



**SOLVAY**

asking more from chemistry®

Solvay,  
Enabling tomorrow

*Fortuna  
beleggingsclub*

*September 7,  
2017*

# SAFE HARBOR

This presentation 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 presentation 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&D projects and other unusual items.

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# WE ARE A WORLD LEADER IN THE CHEMICAL INDUSTRY



**27,000**  
employees



**58**  
countries



**140**  
Industrial sites

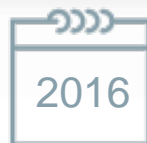


**21**  
Major R&I sites



**SOLVAY**

asking more from chemistry®



**Top 3**

Market position <sup>[1]</sup>



**€10.9<sup>bn</sup>**  
net sales



**€2.3<sup>bn</sup>**  
underlying EBITDA

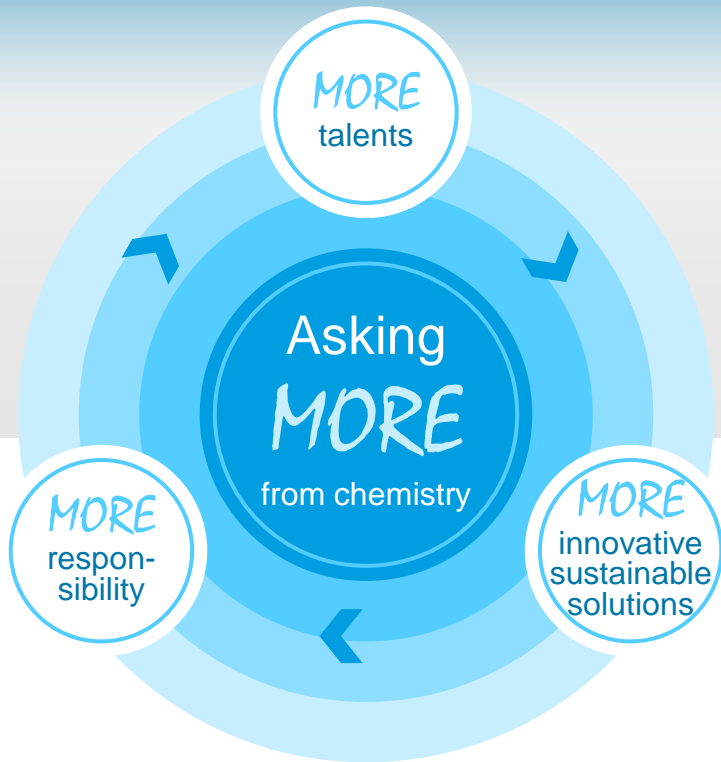


**21%**  
EBITDA margin

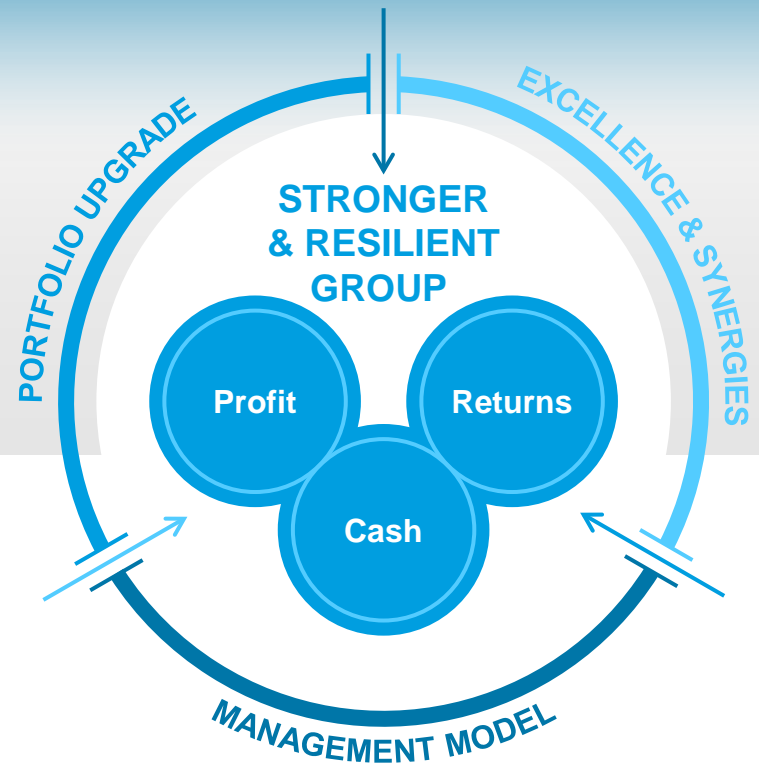


