SOLVAY
asking more from chemistry®

2ND QUARTER AND 1ST HALF YEAR 2014 FINANCIAL REPORT

REGULATED INFORMATION
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FORENOTE

All 2013 data are restated for comparison purposes for the Group’s application of IFRS 11 effective January 1st 2014.

Furthermore, Solvay presents Adjusted Income Statement performance indicators that exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.

Following signature on July 30th of binding agreement to sell Eco Services,

Solvay will report Eco Services businesses under Assets Held for Sale and discontinued operations as from Q3 2014. Consequently, Solvay will restate its 2013 Income and Cash Flow Statements, and 2014 Financial Statements, to reflect the discontinuation of the business no later than at the occasion of the Group’s Q3 2014 earnings publication.

This announcement represents a “non-adjusting event” for the Q2 2014 financial statements.

SOLVAY GROUP
2ND QUARTER & 1ST HALF YEAR 2014 BUSINESS REVIEW

Q2 highlights

On July 30th, Solvay signed a binding agreement to sell its U.S-based Eco Services

- Group net sales at € 2,640 m, **up 2% yoy**, with volumes 3%, forex (4)%, scope 3% and stable prices.
- REBITDA at € 485 m, **up 10% yoy** driven by volume growth, both organic and external, and sustained strong delivery on excellence measures. Unfavorable foreign exchange rates and CER phase-out continued to weigh, € (60) m. REBITDA margins widened to 18.4% of net sales, up 140 basis points yoy.
  - Advanced Formulations at € 119 m was **up 29% yoy**, driven by strong volumes and very healthy contribution of Chemlogics;
  - Advanced Materials reported a new record at € 187 m and was **up 16% yoy**, underpinned by strong innovation-driven volume growth and operational efficiency;
  - Performance Chemicals at € 189 m was **down 1% yoy**, with operational efficiency progress offset by temporary logistic and maintenance issues and forex headwinds;
  - Functional Polymers at € 38 m was **up 40% yoy**, supported by high manufacturing yields, broad excellence initiatives delivery and pricing;
  - Corporate and Business Services was € (47) m. CER sales phase-out impact mitigated by sustained cost savings and favorable phasing in corporate programs
- Adjusted EBIT at € 291 m, **up 56% yoy**; Adjusted Result from continuing operations at € 150 m, **up 31% yoy**;
- Impairment charge, mainly non-cash, of € (477) m reported in discontinued operations in relation to the planned creation of INOVYN™, the European chlorovinyls JV with Ineos;
- Adjusted Net Income, Group share at € (292) m (including INOVYN™ impairment of € (422) m after non-controlling interests' share) versus € 148 m in 2013;
- Free Cash Flow at € 89 m; net debt increased € 185 m from Q1'14 to € 1,644 m

H1 highlights

- Group net sales at € 5,192 m, **up 2% yoy**, with volumes 3%, forex (4)%, scope 3% and stable prices.
- REBITDA at € 953 m, **up 11% yoy** driven by volume growth and excellence initiatives. Unfavorable foreign exchange rates and CER phase out weighed € (89) m;
- Adjusted EBIT at € 551 m, **up 33% yoy**; Adjusted Result from continuing operations at € 260 m, **up 27% yoy**
- Adjusted Net Income, Group share at € (186) m included INOVYN™ impairment versus € 235 m in 2013;
- Free Cash Flow at € (8) m; net debt increased by € 503 m from YE'13 to € 1,644 m

Quote of the CEO

Solvay reported another set of solid results in the second quarter with double-digit operating profit growth and an encouraging underlying dynamic. Innovation-driven demand bolstered volumes at our growth engines Advanced Formulations and Advanced Materials, while Chemlogics beat our expectations. In addition, Group-wide excellence measures amply offset unfavorable foreign exchange rates and contributed to a significant margin expansion. This strong quarterly performance confirms that Solvay's transformation is delivering on all fronts. For the remainder of the year, the Group will focus on completing its current portfolio projects as demonstrated with Eco Services divestment announced today, and build on its growth and excellence momentum.

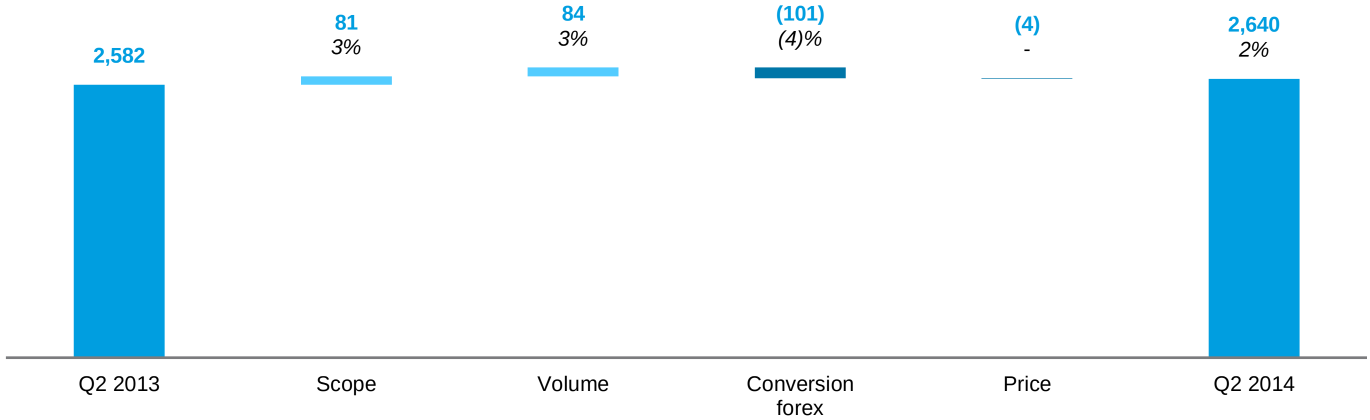
Outlook

Solvay reiterates its confidence that 2014 should show good operating performance. The Group confirms its guidance and expects high single-digit year-on-year REBITDA growth in 2014 at prevailing foreign exchange rates. This expectation reflects the eventual restatement in 2013 and 2014 reference periods for the discontinuation of Eco Service business.

SOLVAY GROUP
2ND QUARTER 2014 BUSINESS REVIEW

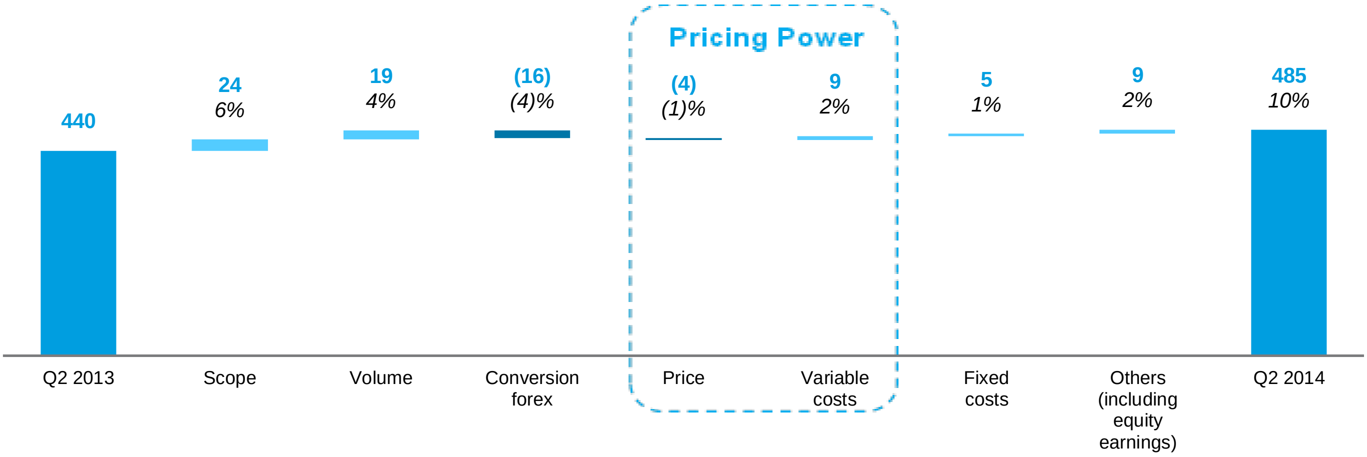
Key data	Adjusted			IFRS		
(in € m)	Q2 2014	Q2 2013	% yoy	Q2 2014	Q2 2013	% yoy
Net sales	2,640	2,582	*2%*	2,640	2,582	*2%*
REBITDA	**485**	**440**	***10%***	**485**	**440**	***10%***
REBIT	**337**	**284**	***18%***	**308**	**235**	***31%***
Non-recurring items	(46)	(97)	*53%*	(46)	(97)	*53%*
EBIT	**291**	**187**	***56%***	**262**	**137**	***n.m.***
Net financial charges	(75)	(51)	*(47)%*	(75)	(51)	*(47)%*
Result before taxes	**216**	**135**	***60%***	**187**	**87**	***n.m.***
Income taxes	(65)	(20)	*n.m.*	(57)	(10)	*n.m.*
Result from continuing operations	150	115	*31%*	129	77	*68%*
Result from discontinued operations	(481)	48	*n.m.*	(481)	48	*n.m.*
Net income	**(331)**	**163**	***n.m.***	**(352)**	**124**	***n.m.***
Non-controlling interests	39	(14)	*n.m.*	39	(14)	*n.m.*
Net income Solvay share	**(292)**	**148**	***n.m.***	**(313)**	**110**	***n.m.***
Basic EPS (in €)	(3.50)	1.79	*n.m.*	(3.76)	1.32	*n.m.*
Total free cash flow	**89**	**64**	***40%***	**89**	**64**	***40%***

Q2 2014 Net Sales yoy evolution *(in € million and % of Q2 2013 net sales)*



In the second quarter, Group net sales grew 2% to € 2,640 m driven by organic volume growth of +3% and the favorable scope effect from Chemlogics' contribution of +3%. Prices stood stable, while unfavorable foreign exchange effects continued to weigh, taking (4)% off sales. Net sales grew 21% in Advanced Formulations and 2% in Advanced Materials, both supported by strong demand. They fell (1)% in Performance Chemicals where foreign exchange rates outweighed slight volume and price increases and fell (7)% in Functional Polymers due to the divestment of Benvic, lower raw-material prices and foreign exchange rates.

