



**SOLVAY**

asking more from chemistry®

# Peroxides

## A growing and resilient cash generator

**Capital Markets Day**  
June 10-11 2015

**Georges Crauser**  
*President, Peroxides*

# Global market & technology leader

## Peroxides in diversified markets

Pulp



HPPO\*



Homecare



Food & aquaculture



Mining



Water treatment



### North America

2 production sites

### Europe

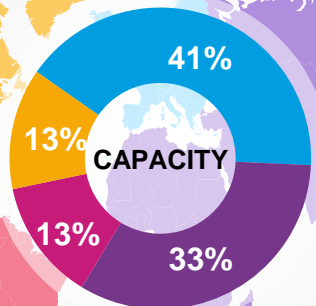
9 production sites  
(1 HPPO\*)  
2 R&I centers

### Latin America

1 production site  
1 R&I center

### Asia & RoW

5 production site  
(2 HPPO)  
1 R&I center



Production capacity & sites include all JVs



€ 512 m  
Net sales 2014



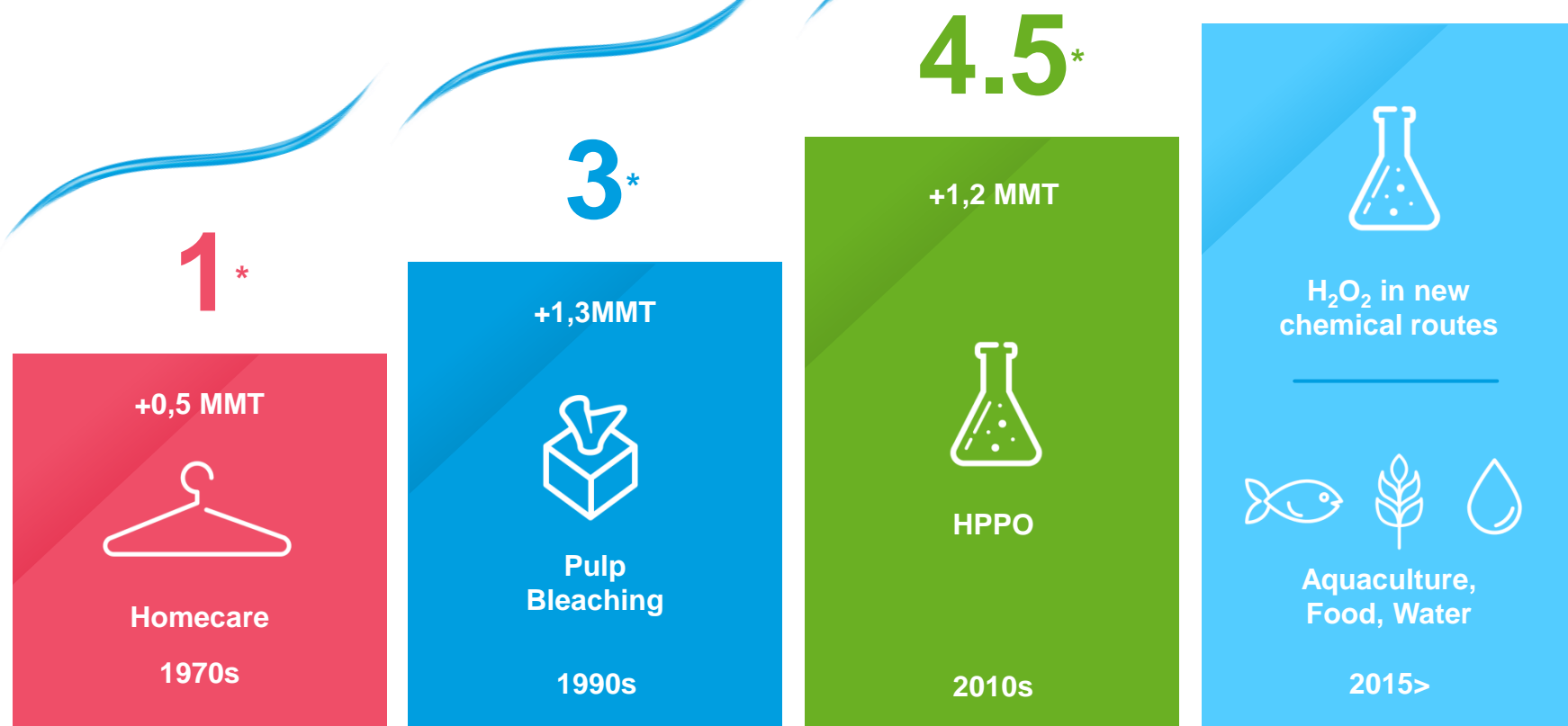
~ 870  
employees



17 production sites  
4 R&I centers

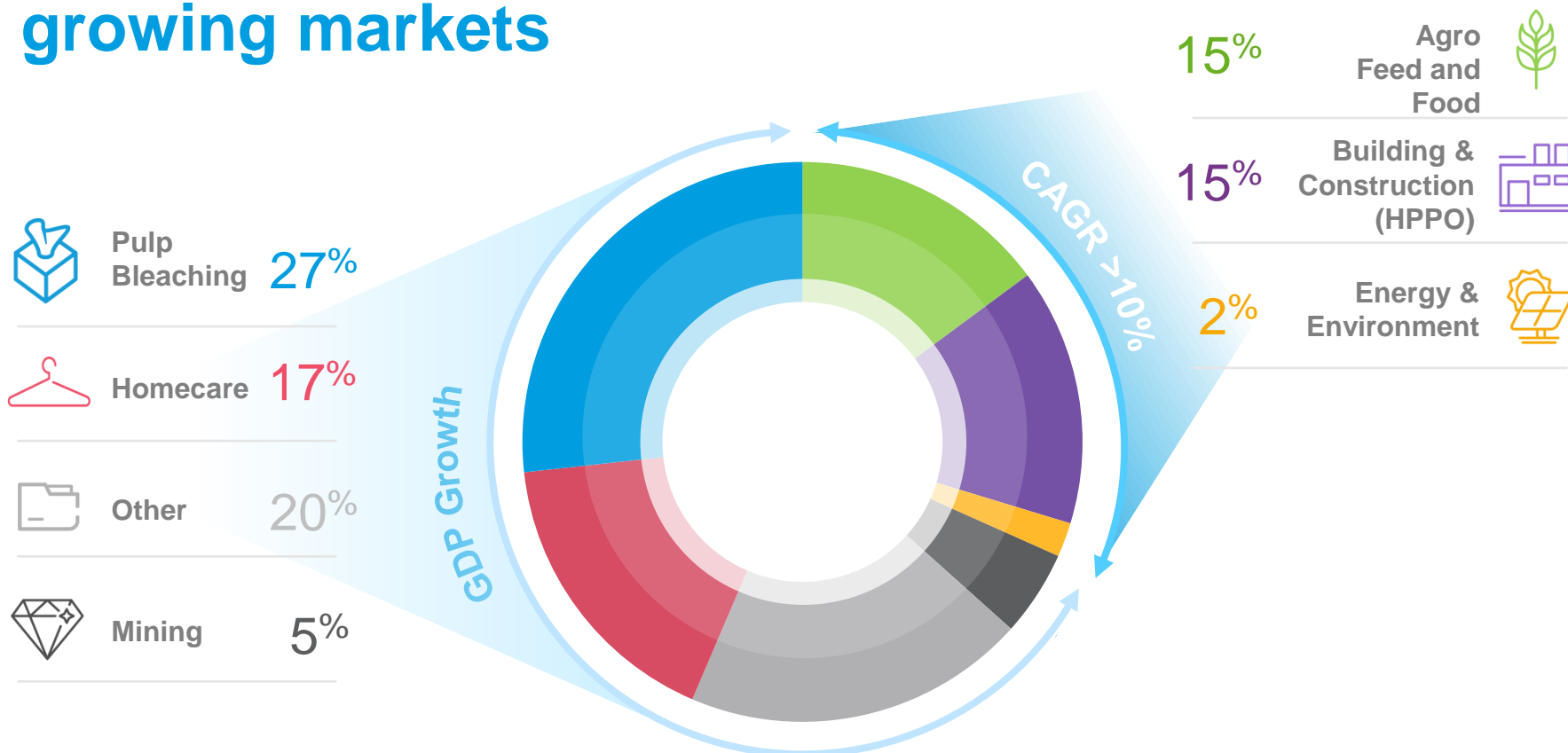
\* HPPO = HP (Hydrogen Peroxide) for PO (Propylene Oxide)