# CREATING A FUTURE WITH *MORE* POTENTIAL THROUGH IN-DEPTH TRANSFORMATION

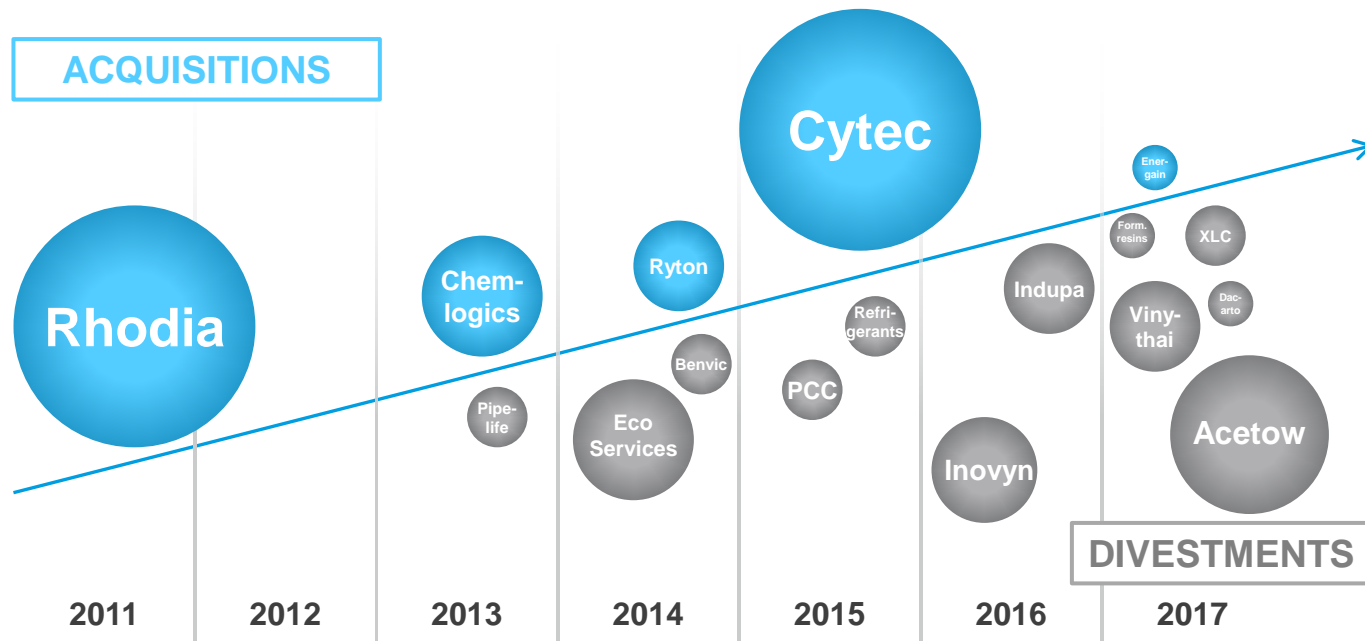
Building new model  
of sustainable chemistry  
to help addressing society's challenges



Leading to  
long-term value GROWTH  
for our stakeholders



# IN-DEPTH TRANSFORMATION UPGRADING THE PORTFOLIO



# LEADING TO CHANGE IN PROFILE

NET  
SALES

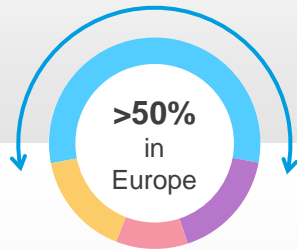
MORE  
GLOBAL

MORE  
DIVERSIFIED

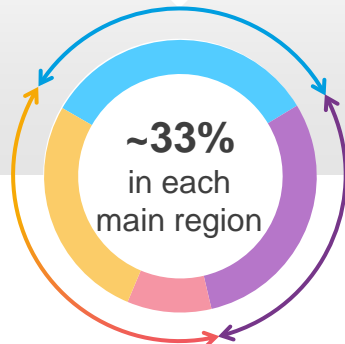
MORE  
SPECIALTY

MORE  
SUSTAINABLE

2010  
€6.5 bn



2016  
€10.9 bn



Europe  
Asia & RoW  
Latin America  
North America

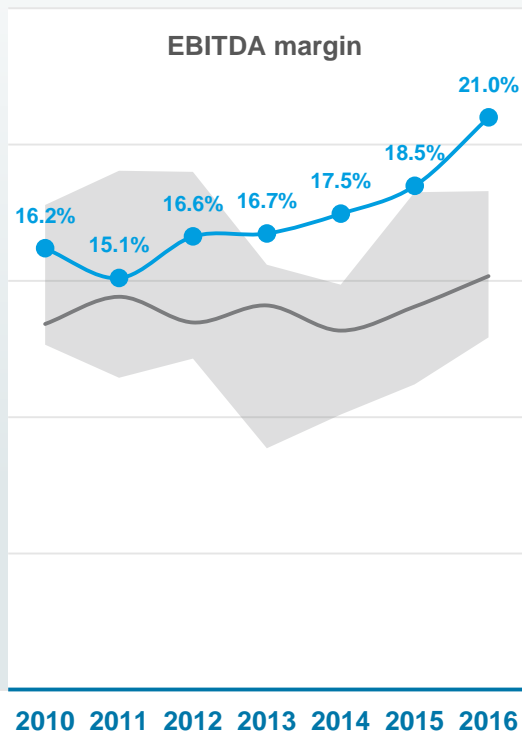
Automotive & aerospace  
Resources & environment  
Electrical & electronics  
Agro, feed & food  
Consumer goods & healthcare  
Building & construction  
Industrial applications

Advanced Materials  
Advanced Formulations  
Performance Chemicals  
Functional Polymers