Q2 2014 REBITDA yoy evolution *(in € million and % of Q2 2013 REBITDA)*



REBITDA grew 10% to € 485 m from € 440 m in the second quarter of 2013 supported by organic volume growth of € 19 m or +4% thanks to good demand dynamics across businesses. Unfavorable foreign exchange rates and CER phase-out continued to weigh negatively € (60) m in the yoy comparison. External growth, mostly Chemlogics, contributed € 24 m or +6%.
The wide range of excellence measures spanning from manufacturing to innovation, marketing and sales continued to strengthen operating performance and to offset the inflation in our fixed cost base.
In a deflationary raw material context, the Group reported sustained positive pricing power: the reduction of selling prices of € (4) m yoy was more than offset by a € 9 m decline in raw material prices resulting in a € 4 m positive net price effect on REBITDA despite the negative € (11) m transaction forex impacts.
Growth engines Advanced Formulation and Advanced Materials contributed the most to Solvay's REBITDA increase while the other operating segments reported a positive or stable contribution.
The Group's REBITDA margin on net sales widened by 140 basis points to 18.4% from 17% in the same quarter in 2013, a substantial improvement on an underlying basis when taking into account the impacts from both forex and the CER phase-out between the periods.

Non-recurring Items of € (46) m (€ (97) m in 2013) included restructuring expenses of € (13) m (€ (81) m in Q2 2013), as well as other costs primarily linked to environmental, litigation and portfolio management provisions for a combined € (34) m (€ (16) m in the prior year quarter).

Adjusted EBIT grew 56% to € 291 m (€ 187 m in 2013). Besides amortization and depreciation charges of € (160) m, it included € 13 m pre-operational gains related to the Rusvinyl joint venture and the ruble revaluation since the end of the prior quarter, and € (2) m for Chemlogics holdback payments. On an IFRS basis, EBIT totaled € 262 m. The difference between IFRS and adjusted figures reflects the Rhodia non-cash purchase price allocation (PPA) depreciation impact of € (29) m.

Net Financial Expenses increased to € (75) m (€ (51) m in 2013). Net charges on net debt fell to € (32) m versus € (41) m in 2013, mainly thanks to the repayment in 2014 of €1.3 billion of gross debt which significantly lowered the Group's negative cost of carry. However, the cost of discounting provisions for environmental and pension liabilities widened to € (43) m from € (13) m in 2013. This was chiefly related to environmental reserves impacted by a 50bps reduction in Eurozone discount rates in the quarter or € (15) m, whereas the same quarter last year benefited from a € 17 m one-off in a context of increasing discount rates.

Adjusted Income Taxes rose to € (65) m from € (20) m in 2013. The nominal tax rate including non-recurring items was 33%, whereas the underlying tax rate was 34%, in line with our full-year expectations.

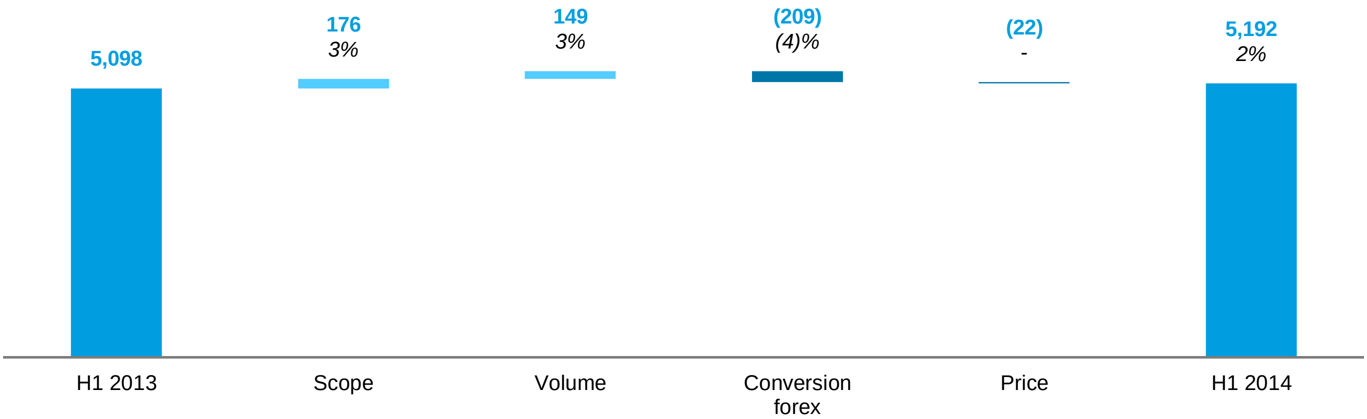
Net result from discontinued operations was € (481) m against € 48 m in the same 2013 quarter, mainly related to the impairment loss before minorities of € (477) m of the European chlorovinyls assets to be contributed to the INOVYN™ joint venture project.

Adjusted Net Income was € (331) m (€ 163 m in 2013). Adjusted Net income Group Share came in at € (292) m and included a € (422) m impairment charge after minorities relating to the JV project INOVYN™. Adjusted basic earnings per share amounted to € (3.50). On an IFRS basis, Net income Group Share amounted to € (313) m.

SOLVAY GROUP
1ST HALF YEAR 2014 BUSINESS REVIEW

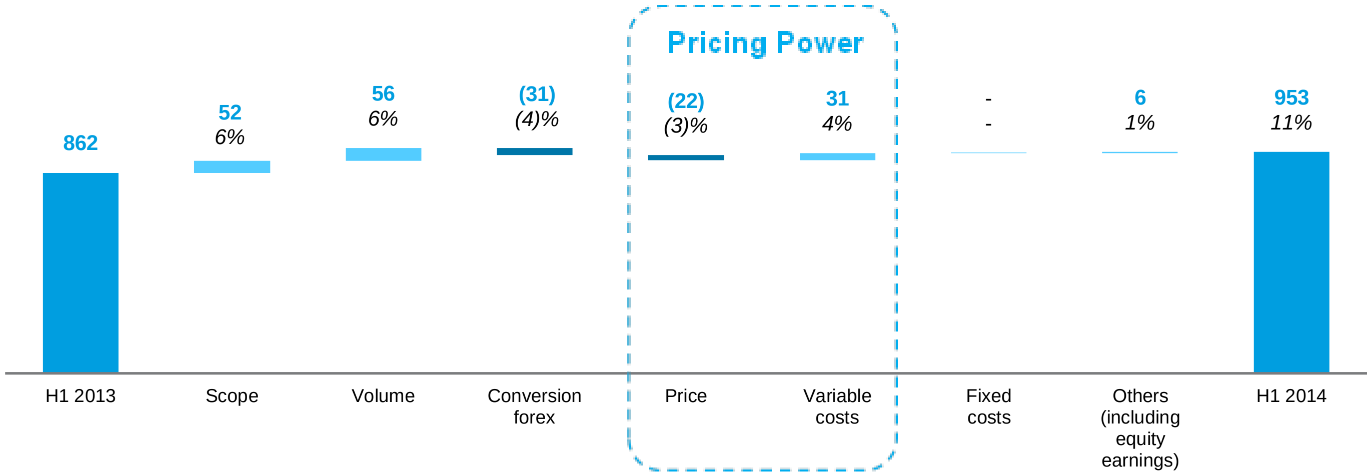
Key data	Adjusted			IFRS		
(in € m)	**H1 2014**	**H1 2013**	***% yoy***	**H1 2014**	**H1 2013**	***% yoy***
Net sales	5,192	5,098	*2%*	5,192	5,098	*2%*
REBITDA	**953**	**862**	***11%***	**953**	**862**	***11%***
REBIT	**626**	**552**	***13%***	**569**	**469**	***21%***
Non-recurring items	(76)	(137)	*45%*	(76)	(137)	*45%*
EBIT	**551**	**415**	***33%***	**493**	**332**	***49%***
Net financial charges	(173)	(135)	*(28)%*	(173)	(135)	*(28)%*
Result before taxes	**378**	**280**	***35%***	**320**	**197**	***62%***
Income taxes	(118)	(76)	*(55)%*	(100)	(56)	*(78)%*
Result from continuing operations	260	204	*27%*	221	141	*56%*
Result from discontinued operations	(470)	60	*n.m.*	(470)	60	*n.m.*
Net income	**(210)**	**264**	***n.m.***	**(250)**	**201**	***n.m.***
Non-controlling interests	25	(30)	*n.m.*	25	(30)	*n.m.*
Net income Solvay share	**(186)**	**235**	***n.m.***	**(225)**	**172**	***n.m.***
Basic EPS (in €)	(2.23)	2.81	*n.m.*	(2.70)	2.07	*n.m.*
Total free cash flow	**(8)**	**53**	***n.m.***	**(8)**	**53**	***n.m.***

H1 2014 Net Sales yoy evolution *(in € million and % of H1 2013 net sales)*



In the first half of 2014, Group net sales grew 2% to € 5,192 m. The increase was driven by organic volume growth +3% and Chemlogics' contribution +3%, but was held back by unfavorable foreign exchange developments (4)% (primarily the U.S. dollar, Japanese yen, Brazilian real and other emerging markets' currencies). Net sales grew 15% in Advanced Formulations and 2% in Advanced Materials, both supported by innovation-driven demand, stood stable in Performance Chemicals with volume growth offset by forex, and fell (6)% in Functional Polymers due to lower raw material prices and unfavorable forex.

H1 2014 REBITDA yoy evolution *(in € million and % of H1 2013 REBITDA)*



REBITDA grew 11% to € 953 m from € 862 m in the first half of 2013, supported by organic volume growth of € 56 m or +6%. Unfavorable foreign exchange rates and the CER phase-out weighed € (89) m. External growth, mostly Chemlogics, contributed € 52 m or +6%.
The wide range of excellence measures spanning from manufacturing to innovation, marketing and sales strengthened operating performance and offset the inflation in our fixed cost base.
In a deflationary raw material context, the Group continued reporting a positive pricing power: the reduction of selling prices of € (22) m yoy was more than offset by a € 31 m decline in raw material prices, resulting in a € 9 m positive net price effect on REBITDA despite the negative € (22) m transaction forex impacts.
All operating segments contributed to Solvay REBITDA increase: Innovation-driven demand bolstered volumes and profit at our growth engines Advanced Formulations and Advanced Materials, while Performance Chemicals and Functional Polymers benefited from positive pricing thanks to the success of breakthrough operational excellence initiatives.
The Group's REBITDA margin on net sales widened 140 basis points to 18.3% from 16.9% in 2013, a substantial improvement on an underlying basis when taking into account the adverse forex impacts and the CER phase-out between the first-half periods.

