



SOLVAY

asking more from chemistry®

Why invest in Solvay?



June 17, 2019
Meeting with
SMBC Nikko Securities

SOLVAY ID



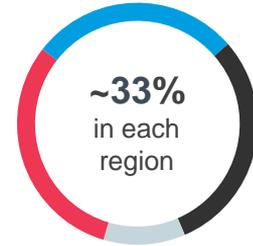
Created by Ernest Solvay in 1863, Solvay is today all about advanced materials and specialty chemicals



Advanced Materials
Advanced Formulations
Performance Chemicals



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



Europe
North America
Latin America
Asia & RoW

€10.3 bn

net sales

50% sustainable solutions

€2.2 bn

underlying EBITDA

Margin 22%

Top 3

market position¹

24,500 people
125 ind. sites
21 R&I sites
61 countries

Including discontinued operations

[1] Applicable to ~90% of portfolio
[2] Planned divestment of Polyamides
Headcounts and number of sites include Polyamide business, accounted for in discontinued operations

MARKETS WE SERVE



Industrial



Healthcare



Electronics

NEXT GENERATION MOBILITY



Aerospace



Automotive



Mining



Oil & Gas



Agro



Consumer goods



Food



Construction

APPROX 50% OF GROUP SALES

OUR CORE TECHNOLOGIES



Process leaders
in Soda Ash &
Peroxyde Chemicals



Polymer &
Composite
Technologies



Surface &
Liquid
Chemistry

BECAUSE WE NEED MORE SUSTAINABLE MOBILITY



AUTOMOTIVE



AEROSPACE



BATTERIES

Doing more
with less

↑ MORE

Cleaner and more
energy-efficient
mobility

Enhanced
lightweighting & fuel
efficiency

Higher performance
and energy storage

↓ LESS

Reduce impact
to environment

Reduce CO₂
emissions

Reduce cost
per kWh

~50% of Advanced Materials sales

BECAUSE WE NEED MORE EFFICIENT SOLUTIONS



MINING



OIL & GAS



AGRO

Doing more
with less

↑ MORE

Higher throughput
and yield of metals
& minerals

**Maximize cost
performance** and
fracturing efficiency

Targeted use
of ingredients for
seeds & crops

↓ LESS

Reduce impact
to employees and
environment

**Less clean
water** usage

**Reduce
environmental
impact**

~42% of Advanced Formulations sales

HOW WE WIN

INTEGRATING SUSTAINABILITY INTO DECISION-MAKING

OUR UNIQUE SUSTAINABILITY PORTFOLIO MANAGEMENT (SPM) TOOL GUIDES OUR STRATEGIC CHOICES AND RESOURCES ALLOCATION



▼
SPM assesses each of Solvay's products in all its applications

▼
SPM is embedded in our key business processes: R&I, Capex, M&A, Purchasing



▼
Sustainable Solutions provides higher social and environmental contribution to customer performance with lower environmental impact in its production phase.

HOW WE WIN INNOVATION AND COLLABORATION



21

Major R&I
centers

€ 352 M

R&I effort

2,200

R&I
employees

R&I
ecosystem

18%

New sales
ratio

> 75%

Expected revenue
from R&I pipeline
generated by
“Sustainable
Solutions”