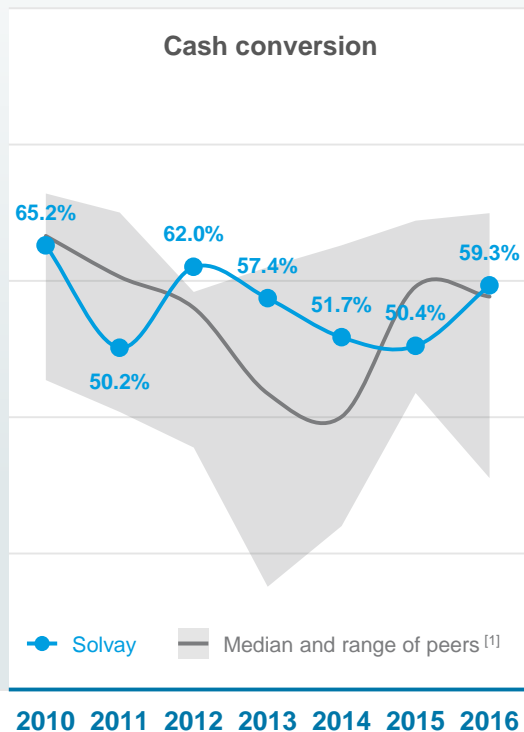
Sustainable solutions  
Neutral impact  
Challenged applications  
(according to SPM  
methodology)

# LEADING TO FINANCIAL DELIVERY

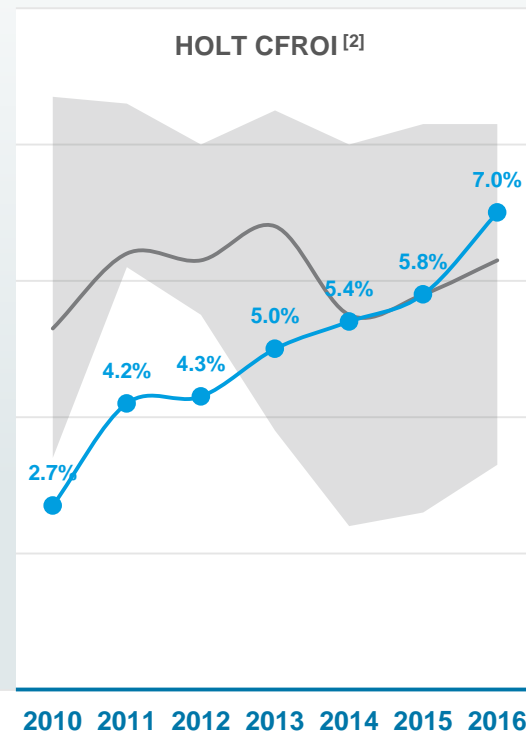
## PROFIT



## CASH



## RETURNS



[1] Akzo Nobel, Arkema, BASF, Clariant, DSM, Evonik, Lanxess (metrics as could be deducted from reporting)

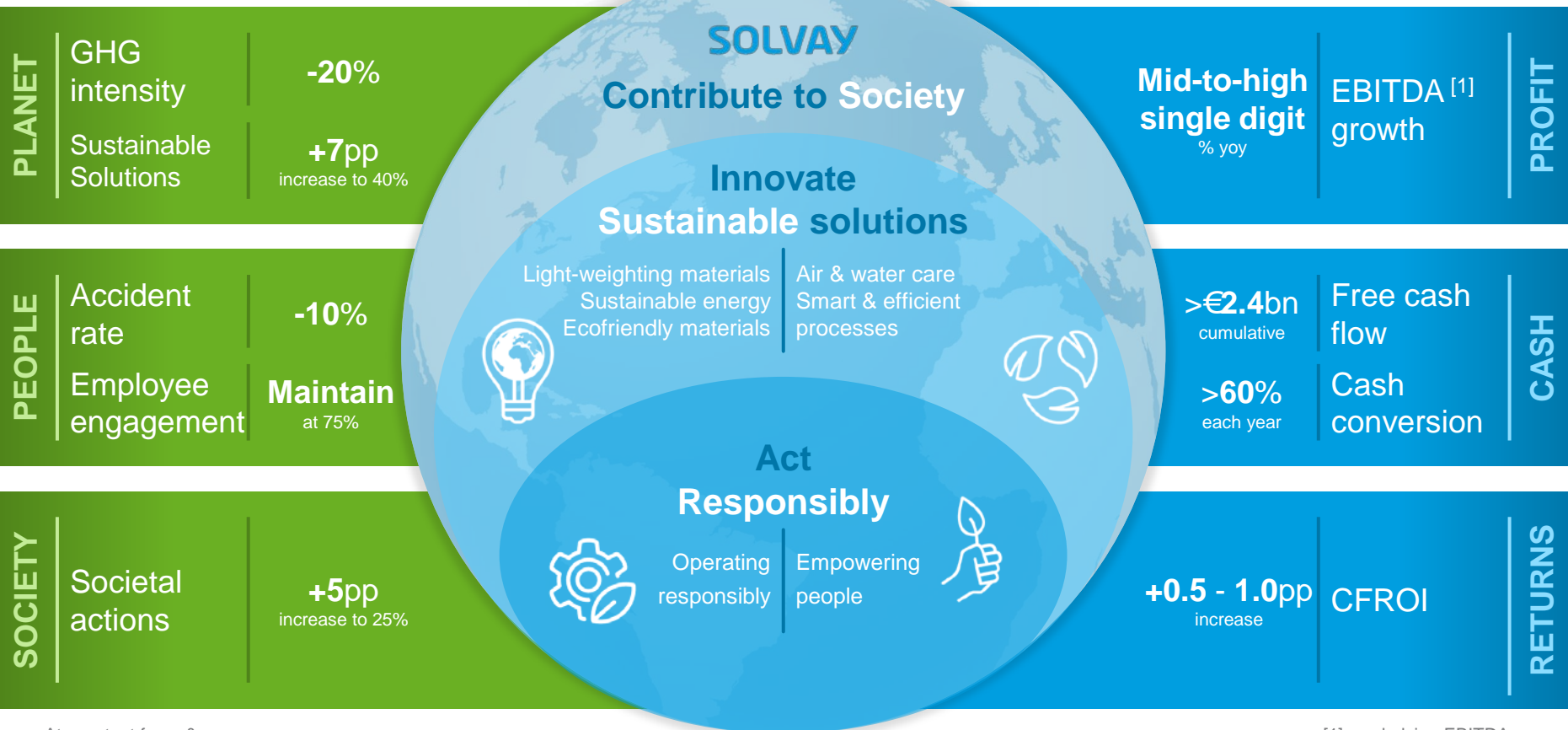
[2] HOLT CFROI is a proprietary cash flow return on investment metric of Credit Suisse calculated as an IRR taking into account i) the cash flow generated by a company in the past and prospectively and ii) the amount and estimated lifespan of its operating assets. The metric does not include goodwill and is expressed in real terms (i.e. real returns and not nominal ones).