Non-recurring Items of € (76) m compared with € (137) m in 2013 included restructuring expenses of € (18) m (€ (97) m in H1 2013), as well as other costs primarily linked to environmental, litigation and portfolio management provisions for a combined € (58) m that compared to € (40) m in the prior year semester.

Adjusted EBIT grew 33% to € 551m from € 415 m in 2013. Besides amortization and depreciation charges of € (320) m, it included € 2 m pre-operational net gain related to Rusvinyl and the ruble revaluation since year end 2013. It also included a € (7) m adjustment for Chemlogics inventories at fair value and holdback payments. On an IFRS basis, EBIT totaled € 493 m. The difference between IFRS and adjusted figures reflects the Rhodia non-cash purchase price allocation (PPA) depreciation impact of € (58) m.

Net Financial Expenses increased to € (173) m (€ (135) m in 2013). Net charges on net debt fell to € (67) m from € (86) m in 2013, mainly following the repayment of €1.3 billion of gross debt in the first half of 2014, which significantly lowered the Group's negative cost of carry. Net financial expenses also included a negative one-off of € (19) m due to the settlement of interest rate swaps.
The cost of discounting provisions for environmental and pension liabilities widened to € (86) m from € (50) m in 2013. This was chiefly related to environmental reserves impacted by a 100bps reduction in Eurozone discount rates or € (29) m in the semester, whereas H1 2013 benefited from a € 17 m one-off in a context of increasing discount rates.

Adjusted Income Taxes amounted to € (118) m (€ (76) m in 2013). The nominal tax rate including non-recurring items was 33%, whereas the underlying tax rate was 34%, in line with our expectations.

Net result from discontinued operations was € (470) m (€ 60 m in the same 2013 period), and related mainly to the pre-minorities impairment loss of € (477) m of the European chlorovinyls assets to be contributed to the JV project INOVYN™.

Adjusted Net Income was € (210) m (€ 264 m in 2013). Adjusted Net income Group Share came in at € (186) m and included a € (422) m impairment charge after minority relating to the JV project INOVYN™. Adjusted basic earnings per share amounted to € (2.23). On an IFRS basis, Net income Group Share amounted to € (225) m.

SOLVAY GROUP NEWS CORNER

Solvay to sell its U.S-based Eco Services business unit to CCMP Capital.

Solvay has signed a binding agreement to sell its sulfuric acid virgin production and regeneration business Eco Services to CCMP Capital, following a bidding process. The divestment of Eco Services is another step in Solvay's transformation. Eco Services has a market leading position and generates stable cash flows, but has a business profile that differs from Solvay's strategic ambitions. The transaction terms correspond to an enterprise value of US$ 890 m, which represents just over 8.0x adjusted EBIDTA for the last twelve months ending June 30th, 2014. Solvay will report Eco Services business under discontinued operations as from Q3 2014. Completion of the transaction is expected in the fourth quarter.

Final agreement to create chlorovinyls joint venture INOVYN™

The joint venture, expected to be effective by year-end following divestments required by the European Commission, is another key step in Solvay's transformation. The terms have been simplified and adjusted to the remedies and market conditions. At closing, Solvay will receive upfront € 175 m and transfer liabilities worth € 250 m into the JV. After three years, Solvay will exit INOVYN™ and receive extra cash targeted at € 250 m but with a guaranteed minimum of € 75 m. To be headquartered in London, INOVYN's™ will have proforma 2013 sales of more than € 3 bn and 14 sites in eight European countries.
(Further references may be found in page 25 of this document)

New laboratory and production facility in North Dakota, U.S., close to oil & gas customers

Solvay Novecare opened a new laboratory and production facility in North America's Bakken Shale Formation, expanding its extensive tailored formulations capability for oil & gas customers in the field. Most of Novecare's lab-to-well services are in Texas, but, as one of the first specialty chemical players based at the heart of the Bakken area, it can now also seize growth opportunities in North America's second largest reserve of tight oil and shale gas.

Opening of Research & Innovation center in Seoul

Solvay's new Research & Innovation (R&I) center on the campus of Ewha Womans University in Seoul brings the Group close to key Asian customers and universities to develop products for the growing battery, electronics and car markets. Research will focus on Organic Light Emitting Diodes (OLED) display and lighting technologies, on materials for the high value-added markets of lithium-ion batteries to enable optimal energy storage, and the development of new materials that reduce energy use of cars. The center is Solvay's fourth in Asia and by end 2015 will employ some 60 scientists.

SOLVAY GROUP BALANCED BUSINESS PROFILE

* Represents percentage of 2013 net sales (including pro-forma Chemlogics sales)
RoW: Rest of the Word

2ND QUARTER & 1ST HALF YEAR 2014 BUSINESS REVIEW

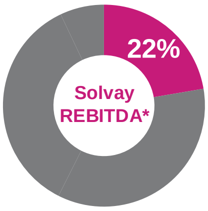
(in € m)	Q2 2014	Q2 2013	% yoy	H1 2014	H1 2013	% yoy
Net sales	**2,640**	**2,582**	***2%***	**5,192**	**5,098**	***2%***
Advanced Formulations	725	599	*21%*	1,388	1,208	*15%*
Advanced Materials	670	659	*2%*	1,329	1,298	*2%*
Performance Chemicals	798	803	*(1)%*	1,580	1,586	-
Functional Polymers	448	483	*(7)%*	896	951	*(6)%*
Corporate & Business Services	(1)	38	*n.m.*	(1)	55	*n.m.*
REBITDA	**485**	**440**	***10%***	**953**	**862**	***11%***
Advanced Formulations	119	92	*29%*	221	205	*8%*
Advanced Materials	187	161	*16%*	362	316	*15%*
Performance Chemicals	189	191	*(1)%*	377	357	*6%*
Functional Polymers	38	27	*40%*	78	60	*28%*
Corporate & Business Services	(47)	(30)	*(53)%*	(85)	(76)	*(12)%*

ADVANCED FORMULATIONS

Q2 AND H1 2014 BUSINESS REVIEW

€ 119 m

Q2 2014 REBITDA



As one of Solvay's growth engines, the businesses grouped under Advanced Formulations stand out for their innovation capacity and relatively low capital intensity. Their offerings address major societal trends, meeting ever stricter requirements to respect the environment and save energy, and challenges of the mass consumer markets.

- REBITDA in the second quarter was **up 29% yoy** at € 119 m.
- For the first 6 months, REBITDA was **up 8%** at € 221 m.
- Chemlogics' strong contribution combined with favorable volume growth at Novecare largely offset adverse currency developments overall and weak performance at Coatis.

(*) Excludes Corporate & Business Services

(in € m)	Q2 2014	Q2 2013	% yoy	H1 2014	H1 2013	% yoy
Net sales	**725**	**599**	***21%***	**1,388**	**1,208**	***15%***
Novecare	518	378	*37%*	988	776	*27%*
Coatis	121	128	*(5)%*	241	250	*(4)%*
Aroma Performance	86	93	*(7)%*	158	182	*(13)%*
REBITDA	**119**	**92**	***29%***	**221**	**205**	***8%***

Q2 performance comments

Net Sales at Advanced Formulations grew 21% to € 725 m in the quarter from € 599 m in the second quarter of 2013. Chemlogics contributed 16%, while volumes at constant perimeter grew 11%, and prices increased 1%. Forex headwinds had an adverse impact of (7)%.

REBITDA increased 29% to € 119 m in the second quarter. Strong demand in the unconventional Oil&Gas market (and low comparative base) led to significant volume growth, on top of a remarkable contribution from Chemlogics.
Unfavorable foreign exchange rates led to a decline of € (8) m in the quarter.

Novecare benefited from strong underlying demand mainly driven by good dynamics in the Oil & Gas market where customers recognize Solvay's broad portfolio and formulation capabilities. Chemlogics advanced in ramping up its Chemplex business in North Dakota and reached record profitability. Novecare's Agro business continued to suffer from the short season in the U.S that was marked by extreme weather conditions in the first quarter. Home & Personal Care was disappointing both in terms of volume and price. Overall adverse foreign exchange developments weighed on the GBU's growth compared to last year.

At **Coatis**, business performance was poor due to the worsening of Brazil's economic situation. Domestic prices for labor and energy eroded local industry competitiveness, thereby favoring imports of finished goods. The GBU continued its operational excellence efforts to mitigate inflation on variable costs and to minimize fixed costs.

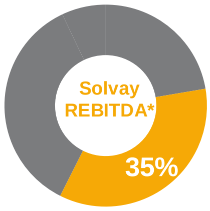
Aroma Performance benefited from positive market trends overall, both in Aroma ingredients and in Inhibitors. The force majeure in the first quarter came to an end. Now that the technical issue causing the manufacturing outage has been solved, the ramp-up is taking place gradually.

ADVANCED MATERIALS

Q2 AND H1 2014 BUSINESS REVIEW

€ 187 m

Q2 2014 REBITDA



A leader in markets with high entry barriers and strong returns on investment, the Advanced Materials segment is a major contributor to the Group's performance and growth. Innovation, its global presence feature and long-term partnerships with customers provide a compelling competitive edge with industries seeking increasingly energy efficiency and less polluting functionalities.

- Advanced Materials again set a new REBITDA record of € 187 m, up 16% yoy in the second quarter.
- The first six months of 2014 were underpinned by strong innovation-driven volume growth and operational efficiency with REBITDA up 15% at € 362 m.

(*) Excludes Corporate & Business Services

(in € m)	Q2 2014	Q2 2013	*% yoy*	H1 2014	H1 2013	*% yoy*
Net sales	**670**	**659**	***2%***	**1,329**	**1,298**	***2%***
Specialty Polymers	361	333	*8%*	707	645	*10%*
Silica	115	108	*6%*	223	212	*5%*
Rare Earth Systems	62	77	*(19)%*	132	159	*(17)%*
Special Chemicals	133	141	*(6)%*	266	281	*(5)%*
REBITDA	**187**	**161**	***16%***	**362**	**316**	***15%***

Q2 performance comments

Net sales of Advanced Materials increased 2% to € 670 m in the quarter (€ 659 m in 2013). Growth was supported by strong volumes +7% but partially held back by lower raw-material led prices (2) % mainly at Rare Earth Systems, as well as by unfavorable foreign exchange rates (3) %.