# H2O2, growth driven by sustainability



\* Approximated H2O2 global demand (Millions Metric Tons) - Sources Peroxides Team analysis

# Serving well-diversified, growing markets



## Solvay 2014 net sales by end-markets



1/3 of addressable market to grow at  
**10+%** CAGR (2014-2016)

... leading to superior growth

# Solvay: market and technology leader for hydrogen peroxide

## Global market leader



Pulp  
bleaching



HPPO



Food and  
Aquaculture

## Technology leader

- **On-purpose on-site technologies**
  - High productivity process for H<sub>2</sub>O<sub>2</sub>: mega plants to serve PO customers  
➔ **> 70 % market share**
  - Reviewed H<sub>2</sub>O<sub>2</sub> production process to allow for tailor made customer solutions
- **Process efficiency improvements on**
  - Specific consumptions
  - Energy management

## Supported by innovation capability

### Applications

- **Aquaculture** : Antiparasite for salmon farming
- **Environment** : Advanced oxidation for increasing environmental standards

### Technology

- **New process design** : “MyH<sub>2</sub>O<sub>2</sub>”
- **Strong energy savings**

# HPPO: Hydrogen Peroxide for Propylene Oxide

A game changer generating strong growth & guaranteed returns

## HPPO plants

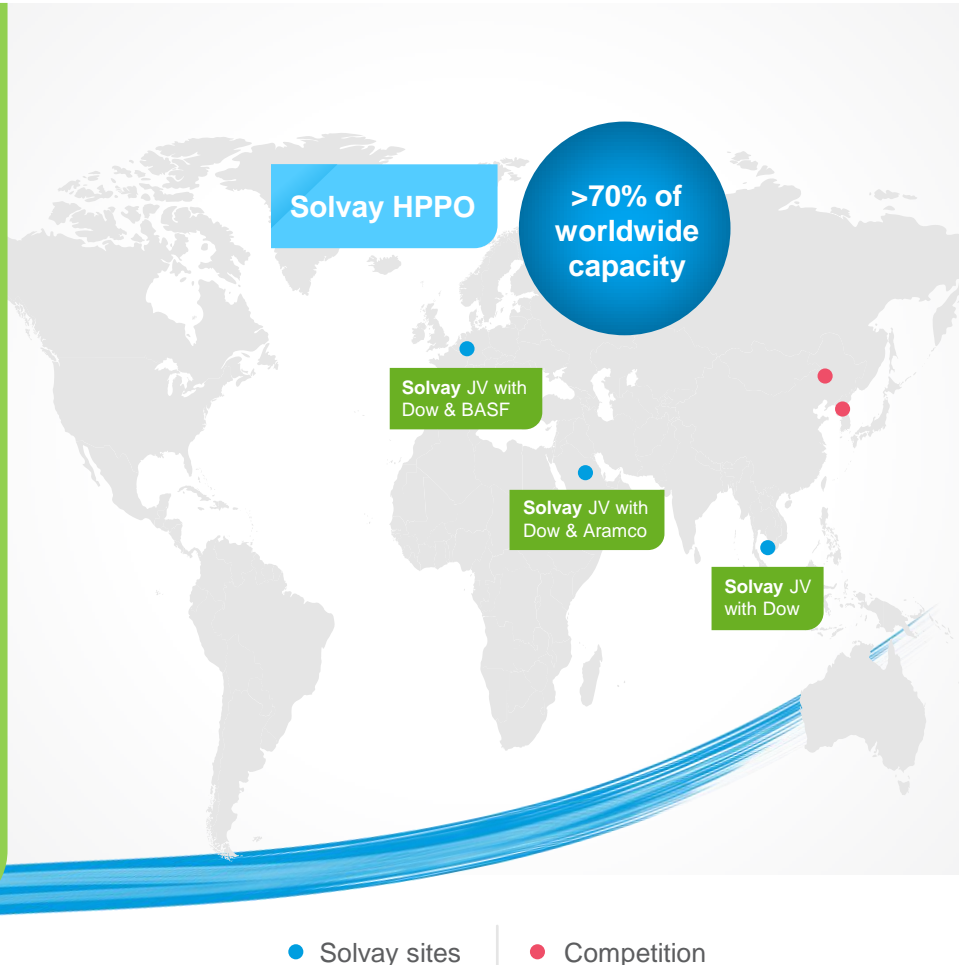


Long term contracts with the 2 WW leaders (BASF, DOW) in PO/PU chain

Only 2 players in Mega-HPPO plants

Strong Customer intimacy

Sustained & profitable business



HPPO:  
the preferred  
route to PO

On-purpose route

Low capital  
intensity &  
environmental  
impact

50% of new PO  
capacities since 2009  
chose HPPO route

HPPO capacity  
grew c.40% CAGR  