# SUSTAINABLE VALUE CREATION GUIDED BY FINANCIAL & EXTRA-FINANCIAL TARGETS

3 year objective  
**2016 - 2018**

3 year objective  
**2016 - 2018**

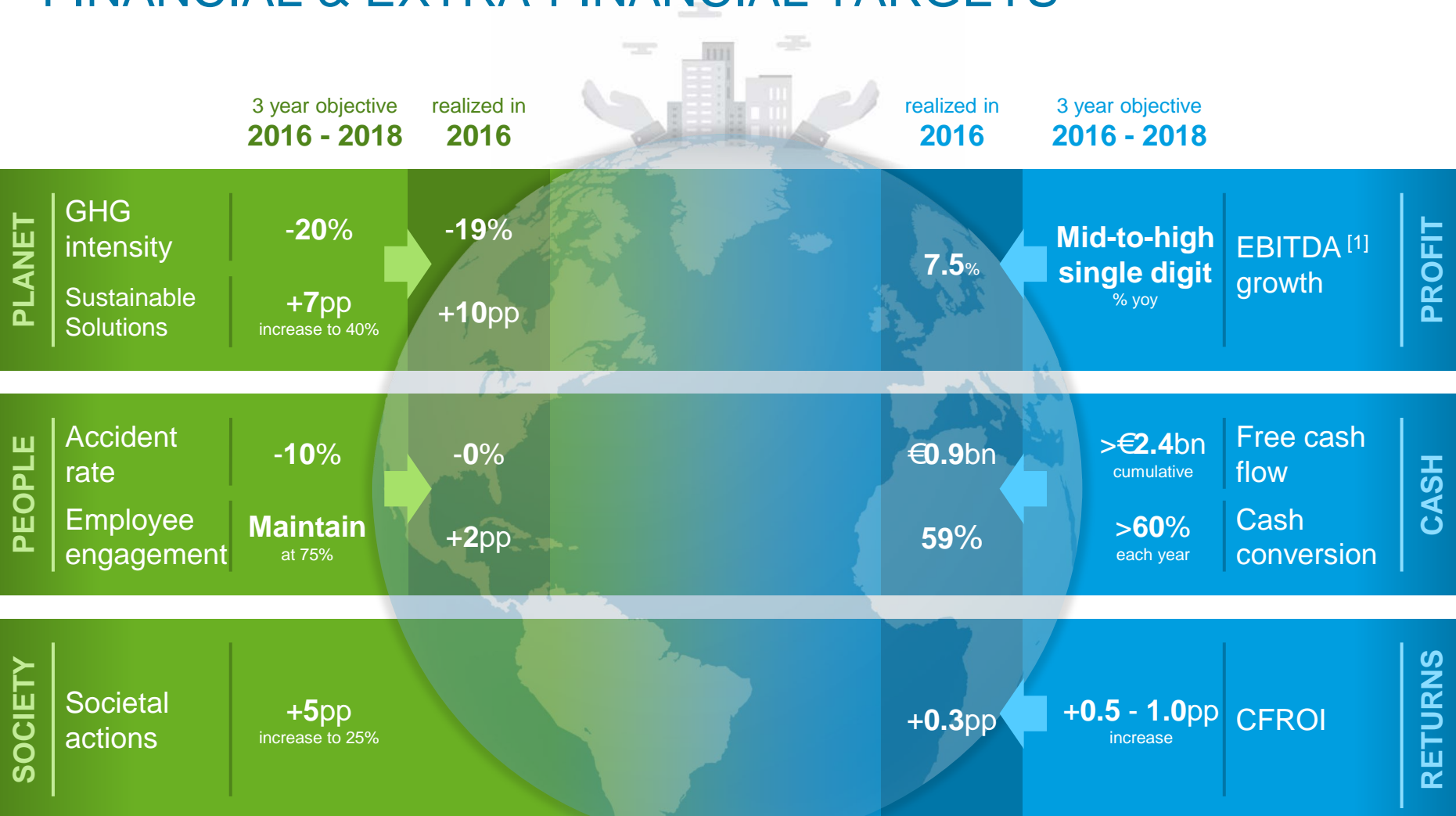


At constant forex & scope

[1] underlying EBITDA



# ON TRACK TO REALIZE FINANCIAL & EXTRA-FINANCIAL TARGETS



At constant forex & scope

[1] underlying EBITDA

# MULTI-SPECIALTY PORTFOLIO REFLECTED IN BUSINESS STRUCTURE



## ADVANCED MATERIALS

Providing solutions for  
**sustainable mobility**,  
lightweighting,  
CO<sub>2</sub> and energy  
efficiency