REBITDA for Advanced Materials rose 16% to a € 187 m record thanks to innovation-driven demand and continued to post a strong 28 % REBITDA margin. The operating segment's record performance was reflected in all four businesses with volume growth in most end markets. Excellence programs in manufacturing, purchasing and commercial activities also supported this performance. However, negative foreign currency developments of mainly the U.S. dollar, Brazilian real and Japanese yen had an adverse impact of € (15) m, both from currency conversion and transaction.

At **Specialty Polymers**, strong sales growth came from all regions and from most end markets. Growth in the automotive market came from light weighting technologies and smart devices were bolstered by new product launches. Electrical & Electronics were strong thanks to LED developments, while the industrial market benefited from strong demand in wire & cable. Other end markets also showed strong growth.

Silica showed continued good performance mainly due to volume growth at the Original Equipment Manufacturing (OEM) and tire replacement market. Demand in Europe lifted volumes overall in the second quarter.

At **Rare Earth Systems**, the catalysis market remained strong with good volumes boosted by new regulation and innovation and better margins. Electronics showed mixed dynamics with lower sales in lighting but a recovery in polishing and semi-conductor.

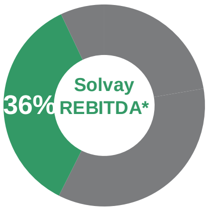
Special Chemicals benefited from good business trends in most of its end markets, especially in Automotive and Semi-conductors and Electronics. The GBU's profit and margin improved thanks to the refocussing of its portfolio.

PERFORMANCE CHEMICALS

Q2 AND H1 2014 BUSINESS REVIEW

€ 189 m

Q2 2014 REBITDA



Operating in mature resilient markets, this Segment's success is based on economies of scale, competitiveness and quality of service. Solidly cash-generating, the Performance Chemicals businesses are engaged in programs of excellence to create additional sustainable value.

- Performance Chemicals REBITDA was slightly **down (1) % yoy** at € 189 m in the quarter. Positive volumes and good pricing power were insufficient to compensate for higher fixed costs and adverse foreign exchange developments.
- During the first half 2014, REBITDA **was up 6%** at € 377 m thanks to good pricing power and benefits from breakthrough excellence programs
- Solvay to sell its U.S-based Eco Services business unit to CCMP CAPITAL

(*) Excludes Corporate & Business Services

(in € m)	Q2 2014	Q2 2013	*% yoy*	H1 2014	H1 2013	*% yoy*
Net sales	**798**	**803**	***(1)%***	**1,580**	**1,586**	**-**
Soda Ash & Derivatives	335	338	*(1)%*	667	660	*1%*
Peroxide	123	116	*6%*	245	234	*5%*
Acetow	167	167	-	330	330	-
Eco Services	74	74	-	138	141	*(2)%*
Emerging Biochemicals	99	108	*(9)%*	200	222	*(10)%*
REBITDA	**189**	**191**	***(1)%***	**377**	**357**	***6%***

Q2 performance comments

Net sales of Performance Chemicals fell (1)% to € 798 m and were +3% higher at constant foreign currency rates. Price increases of 2% and volume growth of 1% could not compensate for the adverse foreign exchange developments which lowered the segment's sales by (4) %).

The operating segment's **REBITDA** decreased (1)% to € 189 m. Despite good pricing, performance at Soda Ash & Derivatives and at Peroxide suffered from logistic and maintenance issues, respectively. Acetow's continuous profit growth was held back by adverse currency developments at Eco-Services and the poor performance at Emerging Biochemicals. The segment reported positive pricing across most of the GBUs. The breakthrough competitive program put in place in Soda Ash & Derivatives was able to offset the inflation on fixed costs and the unfavorable currency developments (€ (7) m).

At **Soda Ash and Derivatives**, demand in export markets continued to improve compared to last year. Production at the Green River plant in the U.S. suffered from a disruption in rail logistics following the extreme weather conditions in the first quarter. Prices were higher overall. However, the GBU remained affected by adverse currency developments, especially the devaluation of the U.S. dollar against the euro. The targeted € 100 m annual cost savings plan is well on track to be achieved by the end of 2015.

At **Peroxides**, overall demand of hydrogen peroxide (H2O2) increased thanks to new applications in Europe, including fish farming, as well as good volumes in the North American pulp & paper industry. Sustained demand at Hydrogen Peroxide propylene oxide (HPPO) boosted operating rates. Fixed costs suffered from prolonged maintenance turnarounds in Longview in the U.S., in Jemeppe, Belgium, and in Voikka, Finland.

At **Acetow**, activities were underpinned by higher sales prices and strong industrial performance.

Eco Services posted volumes growth both in sulfuric acid regeneration and virgin businesses. The positive impact of lower raw materials, mainly sulfur, was neutralized by a price reduction of mostly indexed contracts. Based in the U.S., the business unit's net sales continued to be impacted by the lower U.S. dollar rate against the euro.

At **Emerging Biochemicals**, tough conditions persisted in the South-east Asian PVC market and while demand for Epichlorohydrin improved slightly, levels remained low.

News: On July 30th, Solvay signed a binding agreement to sell its sulfuric acid virgin production and regeneration business Eco Services to CCMP Capital. Solvay will report Eco Services businesses under discontinued operations as from the third quarter 2014.

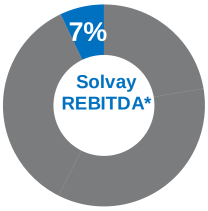
Completion of the transaction, expected in the fourth quarter, is subject to customary closing conditions.

FUNCTIONAL POLYMERS

Q2 AND H1 2014 BUSINESS REVIEW

€ 38 m

Q2 2014 REBIDTA



The key success factors of this Segment, which primarily groups the Polyamide activities, are continuous manufacturing optimization and innovation. Solvay is one of few players to operate across the entire polyamide 6.6 chain.

- In the second quarter, Functional Polymers REBITDA came in at € 38 m, **up 40% yoy**.
- In the first half 2014, REBITDA was **up 28%** at € 78 m supported by improved demand and strong manufacturing excellence program delivery.

(*) Excludes Corporate & Business Services

(in € m)	Q2 2014	Q2 2013	% yoy	H1 2014	H1 2013	% yoy
Net sales	**448**	**483**	***(7)%***	**896**	**951**	***(6)%***
Polyamide	408	427	*(5)%*	799	840	*(5)%*
Chlorovinyls	40	55	*(27)%*	98	111	*(12)%*
REBITDA	**38**	**27**	***40%***	**78**	**60**	***28%***

Reminder: *Solvay's European Chlorovinyls businesses planned to be contributed to the joint venture project with INEOS, INOVYN's™, as well as its Indupa activities, are classified as discontinued operations.*

As from December 31, 2013, Benvic is presented in the Balance Sheet under "Assets Held for Sale", but as continued operations in the Income Statement. A definitive sale transaction was completed with OpenGate Capital in June 2014.

The remaining Chlorovinyls businesses refer to the residual trading activities not included in the Ineos joint venture agreement and the activity of Benvic PVC compounding up until its sale on June 2, 2014.

Q2 performance comments

Functional Polymers reported **net sales** of € 448 m in the quarter compared to € 483 m in the same quarter of 2013. The sale of the Benvic PVC compounding business represented a € (15) m decline. Furthermore, volume growth of 1% could not compensate for a decline prices of (3)% and unfavorable foreign exchange rates taking off (2)%.

REBITDA increased 40% to € 38 m from € 27 m in 2013. Polyamide operating performance improved compared to the second quarter of 2013 supported by a reduction in fixed and variable costs. Growing volumes in Europe and in Asia have however been offset by lower volumes in Latin America. Fibras continued to be impacted by the poor macro-economic conditions and further competitive erosion of the domestic industry. The profit restoration plan continued to deliver on fixed and variable costs as well as on commercial excellence programs.

Discontinued Operations: Performance of the European chlorovinyls business that should become part of the planned INOVYN™ joint venture is suffering from difficult market environment with low prices and weak margins. Quarterly net sales amounted to € 465 m and REBITDA came in at € 20 m.

The Net Income Group share from our discontinued chlorovinyls activities (including Solvay Indupa) amounted to € (414) m during the quarter, including a € (422) m impairment charge, after non-controlling interests, related to the INOVYN™ project.

N.B.: Rusvinyl, the chlorovinyls JV with SIBUR in Russia, is expected to become operational in the second half of the year.

CORPORATE & BUSINESS SERVICES

Q2 AND H1 2014 BUSINESS REVIEW

€ (47) m
Q2 2014 REBITDA

This Segment includes the Solvay Energy Services business which delivers energy optimization programs within the Group as well as for third parties. It also includes the corporate functions.

- Corporate and Business Services REBITDA was at € (47) m in the quarter and € (85) m in the first half 2014.
- Carbon credits (CERs) were fully phased-out in the first half of 2013
- Cost control was tight on corporate structure and corporate functions expenses.

(in € m)	Q2 2014	Q2 2013	*% yoy*	H1 2014	H1 2013	*% yoy*
Net sales	**(1)**	**38**	***n.m.***	**(1)**	**55**	***n.m.***
Energy Services	(1)	38	*n.m.*	(1)	54	*n.m.*
Other Corporate & Business Services	-	-	*n.m.*	-	-	*n.m.*
REBITDA	**(47)**	**(30)**	***(53)%***	**(85)**	**(76)**	***(12)%***

Q2 performance comments

Net sales were nil compared to € 38 m in the same period last year. The last carbon credit (CER) sales occurred in 2013 and were phased out entirely in the first half of that year.

REBITDA amounted to € (47) m compared to € (30) m in Q2 2013. No material REBITDA contribution came from Energy Services in the quarter while for the first half it was at € 12 m Last year the Group sold 3.5 MT of CERs for € 44 m in sales in the second quarter. Over the semester, CER sales totaled € 58 m (4.6 MT of CERs)

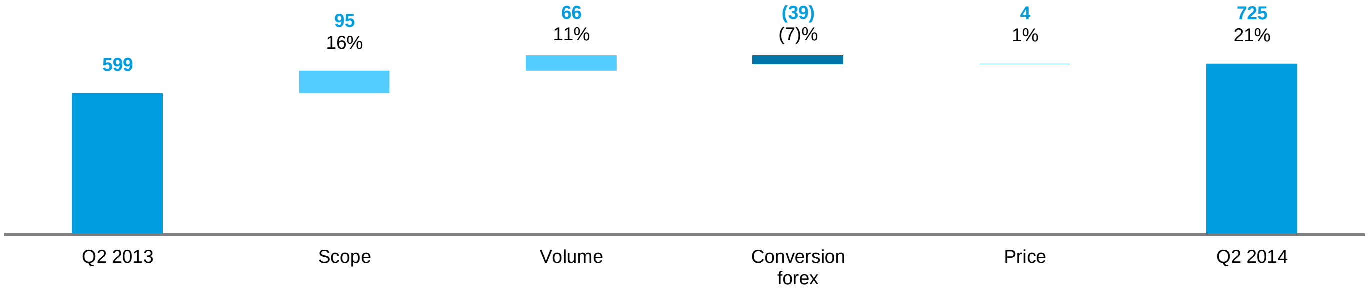
Expenses related to corporate structure and corporate functions were lower than last year due to tight cost control, the phasing of certain corporate programs and favorable impacts from devaluated currencies. These elements fully compensated for inflation.