264

Patent
applications

Dynamic
innovation
portfolio
management

1,500

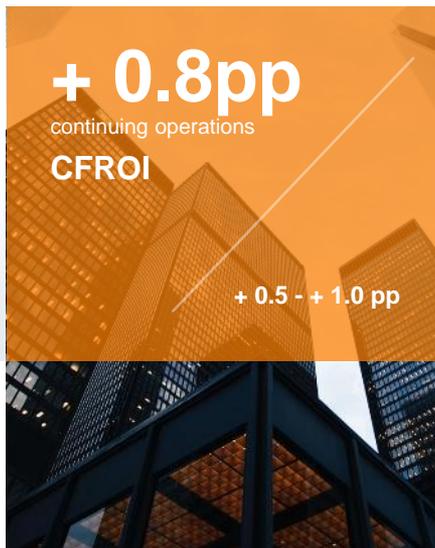
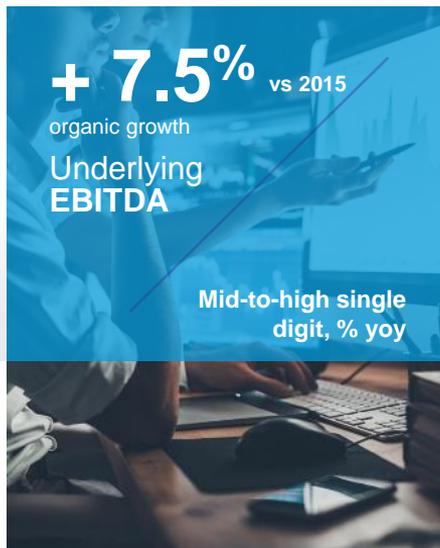
Intellectual
Property
agreements

€ 80 M

Allocated to
evergreen
funds and
startups

Open
innovation

STRONG FINANCIAL PERFORMANCE OUTPERFORMING MID TERM OBJECTIVES (2016-2018)

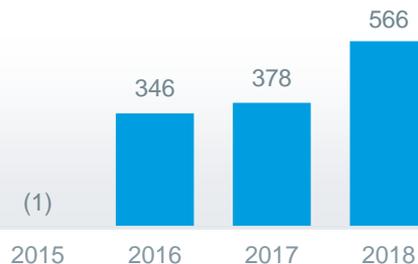


REWARDING SHAREHOLDERS WITH GROWING RETURNS

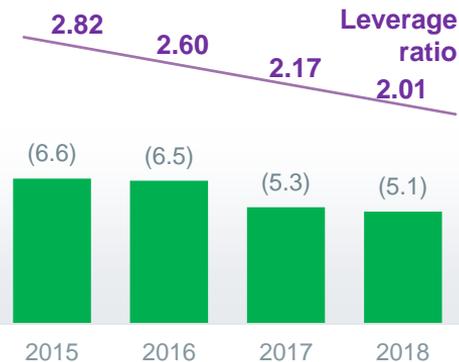
Underlying EPS
From continuing operations
(in €/share)



Free cash flow
To Solvay shareholders
from continuing operations
(in € million)



Net financial debt underlying
(in € billion)



Provisions
(in € billion)



☰ At 2018 scope

WHILE SERVING SOCIETY AT LARGE



FOCUS

INNOVATION & COLLABORATION



A HISTORY OF PIONEERING, PASSION FOR SCIENCE AND COLLABORATION



Ernest Solvay invents the process for producing soda ash

1863



Solvay is the first industrial multinational operating simultaneously in the US and Europe

1880



Solvay invents the plastic bottle for mineral waters

1960



Solvay acquires Rhodia

2011



Solvay flies around the world with Solar Impulse

2015



long term partnership with the National Institute for AIST

2019



1878

Solvay innovates in social welfare (paid vacations, social security, 8-hour day)



1911 & 1927

The congresses bring together the greatest scientists of their time



1990

Solvay invents precipitated silica for green tires



2013

1st Chemistry for the Future Solvay Prize



2018

Solvay partners with the Ellen Mc Arthur Foundation:



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Allocated to
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Open
innovation

SHAPING SUSTAINABLE INNOVATIONS FOR CUSTOMERS

NEXT GENERATION MOBILITY



Contributing to a cleaner, safer and more energy-efficient transportation industry, our breakthrough technologies from lithium and fluorine chemistries increase the storage performance of next generation batteries.



Enabling lighter vehicles while offering design freedom, exceptional properties and the use of automated manufacturing processes with our range of thermoset composites.



RESOURCE EFFICIENCY



Enhancing production efficiency by boosting germination, root development and plant vigor thanks to our guar based formulation for seed treatment.



Responding to food industry needs while securing resource efficiency thanks to our vanillin extracted from rice bran oil, a naturally derived alternative.