## ADVANCED FORMULATIONS

Customized specialty  
formulations for surface  
chemistry & liquid behavior,  
maximizing  
**yield & efficiency**  
& minimizing  
**eco-impact**



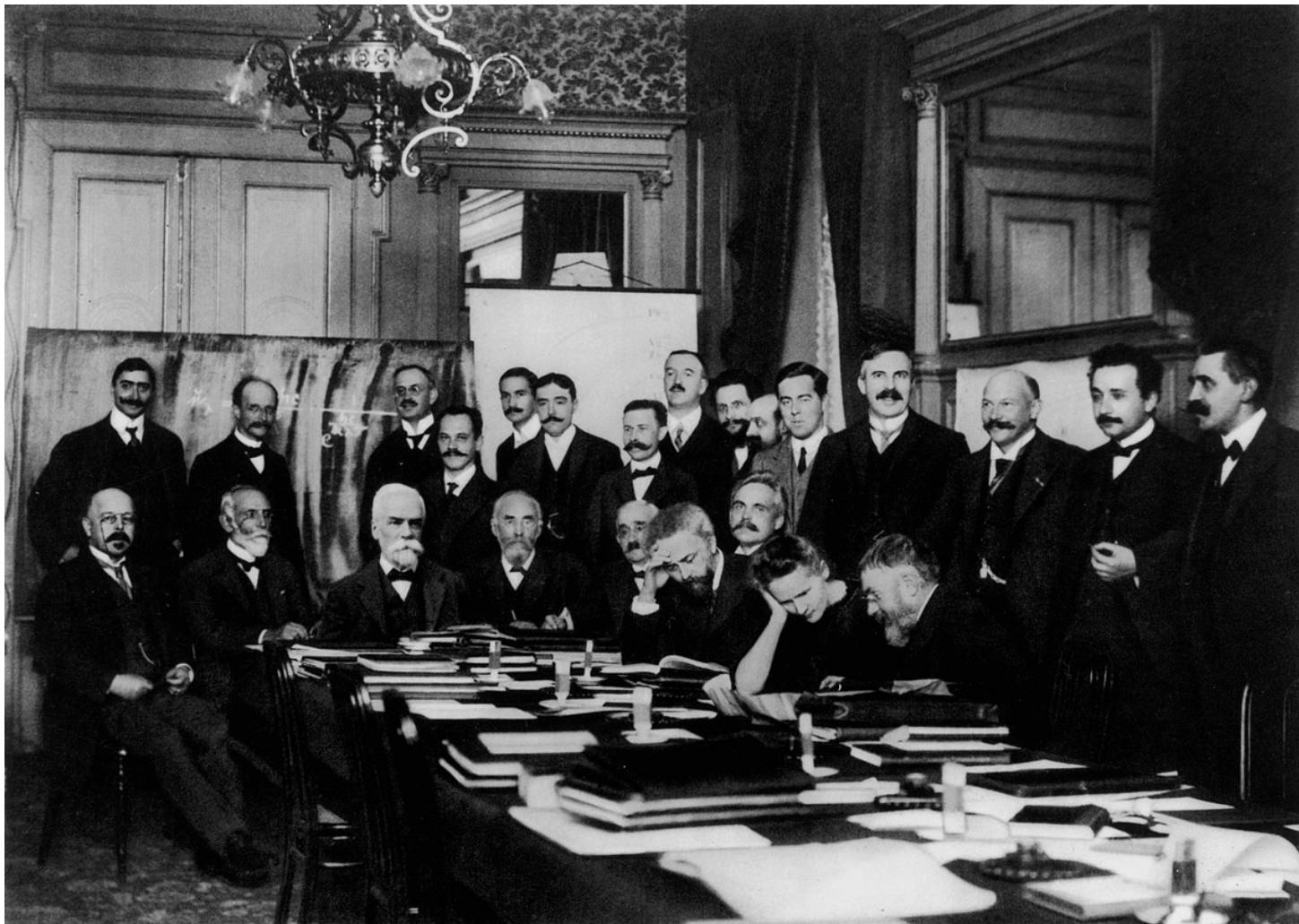
## PERFORMANCE CHEMICALS & FUNCTIONAL POLYMERS

**Leading positions**  
in chemical intermediates  
through  
**scale & technology**,  
developing applications &  
industrial innovation for  
optimized costs



**MORE** Growth, Returns & Resilience

# INNOVATION DRIVING FUTURE GROWTH



21

R&I centers

2,340

R&I employees

€ 350 m

R&I efforts

€ 80 m

Invested in  
funds and start-ups

240

Patent applications

# DEVELOPING INNOVATIVE SOLUTIONS TO CREATE VALUE TO OUR CUSTOMERS

## ELECTRICAL & ELECTRONICS



### Connectivity & energy efficiency

- Design and connectivity
- Safety
- Sustainable solutions
- Process efficiency



## AGRO, FEED AND FOOD



### Sustainable living & environmental protection

- Agriculture
- Feed
- Food



→ **High purity H<sub>2</sub>O<sub>2</sub>**  
Electronics require high  
purity for high technical  
components