In the next quarters, the Group will continue to invest in the deployment of best-in-class Business Support Services and expects to report the impact of the phasing of planned corporate programs in the second half.

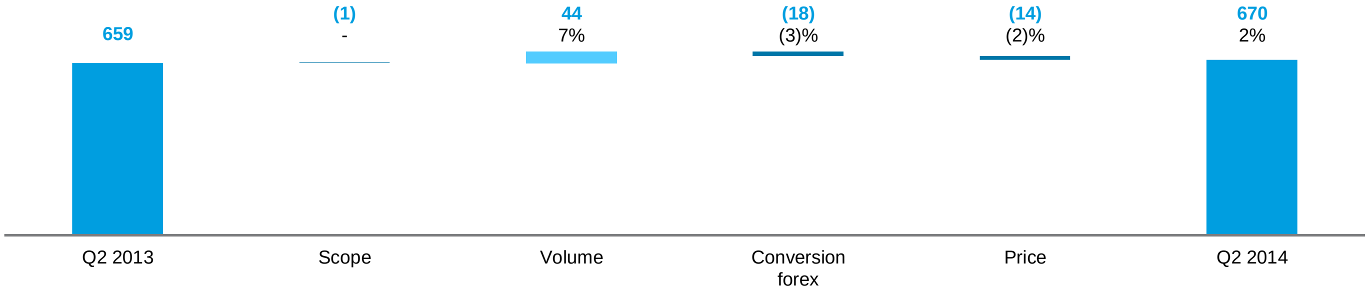
ADDITIONAL Q2 2014 DATA ON NET SALES

Factors influencing net sales yoy evolution (% of Q2 2013 net sales)

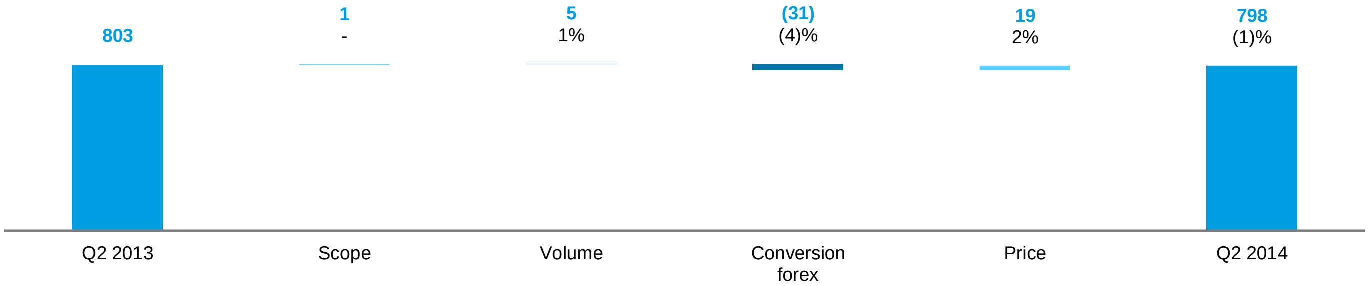
Advanced Formulations



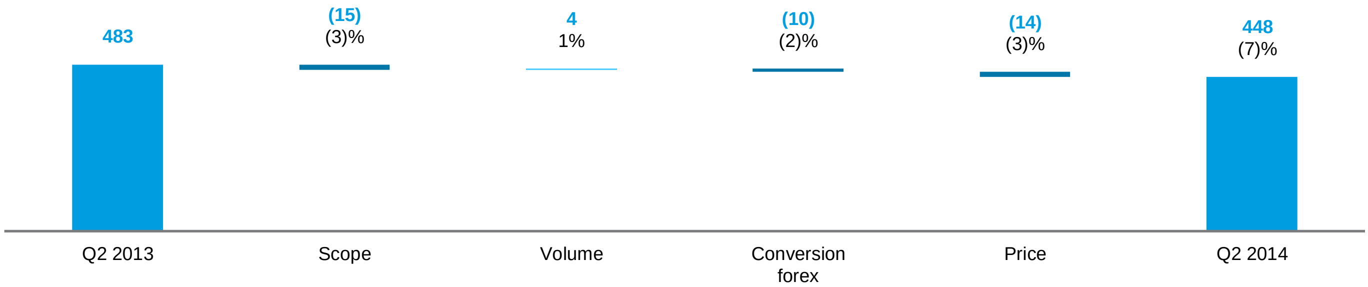
Advanced Materials



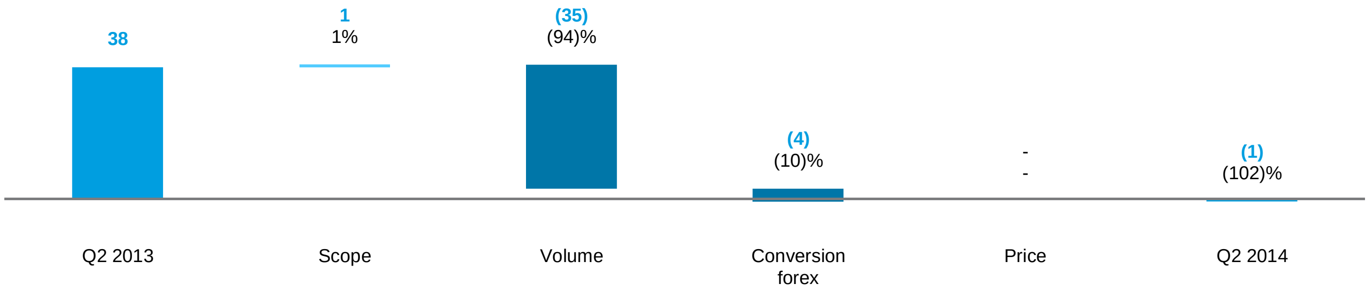
Performance Chemicals



Functional Polymers



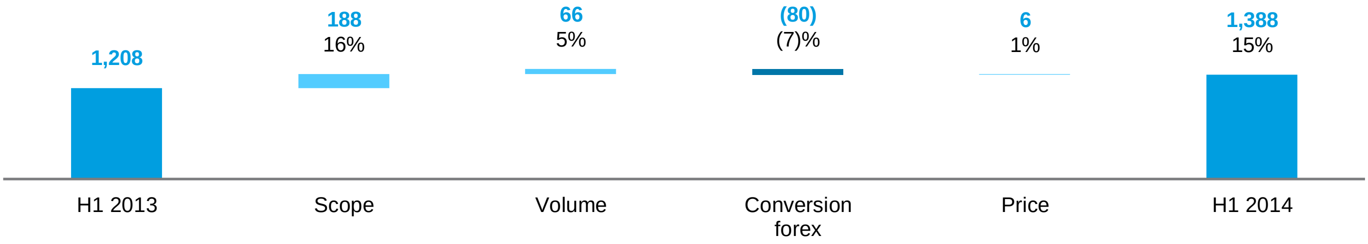
Corporate & Business Services



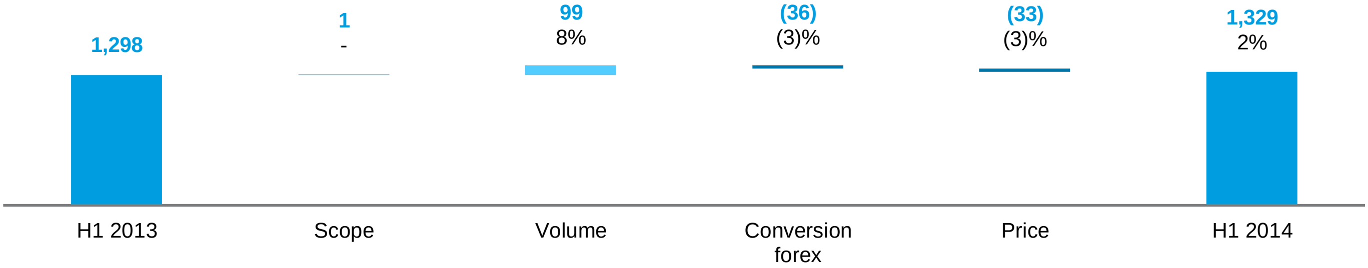
ADDITIONAL H1 2014 DATA ON NET SALES

Factors influencing net sales yoy evolution (% of H1 2013 net sales)