BUILD-RATE ACCELERATION LIGHTER AND CLEANER AIRCRAFT

4.5%

Annual growth
in passenger traffic

>8,000

Record high
order backlog

50%

Weight of composites
on new aircrafts vs <15% on legacy

2X

Number of aircrafts expected
to double in 20 years

SURFACE
COATINGS

PRIMARY
STRUCTURES

INTERIORS
& GALLEYS

BONDING &
MULTIFUNCTIONALITY

SECONDARY
STRUCTURES

ENGINES

Composite materials on
LEAP engines make fan
blades or wing box lighter

FusePly™ breakthrough
adhesive technology

Prepreg technology on the
primary structure of the
new Stratolaunch aircraft

LIGHTER, SAFER AND MORE ENERGY-EFFICIENT CARS

2.4%

Annual growth rate in
light vehicles
production over 5 years

~30%

Annual growth rate in
hybrid & plug-in electric
vehicles over 10 years

INTERIORS

THERMAL & AIR
MANAGEMENT
SYSTEMS

ENGINE
COMPONENTS

EMISSIONS
CONTROL

BRAKING
SYSTEMS

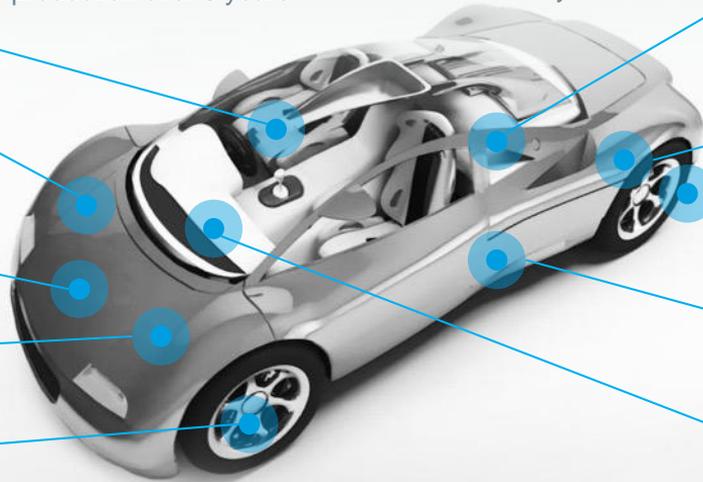
STRUCTURAL
& SEMI-STRUCTURAL
PARTS

INSULATION

ENERGY-EFFICIENT
TIRES

EXTERIORS &
CHASSIS

VEHICLE
ELECTRIFICATION



SolvaLite™ composites
are up to 40% lighter than
metal



Premium SW, an
innovation that reduces
fuel consumption and
CO₂ emissions

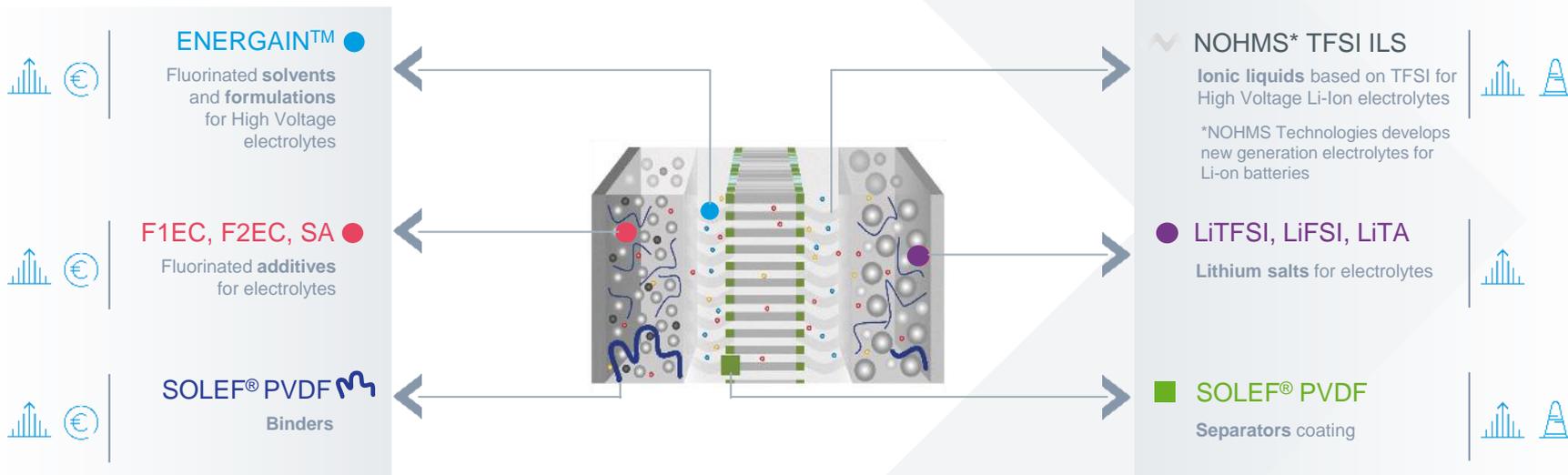


Solef® PVDF
High-performance polymer
for Li-ion batteries



OUR DIFFERENTIATED PORTFOLIO ADDRESSES THE KEY CHALLENGES OF THE BATTERY INDUSTRY

A unique expertise in fluorine chemistry and advanced conductive materials



**Towards
Solid-state battery**



HIGHER PERFORMANCE



LOWER COST



SAFETY

COMBINING SPECIALTY POLYMERS AND COMPOSITES TECHNOLOGIES, WE DELIVER THERMOPLASTICS COMPOSITES



Value Proposition

- Integrating composites advantages in large manufacturing series