→ **BICAR® Z**  
sodium  
bicarbonate  
helps fight  
acidosis and  
thus contributes  
to animal health



# DEVELOPING INNOVATIVE SOLUTIONS TO CREATE VALUE TO OUR CUSTOMERS

## CONSUMER GOODS & HEALTHCARE



### Improving the quality of life

- Consumer goods
- Healthcare



→ An innovative material to replace metal in removable partial denture frames, to enabling a digital workflow that accelerates the work of dental laboratories and dentists

## AUTOMOTIVE & AERONAUTICS



### Cleaner mobility

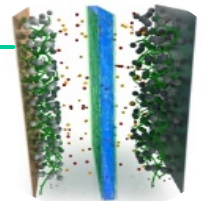
- Lightweighting
- Electrification
- Powertrain efficiency
- Green technology



#### Solvalite TM 730

Launch of the new innovative thermoset prepreg resin system specifically developed for high volume automotive applications

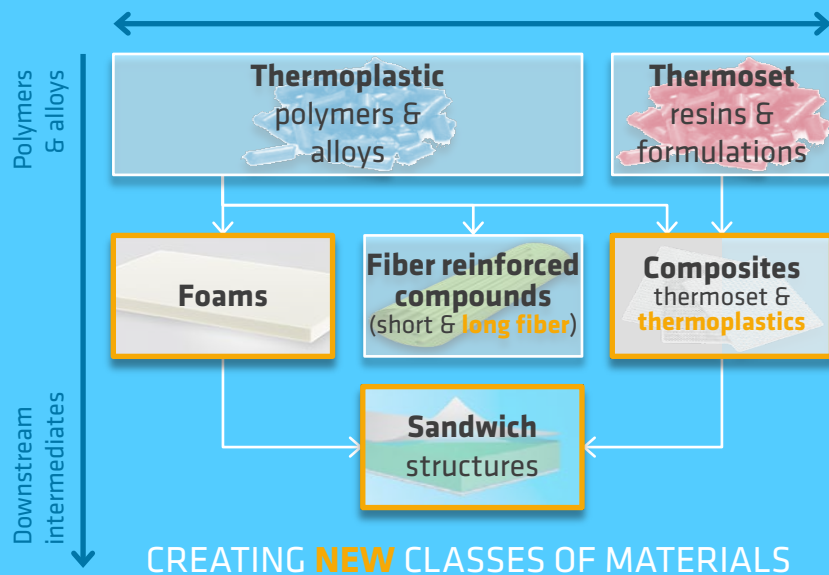
Solef® PVDF  
Li-Ion battery  
materials



# SOLVAY OFFERS UNIQUE LIGHTWEIGHTING SOLUTIONS

## Solvay's unique portfolio

### BROADEST HIGH-PERFORMANCE POLYMER RANGE



### PROVIDING SOLUTIONS FOR

- Lightweight materials for transportation
- Production cycle time acceleration
- Total cost reduction



## Driving sustainable mobility

### AEROSPACE

Applications  
Current ☒  
Future ☐

- Primary structure ☒
- Secondary struct. ☒
- Jet engines ☒
- Cabin interior ☒

Customers & collaborations



### AUTOMOTIVE

- Under the hood ☒
- Battery tray ☒
- Upperbody/hood ☐
- Chassis ☐



### UNDERPINNED BY

- Reduction of fuel consumption
- Decreasing CO<sub>2</sub> emissions
- Increasing driving autonomy



Supported by regulatory framework for cleaner vehicles (aeronautics in discussion)

# PILOTING TOWARDS SUSTAINABLE MOBILITY

## Fundamental Value of Composites

Lightweighting

Aerodynamics

Fatigue life

Corrosion resistance

Lean manufacturing  
lower part cost

Increased  
passenger comfort

Life-of-program  
maintenance costs



**SOLVAY**  
**ENABLING SOLUTIONS**



# DRIVING SUSTAINABLE MOBILITY ON THE ROAD

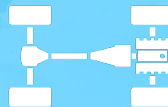
## New Industry Paradigm:

- Sustainability
- Shared Mobility
- Connectivity
- Regulations driving CO<sub>2</sub> emissions reductions
- Car sharing services and self-driving cars
- Safety: Zero casualties