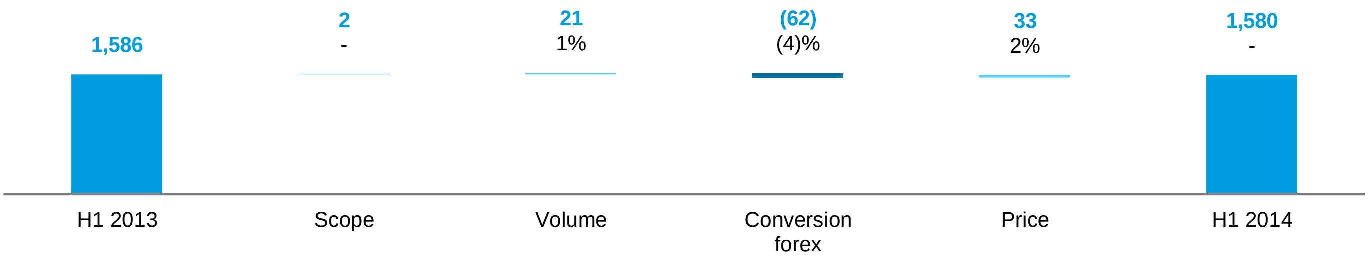
Advanced Formulations



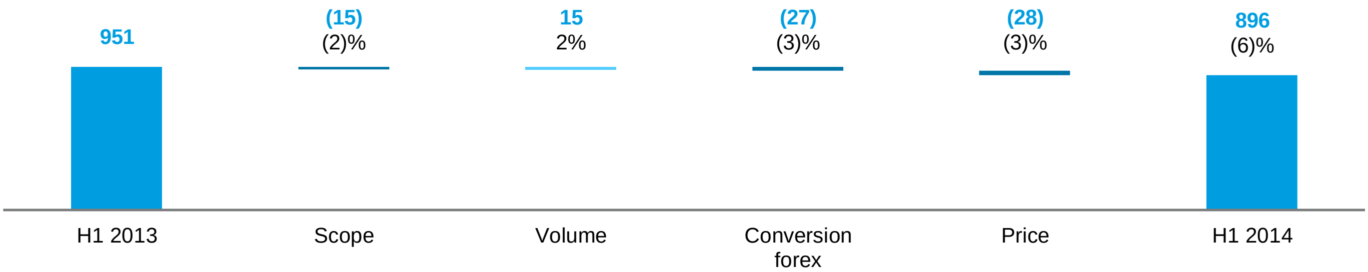
Advanced Materials



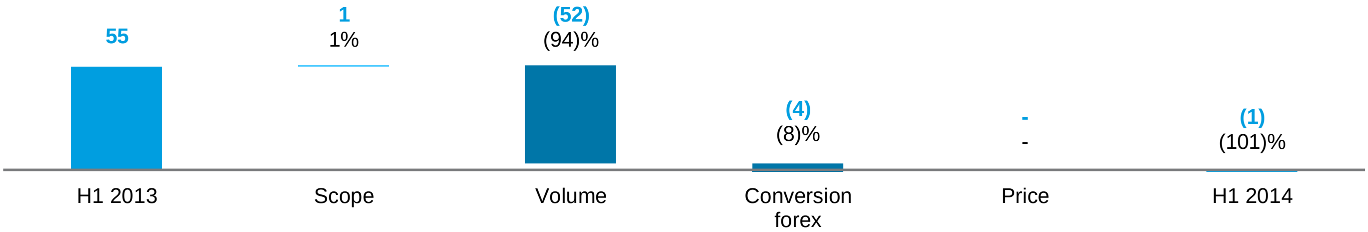
Performance Chemicals



Functional Polymers



Corporate & Business Services



CONSOLIDATED FINANCIAL STATEMENTS

Income Statement

	Adjusted		IFRS	
(in € m)	Q2 2014	Q2 2013	Q2 2014	Q2 2013
Sales	**2,722**	**2,655**	**2,722**	**2,655**
Other non-core revenues	82	74	82	74
Net sales	**2,640**	**2,582**	**2,640**	**2,582**
Cost of goods sold	(2,048)	(2,017)	(2,048)	(2,017)
Gross margin	**674**	**639**	**674**	**639**
Commercial & administrative costs	(304)	(291)	(304)	(291)
Research & innovation costs	(62)	(66)	(62)	(66)
Other operating gains & losses	8	(9)	(21)	(59)
Earnings from associates & joint ventures accounted for using the equity method	20	12	20	12
REBIT	**337**	**284**	**308**	**235**
Non-recurring items	(46)	(97)	(46)	(97)
EBIT	**291**	**187**	**262**	**137**
Cost of borrowings	(36)	(45)	(36)	(45)
Interest on loans & short-term deposits	5	4	5	4
Other gains & losses on net indebtedness	(1)	1	(1)	1
Cost of discounting provisions	(43)	(13)	(43)	(13)
Income/loss from available-for-sale investments	-	2	-	2
Result before taxes	**216**	**135**	**187**	**87**
Income taxes	(65)	(20)	(57)	(10)
Result from continuing operations	150	115	129	77
Result from discontinued operations	(481)	48	(481)	48
Net income	**(331)**	**163**	**(352)**	**124**
Non-controlling interests	39	(14)	39	(14)
Net income Solvay share	**(292)**	**148**	**(313)**	**110**
Basic EPS from continuing operations (in €)	1.62	1.23	1.37	0.76
Basic EPS (in €)	(3.50)	1.79	(3.76)	1.32
Diluted EPS from continuing operations (in €)	1.60	1.21	1.35	0.75
Diluted EPS (in €)	(3.47)	1.76	(3.72)	1.30

CONSOLIDATED FINANCIAL STATEMENTS

Income Statement

	Adjusted		IFRS	
(in € m)	H1 2014	H1 2013	H1 2014	H1 2013
Sales	**5,388**	**5,319**	**5,388**	**5,319**
Other non-core revenues	195	221	195	221
Net sales	**5,192**	**5,098**	**5,192**	**5,098**
Cost of goods sold	(4,074)	(4,066)	(4,074)	(4,066)
Gross margin	**1,313**	**1,253**	**1,313**	**1,253**
Commercial & administrative costs	(595)	(602)	(595)	(602)
Research & innovation costs	(119)	(120)	(119)	(120)
Other operating gains & losses	10	(7)	(48)	(90)
Earnings from associates & joint ventures accounted for using the equity method	17	28	17	28
REBIT	**626**	**552**	**569**	**469**
Non-recurring items	(76)	(137)	(76)	(137)
EBIT	**551**	**415**	**493**	**332**
Cost of borrowings	(90)	(91)	(90)	(91)
Interest on loans & short-term deposits	30	9	30	9
Other gains & losses on net indebtedness	(26)	(4)	(26)	(4)
Cost of discounting provisions	(86)	(50)	(86)	(50)
Income/loss from available-for-sale investments	-	2	-	2
Result before taxes	**378**	**280**	**320**	**197**
Income taxes	(118)	(76)	(100)	(56)
Result from continuing operations	260	204	221	141
Result from discontinued operations	(470)	60	(470)	60
Net income	**(210)**	**264**	**(250)**	**201**
Non-controlling interests	25	(30)	25	(30)
Net income Solvay share	**(186)**	**235**	**(225)**	**172**
Basic EPS from continuing operations (in €)	2.85	2.10	2.38	1.35
Basic EPS (in €)	(2.23)	2.81	(2.70)	2.07
Diluted EPS from continuing operations (in €)	2.83	2.08	2.36	1.35
Diluted EPS (in €)	(2.21)	2.78	(2.68)	2.04

Reconciliation between IFRS and adjusted data

(in € m)	Q2 2014	Q2 2013	% yoy	H1 2014	H1 2013	% yoy
EBIT IFRS	**262**	**137**	***n.m.***	**493**	**332**	***49%***
Non recurring items (-)	46	97	*(53)%*	76	137	*(45)%*
REBIT IFRS	**308**	**235**	***31%***	**569**	**469**	***21%***
Amortization of Rhodia PPA on fixed assets	29	50	*(42)%*	58	83	*(30)%*
Adjusted REBIT	**337**	**284**	***18%***	**626**	**552**	***13%***
IFRS depreciation & amortization (recurring) excluding Rhodia PPA	160	155	*3%*	321	310	*3%*
Adjustments of Chemlogics inventories at FV (PPA) & holdback payments	2		*n.m.*	7		*n.m.*
Equity Earnings Rusvinyl (pre-operational stage)	(13)		*n.m.*	(2)		*n.m.*
REBITDA (key performance indicator monitored by management)	**485**	**440**	***10%***	**953**	**862**	***11%***

Statement of comprehensive income (IFRS)

(in € m)	Q2 2014	Q2 2013	% yoy	H1 2014	H1 2013	% yoy
Net income	**(352)**	**124**	***n.m.***	**(250)**	**201**	***n.m.***
Other comprehensive income						
Recyclable components						
Hyperinflation	(2)		*n.m.*	(16)		*n.m.*
Gains & losses on available-for-sale financial assets	3		*n.m.*	(1)	7	*n.m.*
Gains & losses on hedging instruments in a cash flow hedge	4	(3)	*n.m.*	(2)	(28)	*n.m.*
Currency translation differences	62	(212)	*n.m.*	37	(65)	*n.m.*
Non recyclable components						
Remeasurement of the net defined benefit liability	(87)	84	*n.m.*	(149)	78	*n.m.*
Income tax relating to recyclable & non recyclable components						
Income tax relating to components of other comprehensive income	17	27	*(39)%*	29	16	*80%*
Other comprehensive income, net of related tax effects	**(5)**	**(105)**	***n.m.***	**(102)**	**7**	***n.m.***
Comprehensive income attributed to	**(356)**	**19**	***n.m.***	**(352)**	**209**	***n.m.***
Owners of the parent	(337)	32	*n.m.*	(336)	190	*n.m.*
Non-controlling interests	(19)	(13)	*(50)%*	(16)	19	*n.m.*

Statement of financial position (IFRS) Balance Sheet

(in € m)	30/06/2014	31/12/2013
Non-current assets	**11,384**	**11,217**
Intangible assets	1,564	1,621
Goodwill	3,118	3,096
Tangible assets	5,098	5,015
Available-for-sale investments	40	38
Investments in joint ventures & associates – equity method	678	582
Other investments	107	115
Deferred tax assets	554	500
Loans & other non-current assets	225	250
Current assets	**5,863**	**7,306**
Inventories	1,429	1,300
Trade receivables	1,518	1,331
Income tax receivables	25	38
Dividends receivable	6	1
Other current receivables – Financial instruments	23	481
Other current receivables – Other	567	572
Cash & cash equivalents	1,101	1,961
Assets held for sale	1,195	1,621
TOTAL ASSETS	**17,247**	**18,523**
Total equity	**6,884**	**7,453**
Share capital	1,271	1,271
Reserves	5,306	5,804
Non-controlling interests	307	378
Non-current liabilities	**5,808**	**6,927**
Long-term provisions: employees benefits	2,819	2,685
Other long-term provisions	861	793
Deferred tax liabilities	444	473
Long-term financial debt	1,483	2,809
Other non-current liabilities	202	166
Current liabilities	**4,555**	**4,144**
Other short-term provisions	338	342
Short-term financial debt	1,285	775
Trade liabilities	1,309	1,340
Income tax payable	46	21
Dividends payable	4	113
Other current liabilities	627	604
Liabilities linked to assets held for sale	946	949
TOTAL EQUITY & LIABILITIES	**17,247**	**18,523**

Statement of changes in equity (IFRS)
Equity attributable to equity holders of the parent company

(in € m)	Share capital	Issue premiums	Retained earnings	Hybrid bond	Treasury shares	Currency translation differences	Revaluation reserve (fair value) Available-for-sale investments	Revaluation reserve (fair value) Cash flow hedges	Defined benefit pension plans	Total reserves	Non-controlling interests	Total equity
Balance at 31/12/2013	**1,271**	**18**	**5,987**	**1,194**	**(132)**	**(770)**	**(6)**	**6**	**(494)**	**5,804**	**378**	**7,453**
Net profit for the period	-	-	(225)	-	-	-	-	-	-	(225)	(25)	(250)
Items of OCI			(11)			28	(1)	(2)	(125)	(111)	9	(102)
Comprehensive income	**-**	**-**	**(236)**	**-**	**-**	**28**	**(1)**	**(2)**	**(125)**	**(336)**	**(16)**	**(352)**
Cost of stock options			5							5		5
Dividends			(156)							(156)	(3)	(158)
Hybrid bond dividends			(15)							(15)		(15)
Acquisitions/sale of treasury shares					5					5		5
Other, of which increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control (1)			(2)							(2)	(52)	(54)
Balance at 30/06/2014	**1,271**	**18**	**5,584**	**1,194**	**(127)**	**(742)**	**(7)**	**4**	**(619)**	**5,306**	**307**	**6,884**

(1) Of which a reclassification of NCI (€ 52 m) to non current liabilities that reflects the re-purchase obligation towards non controlling interest (EBRD initial investment in pre-operational Rusvinyl) existing since 2011. The related impact of this is immaterial on the debt to equity ratio, and does not affect Solvay's other key performance indicators (i.e. Group net sales, REBITDA, EBIT, net result, net result Group share, free cash flow).