- Lightweighting

Enables higher build rates and manufacturing cost reduction

Enables Total Cost of Ownership reduction and improved performance

End-Use

Body

Primary structure

Flexible Risers

Addressable Market

Automotive

Aerospace

Oil & Gas

Well positioned to become Market Maker

CHEMISTRY FOR THE FUTURE SOLVAY PRIZE

300.000€ TO SUPPORT MAJOR SCIENTIFIC DISCOVERY SHAPING TOMORROW'S CHEMISTRY



➤ 2013

Prof Peter G. Schultz awarded for his work at **the interface of chemistry and life sciences**.



➤ 2015

Professor Ben Feringa, Laureate of the Chemistry for the Future, was awarded the 2016 Nobel Prize in Chemistry for his **groundbreaking work on molecular motors**.



➤ 2017

Prof Susumu Kitagawa awarded for his work in developing **metal organic frameworks**, a new class of materials with a range of potential future applications, including the capturing of polluting gases.

➤ 2020
Next edition



SOLVAY IN JAPAN



SOLVAY IN JAPAN

€357 m

Net sales
in 2018

190 employees



1 Production site



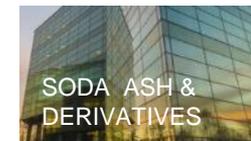
5 Headquarters



2 R&I centers

SPECIAL CHEM

Special Chem produces fluor and rare-earth formulations for automotive, semi-conductor and lighting applications. Special Chem positions as a strategic partner for the automotive sector as a producer of materials used in emission control catalysis and aluminum brazing, and as a producer of cleaning and polishing materials for electronics.

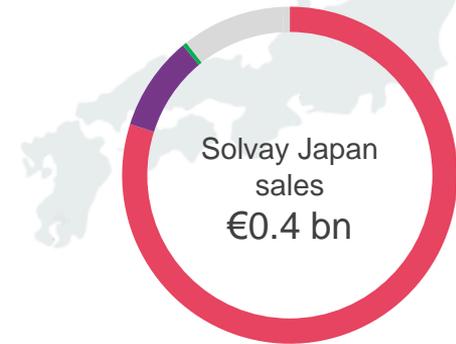


2018 SALES TO JAPAN BY OPERATING SEGMENT

Did you know Solvay sells
twice as much
advanced materials
to Japan than anywhere
else in the world?