over 2009-2015

# Maintaining our leadership, Balance commodity & specialty approach

## Commodity approach

Low service level & commodity pricing

**Sustainable & higher returns**

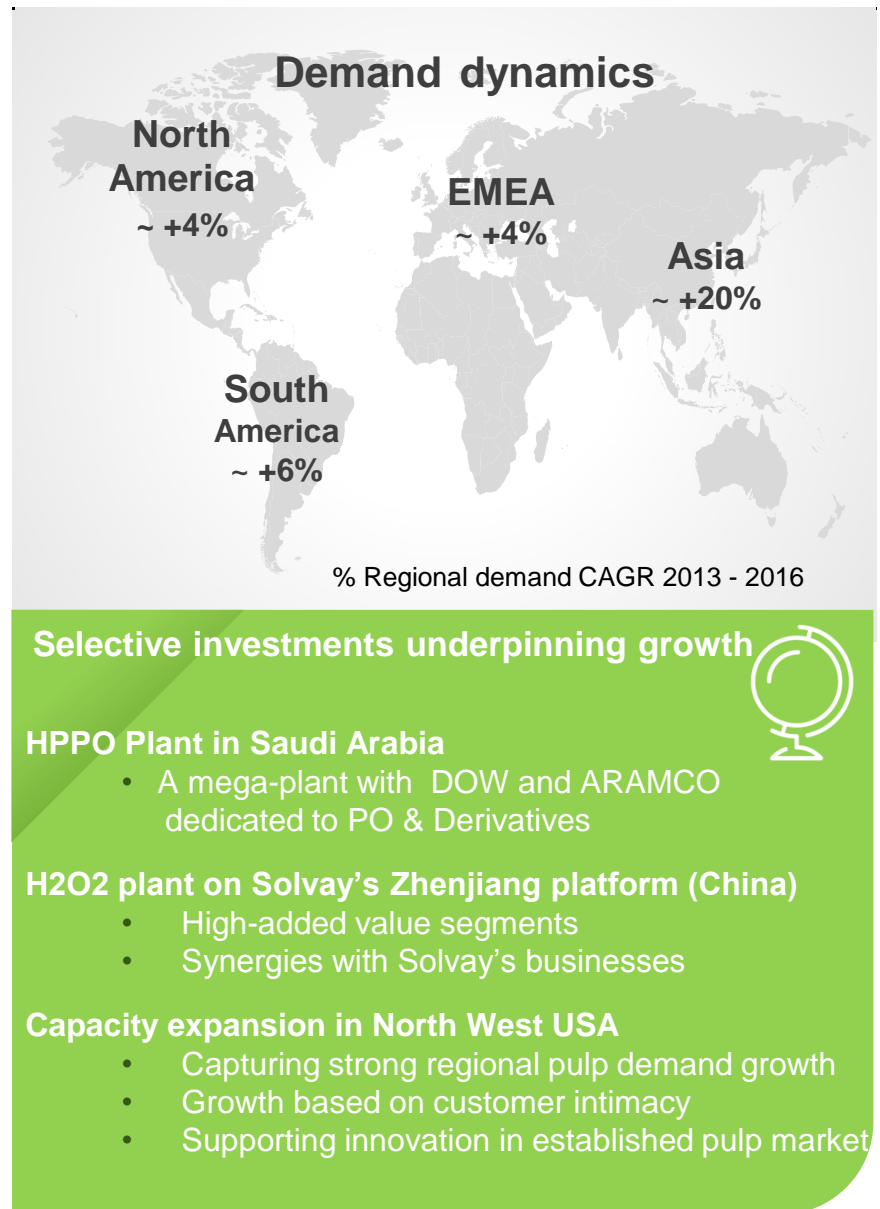
## Specialty approach

High service level & price differentiation

*Innovation in Technology*

*Innovation lead by sustainability opportunities*

*Strong commitment to excellence programs*



# Peroxides: a growing solution provider



## Sustained returns supported by excellence programs

- Double digit CAGR over 2013-2016
- CFROI in value creation zone



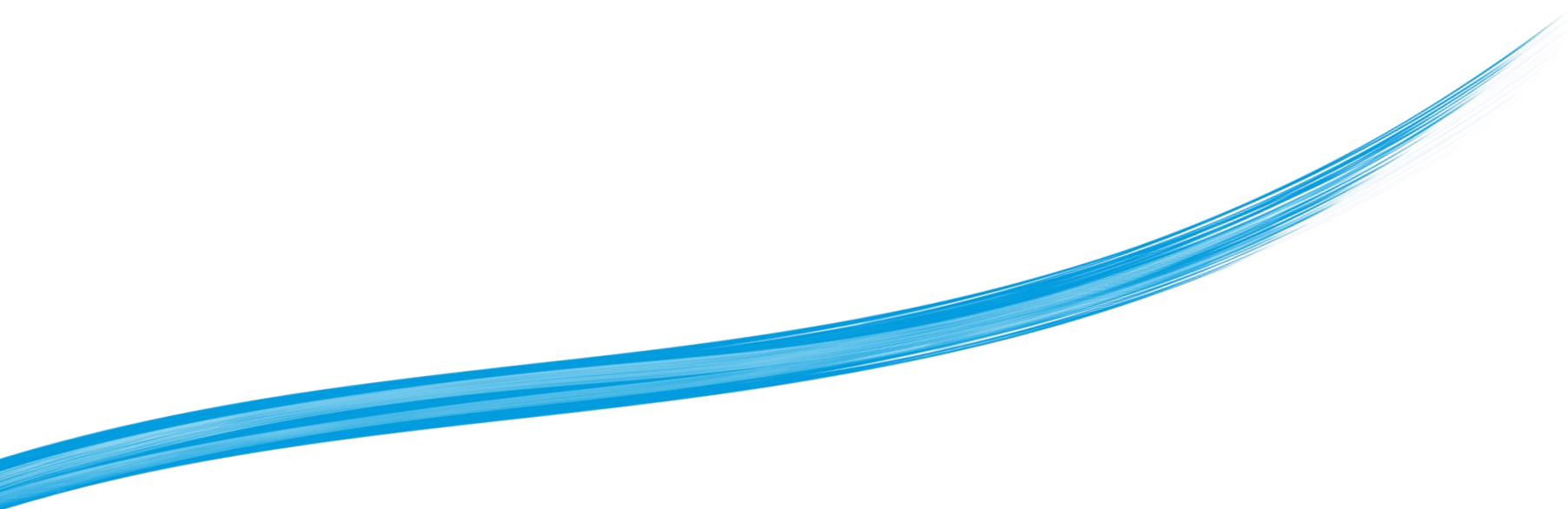
## Global market and technology leadership

- Partnerships with key customers
- Selective investments in growing high-added value segments
- Strong push for innovation in technology and applications