Statement of cash flows (IFRS)

(in € m)	Q2 2014	Q2 2013	H1 2014	H1 2013
Net income	(352)	123	(250)	201
Depreciation, amortization & impairments (-)	678	228	894	436
Earnings from associates & joint ventures accounted for using the equity method (-)	(20)	(12)	(17)	(28)
Net financial charges & income / loss from available-for-sale investments (-)	85	59	194	151
Income tax (-)	65	26	121	82
Changes in working capital	(36)	(64)	(345)	(243)
Changes in provisions	(41)	(90)	(94)	(142)
Dividends received from associates & joint ventures accounted for using equity method	4	3	7	5
Income taxes paid	(93)	(96)	(117)	(157)
Others	2	36	(2)	52
Cash flow from operating activities	**293**	**212**	**390**	**357**
Acquisition (-) of subsidiaries	(54)	1	(57)	1
Acquisition (-) of investments - Other	(47)	(1)	(75)	(14)
Loans to associates & non consolidated subsidiaries	5	(9)	9	(9)
Sale (+) of subsidiaries & investments	11	(6)	11	(6)
Acquisition (-) of tangible & intangible assets	(203)	(175)	(394)	(333)
Sale (+) of tangible & intangible assets	4	3	7	18
Income from available-for-sale investments	-	2	-	2
Changes in non-current financial assets	(5)	22	(11)	9
Cash flow from investing activities	**(289)**	**(163)**	**(511)**	**(332)**
Acquisition (-) / sale (+) of treasury shares	3	(41)	5	(11)
Changes in borrowings	(305)	51	(752)	113
Changes in other current financial assets	473	(62)	462	(142)
Net cash out related to cost of borrowings & interest on lendings & term deposits	(158)	(110)	(211)	(158)
Dividends paid	(171)	(204)	(282)	(307)
Other	73	6	40	(21)
Cash flow from financing activities	**(85)**	**(359)**	**(738)**	**(526)**
Net change in cash & cash equivalents	**(81)**	**(311)**	**(859)**	**(501)**
Currency translation differences	(1)	(46)	(3)	(28)
Opening cash balance	**1,193**	**1,614**	**1,972**	**1,787**
Ending cash balance	**1,111**	**1,258**	**1,111**	**1,258**
Free Cash Flow	**89**	**64**	**(8)**	**53**
From continuing operations	98	10	(61)	(122)
From discontinued operations	(9)	54	53	175

Statement of cash flows from discontinued operations (IFRS)

(in € m)	Q2 2014	Q2 2013	H1 2014	H1 2013
Cash flow from operating activities	13	88	100	219
Cash flow from investing activities	(22)	(33)	(47)	(46)
Cash flow from financing activities	(5)	2	(11)	1
Net change in cash & cash equivalents	**(14)**	**56**	**41**	**174**

Additional comments on the cash flow statement of the 2nd quarter 2014

Cash flow from operating activities was € 293 m compared to € 212 m last year. Besides net income of € (352) m, it consisted of:

- Depreciation, amortization and impairments that amounted to € 678 m including the impairment charge of € 477 m related to the intended creation of INOVYN™, European chlorovinyls JV with Ineos
- Change in working capital that amounted to € (36) m, of which industrial working capital from continued operations represented € (81) m

Cash flow from investing activities was € (289) m, and included capital expenditures which amounted to € (203) m, including € (22) m from discontinued operations

Free Cash Flow was € 89 m, and included cash flow from discontinued operations for € (9) m.

Additional comments on the cash flow statement of the first half 2014

Cash flow from operating activities was € 390 m compared to € 357 m last year. Besides net income of € (250) m, it consisted of:

- Depreciation, amortization and impairments that amounted to € 894 m including the impairment charge of € 477 m related to the intended creation of INOVYN™, European chlorovinyls JV with Ineos
- Change in working capital that amounted to € (345) m, of which industrial working capital from continued operations represented € (338) m

Cash flow from investing activities was € (511) m, and included capital expenditures which amounted to € (394) m, including € (47) m from discontinued operations

Free Cash Flow was € (8) m, and included cash flow from discontinued operations for € 53 m.

NOTES TO THE IFRS ACCOUNTS

1. General information

Solvay is a public limited liability company governed by Belgian law and quoted on NYSE Euronext Brussels and NYSE Euronext Paris.

These condensed consolidated financial statements were authorized for issue by the Board of Directors on July 30, 2014.

The following unusual items had an impact on the condensed consolidated financial statements for the six months ended June 30, 2014: the adoption of IFRS 10 *Consolidated Financial Statements*, 11 *Joint Arrangements* and 12 *Disclosures of Interests in Other Entities* (see 2 below).

On May 8, 2014, the European Commission approved the PVC joint venture between INEOS and Solvay, subject to conditions. On May 18, 2014, Solvay and INEOS signed a non-binding letter of intent for the combination of their respective European chlorovinyls activities into a 50/50 joint venture. On June 26, 2014, the binding agreement has been signed. The proposed transaction is subject to the applicable information/consultation procedures with employee representatives in the countries involved, and fulfillment of the conditions imposed by the European Commission. The occurrence and timing of the completion of the transaction is dependent on the above procedures and approvals. Until the completion, Solvay and INEOS will continue to manage their PVC businesses separately.

2. Accounting policies

Solvay prepares its condensed consolidated financial statements on a quarterly basis, in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for the preparation of the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2013.

The condensed consolidated financial statements for the six months ended June 30, 2014 were prepared using the same accounting policies as those adopted for the preparation of the consolidated financial statements for the year ended December 31, 2013, except for the adoption of IFRS 10 *Consolidated Financial Statements*, 11 *Joint Arrangements* and 12 *Disclosures of Interests in Other Entities*.

- IFRS 10 prescribes a new definition of control. Such did not lead to a change in scope of fully consolidated entities for the Solvay Group.
- IFRS 11 supersedes IAS 31 *Interests in Joint Ventures* and prescribes that a joint arrangement (i.e. an arrangement under which Solvay has joint control together with one or several other parties) can either be classified as a joint venture or as a joint operation. In the latter case, Solvay has direct rights to the assets, and obligations for the liabilities, relating to the joint arrangement. Accordingly, Solvay’s interests in joint operations are treated under a method similar to the proportionate consolidation. In absence of clear guidance by IFRS 11 about the proportion of recognition relative to the assets, liabilities, revenues and expenses of a joint operation, especially when the parties' rights to the assets and obligations for the liabilities differ from their respective ownership interest in the joint operation, Solvay’s accounting policy takes into account the ownership interest of the joint operation.
- IFRS 12 will be applied only in the disclosures to the consolidated financial statements for the year ended December 31, 2013.

In this framework, on April 7, 2014 Solvay published restated financial figures for 2013.

3. Segment information

Effective January 1, 2013, Solvay is organized into five Operating Segments.

Advanced Formulations serves the consumer products markets. Its growing product offering is directed at societal megatrends: demographic growth, the increasing purchasing power of emerging markets, the appearance of new modes of consumption, and a demand for safer, more sustainable products and renewable materials-based solutions.
Advanced Materials offers ultra-high-performance applications for aerospace, high-speed trains, health, low-energy tires, automotive emission control, smartphones and hybrid vehicle batteries.
Performance Chemicals operates in mature and resilient markets, where success is based on economies of scale, competitiveness and quality of service.
Functional Polymers include polyamide based solutions serving mainly the automotive, construction, electrical/electronic and different consumer good markets.
Corporate & Business Services includes the Energy Services GBU and Corporate Functions such as Business Services and the Research & Innovation Center. Energy Services' mission is to optimize energy consumption and reduce emissions.

(in € m)	Q2 2014	Q2 2013	% yoy	H1 2014	H1 2013	% yoy
Net sales	**2,640**	**2,582**	***2%***	**5,192**	**5,098**	***2%***
Advanced Formulations	725	599	*21%*	1,388	1,208	*15%*
Advanced Materials	670	659	*2%*	1,329	1,298	*2%*
Performance Chemicals	798	803	*(1)%*	1,580	1,586	-
Functional Polymers	448	483	*(7)%*	896	951	*(6)%*
Corporate & Business Services	(1)	38	*n.m.*	(1)	55	*n.m.*
REBITDA	**485**	**440**	***10%***	**953**	**862**	***11%***
Advanced Formulations	119	92	*29%*	221	205	*8%*
Advanced Materials	187	161	*16%*	362	316	*15%*
Performance Chemicals	189	191	*(1)%*	377	357	*6%*
Functional Polymers	38	27	*40%*	78	60	*28%*
Corporate & Business Services	(47)	(30)	*(53)%*	(85)	(76)	*(12)%*
IFRS depreciation & amortization (recurring) excluding Rhodia PPA	(160)	(155)	*3%*	(321)	(310)	*3%*
Adjustments of Chemlogics inventories at FV (PPA) & holdback payments	(2)	-	*n.m.*	(7)	-	*n.m.*
Equity Earnings Rusvinyl (pre-operational stage)	13	-	*n.m.*	2	-	*n.m.*
Adjusted REBIT	337	284	*18%*	626	552	*13%*
Amortization of Rhodia PPA on fixed assets	(29)	(50)	*(42)%*	(58)	(83)	*(30)%*
REBIT IFRS	**308**	**235**	***31%***	**569**	**469**	***21%***
Non recurring items (-)	(46)	(97)	*(53)%*	(76)	(137)	*(45)%*
EBIT IFRS	**262**	**137**	***n.m.***	**493**	**332**	***49%***
Net financial charges	(75)	(51)	*(47)%*	(173)	(135)	*(28)%*
Result before taxes	**187**	**87**	***n.m.***	**320**	**197**	***62%***
Income taxes	(57)	(10)	*n.m.*	(100)	(56)	*(78)%*
Result from continuing operations	**129**	**77**	***68%***	**221**	**141**	***56%***
Result from discontinued operations	(481)	48	*n.m.*	(470)	60	*n.m.*
Net income	**(352)**	**124**	***n.m.***	**(250)**	**201**	***n.m.***

4. Significant transactions

In May 2014 the Group early redeemed its Senior Notes Rhodia in the amount of € 864 m including principal, interests and premiums.

