2025 were down -6.0% (-7.0% organically) compared to Q1 2024, with a positive impact from conversion, scope and change in APM (+1.0%), but lower volumes (-5.0%) and prices (-2.0%), mainly due to soda ash.

Soda Ash & Derivatives sales for the quarter were lower by -11.0% (-11.4% organically) compared to a high base in Q1 2024. Soda ash volumes and prices were lower in Q1 2025. Demand in Europe and in the US remained low, and the seaborne market was softer sequentially, especially in South East Asia. Bicarbonate demand continues to be strong, fueled by global megatrends.

Peroxides sales for the quarter increased by +5.1% compared to Q1 2024 (+2.6% organically). Volumes were up year on year while pricing slightly decreased compared to Q1 2024 (stable sequentially).

The segment EBITDA was down -19.7% (-20.0% organically) in Q1 2025 following lower volumes and Net pricing, and slightly higher fixed costs. The EBITDA margin reached 24.1%, -4.1pp lower versus Q1 2024.

Performance Chemicals

Performance Chemicals sales in Q1 2025 were down -7.0% (-3.9% organically) compared to Q1 2024, with negative scope and conversion impact (-3.2%), and lower volumes (-8.1%) while prices increased (+4.3%).

Silica sales for the quarter were rather flat by -0.8% (-0.4% organically) with a slight volume decrease in the tire market mostly compensated by pricing.

Coatis sales for the quarter were lower by -11.2% due to the changes in BRL/EUR exchange rate, but only down -0.4% organically, with strong phenol demand offsetting softer performance in solvents.

Special Chem sales for the quarter were lower by -8.4% (-9.4% organically) compared to Q1 2024. Volumes were lower in autocatalysis (but improved sequentially), partly offset by higher demand in electronics.

The segment EBITDA for the quarter was up +17.9% (+20.0% organically), thanks to positive Net pricing, slightly increased volumes, and to the one-off gain of c. €10 million on the favorable outcome of a patent dispute, recorded in fixed costs in Special Chem. The EBITDA margin increased year on year to 21.0% by +4.4pp.

Corporate

For Q1 2025, EBITDA was €-6 million, €+10 million compared to 2024 (€+10 million organically). The improvement mainly reflects the non-repeat of the Q1 2024 accrual of €-10.5 million for the Dombasle energy transition project. The negative impact of inflation was fully offset by the structural savings of the quarter.

Key segment figures

Segment review

(in € million)

	Q1 2025	Q1 2024	% yoy	% organic
Net sales	1,122	1,201	-6.6%	-5.8%
Basic Chemicals	672	715	-6.0%	-7.0%
Soda Ash & Derivatives	438	493	-11.0%	-11.4%
Peroxides	233	222	+5.1%	2.6%
Performance Chemicals	450	484	-7.0%	-3.9%
Silica	144	145	-0.8%	-0.4%
Coatis	138	155	-11.2%	-0.4%
Special Chem	168	183	-8.4%	-9.4%
Corporate	-	3		-99.8%
EBITDA	250	265	-5.9%	-5.7%
Basic Chemicals	162	202	-19.7%	-20.0%
Performance Chemicals	94	80	+17.9%	+20.0%
Corporate	-6	-16	+59.9%	<i>n.m</i>
EBITDA margin	22.3%	22.1%	+0.2pp	
<i>Basic Chemicals</i>	<i>24.1%</i>	<i>28.2%</i>	<i>-4.1pp</i>	
<i>Performance Chemicals</i>	<i>21.0%</i>	<i>16.5%</i>	<i>+4.4pp</i>	

More information, including certain Q1 condensed consolidated interim financial statements, reconciliation of the APM and definitions, can be found in the financial report, which is available on [Solvay's website](https://www.solvay.com).

Financial calendar

- May 13, 2025: Ordinary General Shareholders' Meeting
- May 19, 2025: final dividend: ex-date (subject to the approval of the Shareholders meeting)
- May 21, 2025: final dividend: payment date (subject to the approval of the Shareholders meeting)
- July 30, 2025: Second quarter and first half year 2025 earnings
- November 6, 2025: Third quarter and first nine months 2025 earnings
- [Link to Solvay's financial calendar](#)

Details of analysts and investors conference call

- Time: May 8, 2025 - 2.30pm CEST
- Registration: register to the webcast [here](#).

Contacts

Media relations

Peter Boelaert
+32 479 30 91 59

Laetitia Van Minnenbruggen
+32 484 65 30 47

Valérie Goutherot
+33 6 77 05 04 79

media.relations@solvay.com

Investor relations

Boris Cambon-Lalanne
+32 471 55 37 49

Geoffroy d'Oultremont
+32 478 88 32 96

investor.relations@solvay.com

About Solvay

Solvay, a pioneering chemical company with a legacy rooted in founder Ernest Solvay's pivotal innovations in the soda ash process, is dedicated to delivering essential solutions globally through its workforce of around 9,000 employees. Since 1863, Solvay harnesses the power of chemistry to create innovative, sustainable solutions that answer the world's most essential needs such as purifying the air we breathe and the water we use, preserving our food supplies, protecting our health and well-being, creating eco-friendly clothing, making the tires of our cars more sustainable and cleaning and protecting our homes. Solvay's unwavering commitment drives the transition to a carbon-neutral future by 2050, underscoring its dedication to sustainability and a fair and just transition. As a world-leading company with €4.7 billion in underlying net sales in 2024, Solvay is listed on Euronext Brussels and Paris (SOLB). For more information about Solvay, please visit [solvay.com](https://www.solvay.com) or follow [Solvay](#) on LinkedIn.

Safe harbor

This press release 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 press release 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&I 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.

*Ce communiqué de presse est également disponible en français.
Dit persbericht is ook in het Nederlands beschikbaar.*