## Sustainability driving past and future growth

# Annex

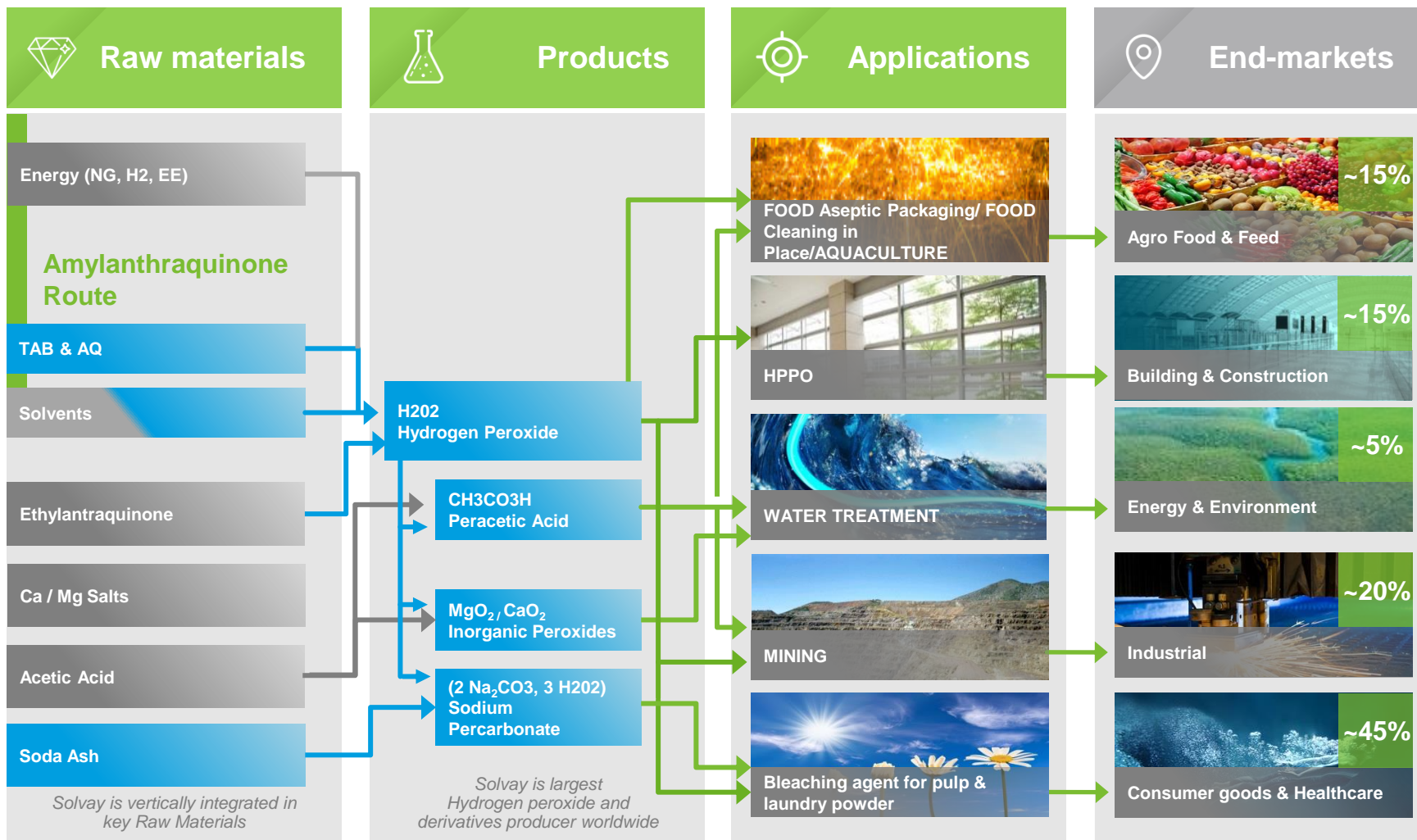


# Peroxides

## Key transformation process

Solvay products

approximate main  
end-market exposures





# SPEAKER'S RESUME



**Georges Crauser***President, Peroxides***Georges Crauser**

began his career in Solvay in 1990. He took various executive positions in the finance area, both in Europe and in the US, then conducted several M&A transactions for the Group, and became CFO of Solvay for South America. He then took the helm of the Peroxide business for South America in 2005, and later headed the Essential Chemicals business unit in North America, assuming as well the Group management of the zone.

In 2012, he headed the Integration Management Office and was appointed President of the GBU Peroxides effective Jan. 1st, 2014.

Georges Crauser, a Luxembourg national, is graduate of the Solvay Business School in Brussels.



**Maria Alcón-Hidaglo**

Head of Investor Relations

+32 2 264 1984

E-mail : [maria.alconhidalgo@solvay.com](mailto:maria.alconhidalgo@solvay.com)

**Geoffroy Raskin**

Investor Relations, Senior Manager

+32 2 264 1540

E-mail : [geoffroy.raskin@solvay.com](mailto:geoffroy.raskin@solvay.com)

**Bisser Alexandrov**

Investor Relations, Manager

+32 2 264 2142

E-mail : [bisser.alexandrov@solvay.com](mailto:bisser.alexandrov@solvay.com)

**Catherine Jouvét**

Retail shareholder relations Manager

+32 2 264 2732

E-mail : [catherine.jouvet@solvay.com](mailto:catherine.jouvet@solvay.com)

**Laetitia Van Minnenbruggen**

Events Coordinator

+32 2 264 3025

E-mail : [Laetitia.vanminnenbruggen@solvay.com](mailto:Laetitia.vanminnenbruggen@solvay.com)



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