## SOLVAY ENABLING SOLUTIONS



**Lightweighting**

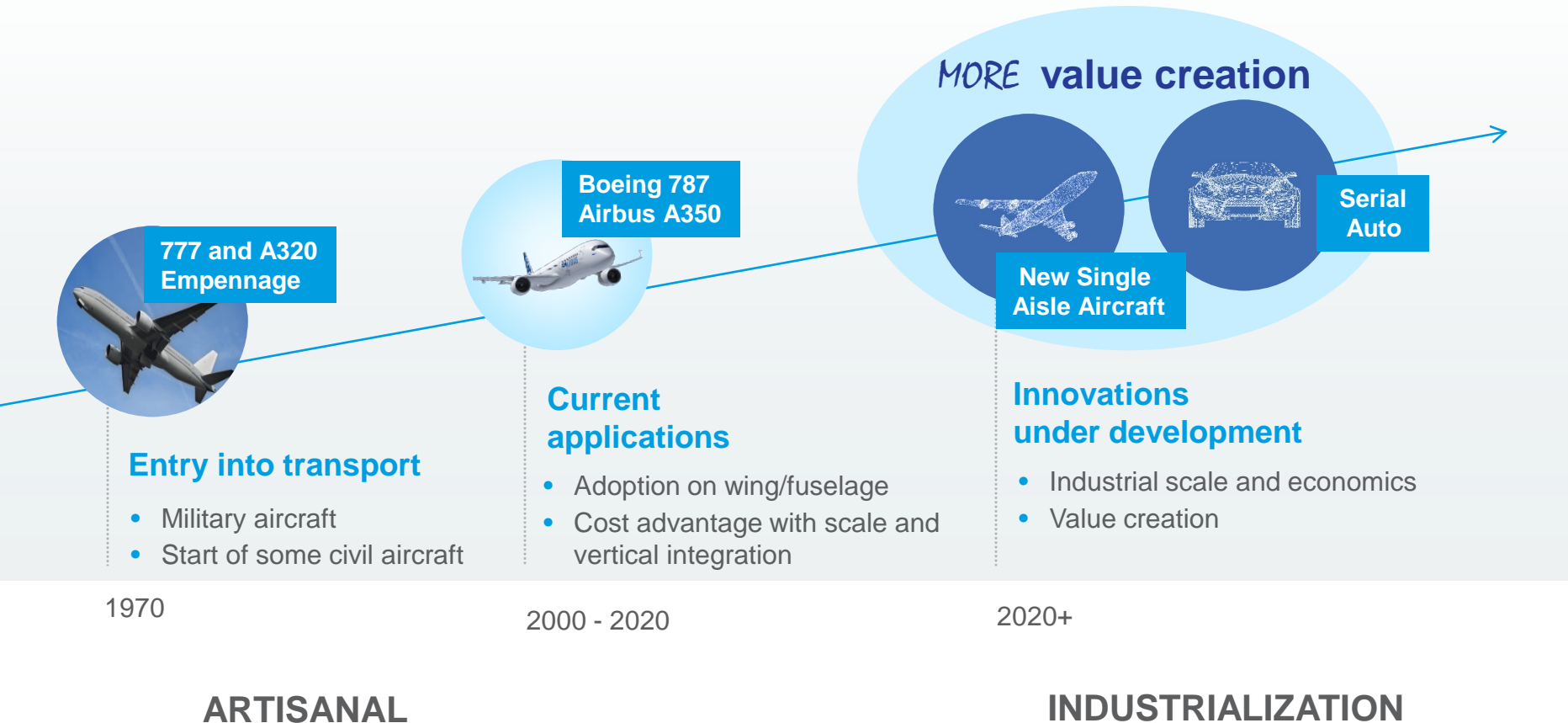


**Powertrain  
Efficiency**

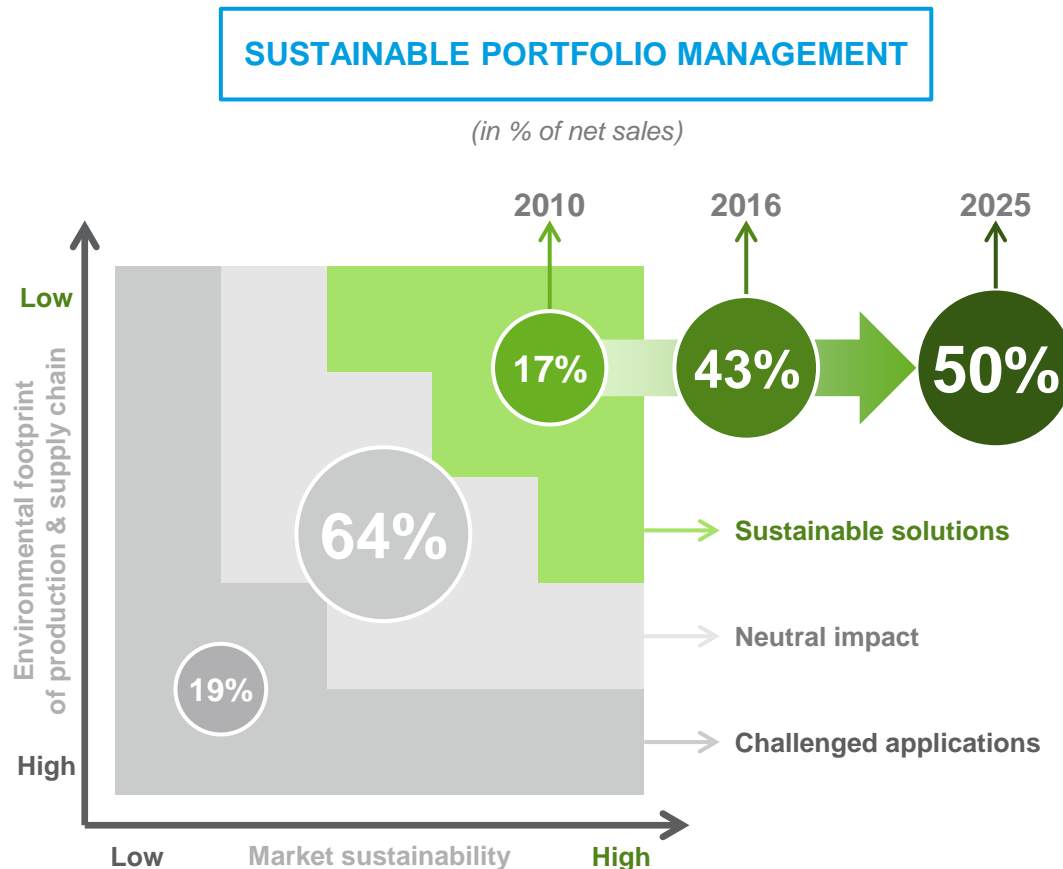


**Electrification**

# DRIVING SUSTAINABLE MOBILITY BEYOND TODAY



# MORE SUSTAINABLE SOLUTIONS TO DRIVE SUPERIOR RETURNS OVER TIME



## KEY LEVERS

- ✓ Portfolio
- ✓ Capex
- ✓ R&I priorities