5. Impairment loss

The impairment loss relates to the discontinued operations of the chlorovinyls to be contributed to the 50/50 joint venture with INEOS. The joint venture will pool both groups' assets across the entire chlorovinyls chain, including PVC, caustic soda and chlorine derivatives. The assets classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. This fair value less costs to sell has been calculated based on the agreement signed with INEOS at the end of Q2. It considers the upfront payment of € 175 m at closing, the transfer of liabilities worth € 250 m into the joint venture, as well as Solvay's exit conditions after three years, when it will receive additional cash proceeds targeted at € 250 m. These final cash proceeds at exit will be adjusted based on the joint venture's average REBITDA performance during its three-year period, with a minimum exit payment of € 75 m. Based on this, the fair value less costs to sell amounts to € 328, compared to a carrying amount of € 805 m, resulting in an impairment loss of € 477 m, allocated to goodwill € 143 m, and property plant and equipment € 335 m. For the period ended June 30, 2014, the impact on net income/loss Group share amounts to € (422) m, after taking into account the portion attributable to non-controlling interests.

6. Share based payments

On February 24, 2014 the Board of Directors of Solvay SA decided to grant two long-term incentive plans for part of its key executives:

- a stock option plan (SO) which will allow the acquisition of shares in Solvay; and
- a Performance Share Units (PSU) plan which will allow the beneficiaries to obtain cash based upon the Solvay share price.

a. Stock option plan

The details of the stock options plan are as follows:

Stock option plan	
Number of stock options	362,436
Grant date	24/02/2014
Acquisition date	01/01/2018
Vesting period	24/02/2014 to 31/12/2017
Exercise price (in €)	107.61
Exercise period	01/01/2018 to 23/02/2022

This plan is accounted for as an equity-settled share-based plan. As of June 30, 2014, the impact on the income statement is below € 1 m.

b. Performance Share Units Plan

The details of the Performance Share Units plan are as follows:

Performance share units	
Number of PSU	206,495
Grant date	24/2/2014
Acquisition date	01/01/2017
Vesting period	24/2/2014 to 31/12/2016
Performance conditions	50% of PSU Granted depending upon the level of REBITDA at closing Financial Year 2016 50% of PSU Granted depending upon the level of CFROI at closing Financial Year 2016
Validation of performance conditions	By the board of Directors, subject to confirmation by Solvay Statutory Auditors

The Performance Share Units is qualified as a cash-settled share-based plan. As of June 30, 2014, the impact on the income statement and statement of financial position amounts to € 3 m.

7. Financial Instruments

a. Valuation techniques

Compared to December 31st, 2013, there are no changes in valuation techniques.

b. Fair value of financial instruments measured at amortized cost

For all financial instruments not measured at fair value in Solvay's statement of financial position, the fair value of those financial instruments is not significantly different from the ones published in note 34 of the consolidated financial statements for the year ended December 31st, 2013.

c. Financial instruments measured at fair value

For all financial instruments measured at fair value in Solvay's statement of financial position, the fair value of those instruments as of June 30, 2014 is not significantly different from the ones as published in the note 34 "Financial instruments measured at fair value in the consolidated statement of financial position" of the consolidated financial statements for the year ended December 31st, 2013.

During the six months ended June 30, 2014, there were neither reclassification between fair value levels, nor significant changes in the fair value of financial assets and liabilities measured based on level 3 inputs.

8. Events after the reporting period

On July 30, 2014 Solvay has signed a binding agreement to sell its sulfuric acid virgin production and regeneration Eco Services business to CCMP CAPITAL.

Based on this binding agreement, which is considered as a "non-adjusting event" for the Q2 Financial Statements and is expected to be completed in the 4th quarter, Solvay will report Eco Services businesses under Assets Held for Sale and Discontinued Operations as from the 3rd quarter.

Consequently, Solvay will have to restate its 2013 Income and Cash Flow Statements and 2014 Financial Statements to reflect the discontinuation of the business.

9. Declaration by responsible persons

Jean-Pierre Clamadieu, Chief Executive Officer, and Karim Hajjar, Chief Financial Officer, of the Solvay Group, declare that to the best of their knowledge:

a. The summarized financial information, prepared in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union, reflects a faithful image of the assets and liabilities, financial situation and results of the Solvay Group;

b. The half year management report contains a faithful presentation of significant events occurring during the six first months of 2014, and their impact on the summarized financial information;

c. The main risks and uncertainties over the remaining months within the 2014 fiscal year are in accordance with the assessment disclosed in the section “Risk Management” in the Solvay 2013 Annual Report, taking into account the current economic and financial environment.

10. Limited review report

Solvay SA/NV

Report on review of the consolidated interim financial information for the six-month period ended 30 June 2014

To the board of directors

In the context of our appointment as the company’s statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated condensed statement of financial position as at 30 June 2014, the consolidated condensed income statement, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of changes in equity and the consolidated condensed statement of cash flows for the period of six-months then ended, as well as selective notes 1 to 8.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Solvay SA/NV (“the company”) and its subsidiaries (jointly “the group”), prepared in accordance with International Financial Reporting Standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

The consolidated condensed statement of financial position shows total assets of 17.247 million EUR and the consolidated condensed income statement shows a consolidated loss (group share) for the period then ended of 225 million EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 – *Review of interim financial information performed by the independent auditor of the entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Solvay SA/NV has not been prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Diegem, 31 July 2014

The statutory auditor.

DELOITTE Bedrijfsrevisoren / Reviseurs d’Entreprises

BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Eric Nys

SAFE HARBOUR

To the extent that any statements made in this presentation contain information that is not historical, these statements are essentially forward-looking. The achievement of forward-looking statements contained in this presentation is subject to risks and uncertainties because of 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&D projects and other unusual items.

Consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements can be identified by the use of words such as "expects," "plans," "will," "believes," "may," "could" "estimates," "intends", "goals", "targets", "objectives", "potential", and other words of similar meaning. 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 any forward-looking statements.

GLOSSARY

Adjusted performance indicators exclusively exclude non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition.

Adjusted basic earnings per share
Adjusted net income (Solvay share) divided by the weighted average number of shares, after deducting own shares purchased to cover stock option programs

Adjusted net income (Solvay share)
Net income (Solvay share) excluding non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition

Adjusted net result
Net result excluding non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition

Adjusted REBIT
REBIT excluding non-cash Purchase Price Allocation (PPA) accounting impacts related to the Rhodia acquisition

Basic earnings per share
Net income (Solvay's share) divided by the weighted average number of shares, after deducting own shares purchased to cover stock option programs

Cost of Carry
Difference between cost of gross debt and yield on cash financed by debt.

EBIT
Operating results

Free cash flow
Cash flow from operating activities (including dividends from associates and joint ventures) +
Cash flow from investing activities (excluding acquisitions and sales of subsidiaries and other investments).

IFRS
International Financial Reporting Standards

Net financial expenses
Net financial expenses comprises cost of borrowings minus accrued interests on lending and short-term deposits, plus other gains (losses) on net indebtedness and costs of discounting provisions (namely, related to Post-employment benefits and HSE liabilities)

Net sales
Sales of goods and value added services corresponding to Solvay's know-how and core business. Net sales exclude other revenues primarily comprising commodity and utility trading transactions and other revenue deemed as incidental by the Group

REBIT
Operating result, i.e. EBIT before non-recurring items

REBITDA
REBITDA is defined as operating result before depreciation and amortization, non-recurring items, temporary step-up of inventories related to the Rhodia and Chemlogics acquisitions and pre-operational gain/(losses) of Rusvinyl resulting from financial expenses (not capitalized).
REBITDA constitutes the key operating performance indicator monitored by the management.

Restated
The comparative financial statements have been restated to include the effects of IFRS 11 applied by Solvay as of January 1, 2013. The Group's European Chlorovinyls activities planned to be contributed to the JV with INEOS and Indupa's results are presented as discontinued operations.

Key dates for investors

November 13, 2014 Announcement of the 3rd quarter and the nine months 2014 results and the interim dividend for 2014 (payable in January 2015, coupon no. 95) (at 07:30)

Maria Alcón-Hidalgo
Investor Relations
+32 2 264 1984
maria.alconhidalgo@solvay.com

Geoffroy Raskin
Investor Relations
+32 2 264 1540
geoffroy.raskin@solvay.com

Edward Mackay
Investor Relations
+32 2 264 3687
edward.mackay@solvay.com

Lamia Narcisse
Media Relations
+33 1 53 56 59 62
lamia.narcisse@solvay.com

Caroline Jacobs
Media Relations
+32 2 264 1530
caroline.jacobs@solvay.com

Solvay S.A.

1120 Brussels
Belgium
T: +32 2 264 2111
F: +32 2 264 3061

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As an international chemical group, Solvay assists industries in finding and implementing ever more responsible and value-creating solutions. Solvay generates 90% of its net sales in activities where it is among the world's top three players. It serves many markets, varying from energy and the environment to automotive and aerospace or electricity and electronics, with one goal: to raise the performance of its clients and improve society's quality of life. The group is headquartered in Brussels, employs about 29,400 people in 55 countries and generated 9.9 billion euros in net sales in 2013. Solvay SA SOLB.BE) is listed on NYSE Euronext in Brussels and Paris (Bloomberg: SOLB.BB - Reuters: SOLBt.BR).

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