

Solvay successfully completes the acquisition of Cytec and launches integration plans

Brussels, December 9, 2015 --- Solvay has successfully completed the acquisition of Cytec and will immediately begin the integration of Cytec's businesses to deliver cost synergies and capture significant business opportunities in advanced lightweighting materials for the aerospace and automotive industries and in specialty chemicals for mining.

"Cytec represents a decisive milestone in Solvay's transformation and opens up new horizons for growth and innovation. Solvay is now a leading provider of lightweighting materials for the aerospace industry," said Jean-Pierre Clamadieu, CEO of Solvay. *"Thanks to extensive preparations, we will now embark on a swift and efficient integration of Cytec's businesses and its talented teams into Solvay and to accelerate value generation for our shareholders."*

A large team of Solvay and Cytec personnel has been mobilized since early October to prepare detailed integration plans. Solvay will also create two new Global Business Units (GBU):

- a GBU will group Cytec's composite businesses Aerospace Materials and Industrial Materials. Bill Wood is appointed President of this GBU, which will form part of the Advanced Materials segment;
- a GBU will combine Cytec's In Process Separation, Polymer Additives and Formulated Resins activities with Solvay's phosphorus-based intermediates. Mike Radossich is appointed President of this GBU, which will form part of the Advanced Formulations segment.

Solvay fully expects to generate a minimum of 100 million euros in annual synergies within three years after the acquisition. The acquisition is expected to be accretive to adjusted earnings and free cash flow after the first year of the acquisition and to CFROI in the mid-term*.

The financing of the acquisition is nearly completed. It consists of the issuance of around €4.7 billion senior and hybrid bonds and the ongoing € 1.5 billion right issue.

Cytec will be fully consolidated within the Solvay Group as from Jan 1st, 2016.

* Definitions

- **Adjusted Earnings** : Earnings before (non-cash) Purchase Price Allocation accounting impacts
- **Free cash flow**: Cash flow from operating activities (including dividends from associates and joint ventures) and Cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments and excluding loans to associates and non-consolidated subsidiaries)
- **CFROI**: Cash Flow Return on Investment is defined as (REBITDA-Recurring Capex-Tax) / (Gross Assets incl. goodwill + working capital)

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An international chemical and advanced materials company, Solvay assists its customers in innovating, developing and delivering high-value, sustainable products and solutions which consume less energy and reduce CO2 emissions, optimize the use of resources and improve the quality of life. Solvay serves diversified global end markets, including automotive and aerospace, consumer goods and healthcare, energy and environment, electricity and electronics, building and construction as well as industrial applications. Solvay is headquartered in Brussels with about 30,000 employees spread across 53 countries. It generated pro forma net sales of close to € 12 billion in 2014, with 90% made from activities where it ranks among the world's top 3 players. Solvay SA (SOLB.BE) is listed on Euronext in Brussels and Paris (Bloomberg: SOLB.BB - Reuters: SOLB.BR).

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