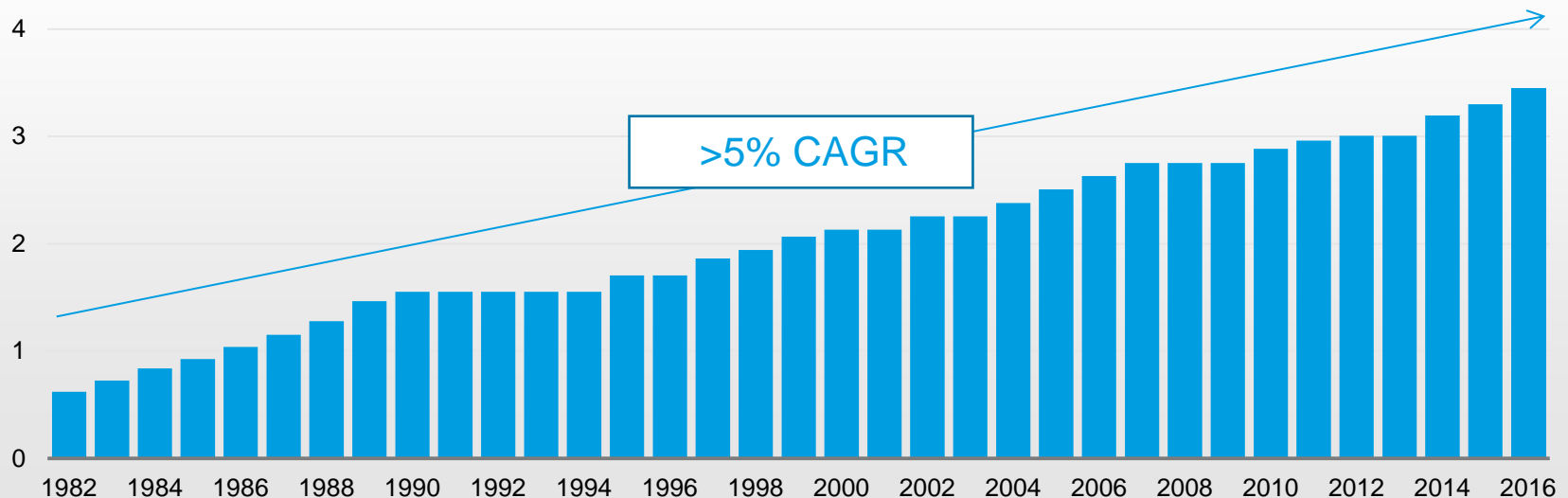
## KEY IMPACTS

- ✓ Part of the solution
- ✓ Enhanced profitability

# NO SUSTAINABILITY WITHOUT SHAREHOLDER REWARD

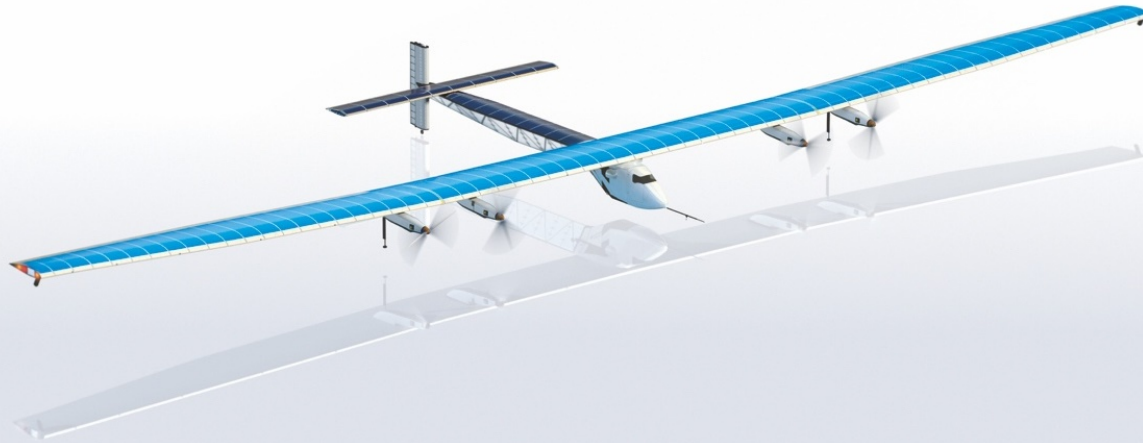
DELIVERY ON COMMITMENTS over 30 years

Gross dividend <sup>[1]</sup>  
in €/share



Committed to stable / growing dividend

# SOLVAY ENABLING TOMORROW



**MORE DARING  
CLEANER FUTURE**