Advanced Materials
Advanced Formulations
Performance Chemicals
Other



Japanese multinational
customers worldwide account for
up to 8% of our turnover.

GROWTH AMBITION FOR JAPAN



Carbon Composite

- CFRTP



Automotive

- Engineering Plastics
- Catalyst
- Green Tire
- Air Bag



Devices

- MLCC
- SAW Filter
- Ferrite Magnet



Process Materials

- CMP
- AI Blazing



Hyper-Connectivity

- 5G

Technologies
IOT, Server



Smart Devices & Displays

- Bendable



Battery

- Li-ION
- Solid State Battery



Lightweighting

- CFRTP for aerospace



Lightweighting

- CFRTP

Autonomous Driving

- Power Device



AI & Robotics



Circular Economy

- Recycling
- Urburn Mining

2019

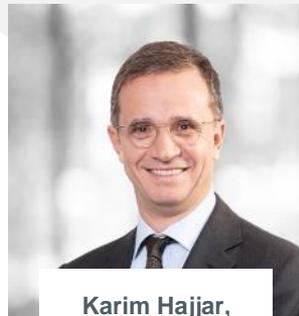
UNLEASHING AND ACCELERATING VALUE CREATION



A NEW EXECUTIVE COMMITTEE



**Ilham
Kadri, CEO**



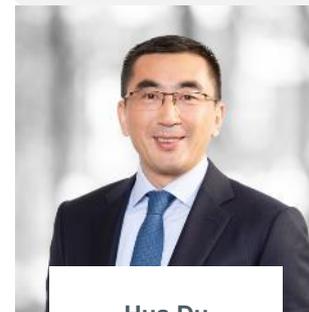
**Karim Hajjar,
CFO**



**Vincent
De Cuyper**



**Augusto
Di Donfrancesco**



Hua Du

2019 OUTLOOK



EBITDA growth

Underlying
excluding scope and forex conversion

- Organic growth ^[1] **flat to modest decline**



Free Cash Flow

to Solvay shareholders from continuing operations

- **~€490 million** ^[2] exceeding dividend pay-out
- Allowing for debt deleveraging of ~€100 million

MOVING FORWARD



Strategy
review



Culture and
purpose



Customers
FIRST

[1] Organic growth, excluding scope & forex conversion effects and IFRS 16 effect, compared to 2018 pro forma of €2,330 million
[2] vs 2018 pro forma of €566 million, already including IFRS 16 effect

WHY INVEST IN SOLVAY?



**Advanced Materials
and Specialty
Chemicals company**

Top-notch chemistry that addresses sustainable mobility and improves resource efficiency, creating financial value & value for society at large.



**Offering innovative
and sustainable
solutions**

Innovation towards impactful circular economy ; collaboration with game-changers to spark the impact of cleaner and sustainable solutions globally.



**Customer
obsessed**

Answers to fast-pacing demand: rapid technological innovation, top-tier talent, personalized service and faster response times.



**Solid Financial
Performance**

One of the highest EBITDA margins within diversified chemical companies: propelled by volumes, underpinned by efficiency.



**Consistent
Shareholders
Reward**

Dividend Increase for 35 years
2018 dividend: €3.75
~5.5% CAGR since 1982.

SOLVAY SHARE

BECOMING A SHAREHOLDER



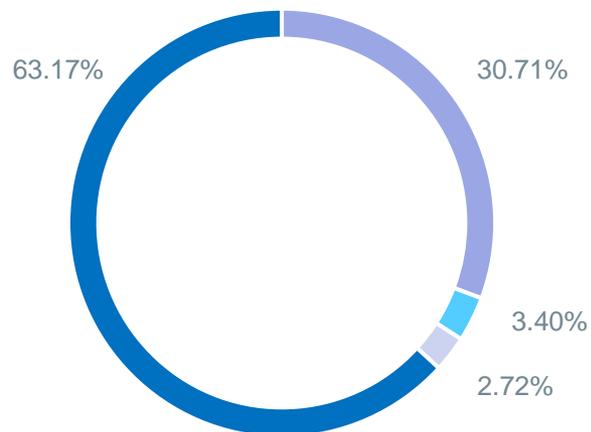
SOLVAY SHARE

Share data

Number of shares	105,876,416
Market capitalization	€ 9 bn
Listing	Euronext Brussels & Paris
Member code	SOLB.BE
Currency	EUR
ISIN code	BE0003470755
Deferred settlement service	Eligible
Shares savings plan PEA	Eligible
Tax exemption	capped at 15% for Japan

MAJOR SHAREHOLDERS

- Solvac
- Blackrock Inc.
- SSOM
- Other investors



Solvay is included in major indices: Bel20, CAC Next 20, STOXX family (DJ Stoxx and DJ Euro Stoxx), MSCI index, Euronext 100 as well as the DJSI World Index and the FTSE4Good, one of the key indices for socially responsible investment.

Additional Share information

Use our financial tools



HOW TO BECOME A SHAREHOLDER OF SOLVAY?

HOW TO HOLD SOLVAY ORDINARY SHARES

Dematerialized shares

Your shares remain with your financial intermediary, who manages them

Registered shares

Your shares are registered directly in Solvay Register, and managed by Solvay Registered Shares Management Service. This type of holding shares enables you to benefit from different advantages

Visit the Shareholders' Corner to find out more information on how to become a shareholder of Solvay



Benefits of registered shares



- Free custody and administration fees
- Personalized notice of attendance to the Annual General Meeting automatically sent
- Dividend report sent with all the useful information to follow the payments
- Press releases of financial publications sent via email
- Registered shares are not subject to tax on securities accounts
- Personalized information in case of special operations, such as, for example, capital increases.



A dedicated team at your service



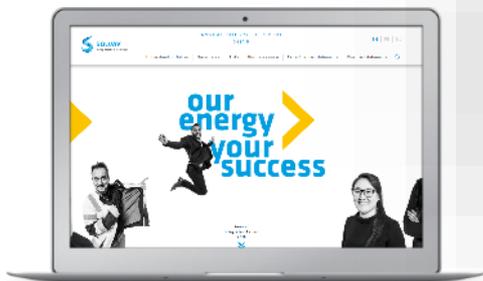
Solvay Registered Shares Management service

shareholders@solvay.com

+32 2 639 66 30

SHAREHOLDERS PUBLICATIONS

Dedicated to offer relevant and timely information to our shareholders

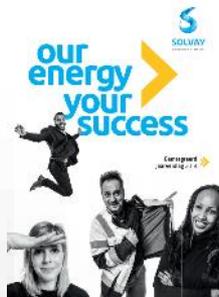


Integrated Annual Report

Shareholders' Guide

Shareholders' Letters

Quarterly newsletters



Visit Solvay Shareholders' corner and subscribe to the Investors' Club to receive our future publications

Created in 2014, Solvay Investors' Club is dedicated to private investors who are particularly interested in the life of the Group and provides its members with a better understanding of Solvay, its businesses and its activities.

Subscribe to Solvay Investors' Club

INVESTOR RELATIONS



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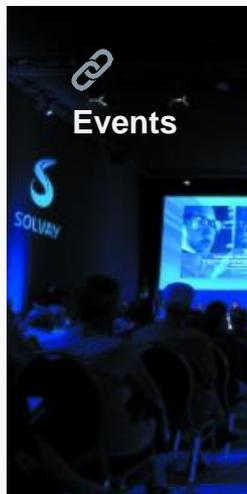
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Events



July 31, 2019

Brussels Belgium

Solvay First Half Year 2019
Earnings



November 7, 2019

Brussels Belgium

Solvay First Nine Months 2019
Earnings



November 17, 2019

Tour et Taxis Havenlaan 86C /
316, Brussels 1000 Belgium

Finance Avenue 2019



Latest news



Outcome of Solvay's General
Shareholders' Meeting

May 14, 2019



Solvay first quarter 2019
results

May 07, 2019

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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.

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. This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, any securities.



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