

Driven by the future

Growth, Competitiveness and Innovation

2005

SOLVAY

An international Chemicals and Pharmaceuticals group
Facts and figures:
Sales: 8.6 GEUR
Cash flow: 1.3 GEUR

Employing 28 730 people
 Present in 50 countries on every continent
 With 400 centres
 Over 95% of sales come from outside Belgium and 49% from outside the European Union
 Stable or rising dividends every year for 24 years
 Operates in three sectors: Pharmaceuticals, Chemicals and Plastics



Solvay 2005

EUR 8 562 million sales
EUR 816 million consolidated net earning
EUR 1 280 million cash flow

A global presence

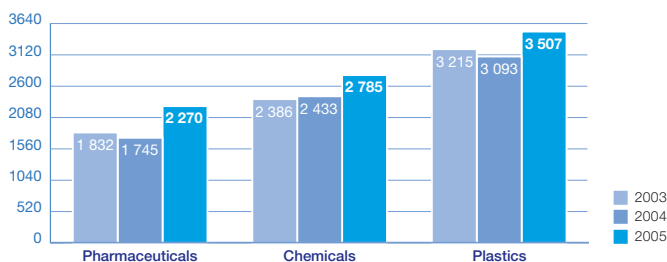
Europe	56 %	The Americas	34 %
European Union (25)	51 %	Nafta	26 %
Other European countries	5 %	Mercosur	8 %
Asia-Pacific	7 %	Rest of world	3 %

Customer markets

Human health	28 %	Detergents, cleaning and hygiene products	3 %
Automobile industry	13 %	Packaging	3 %
Chemical industry	12 %	Paper	3 %
Construction and architecture	11 %	Consumer goods	3 %
Glass industry	7 %	Human and animal food processing	1 %
Electricity and electronics	4 %	Other industries	8 %
Water and the environment	4 %		

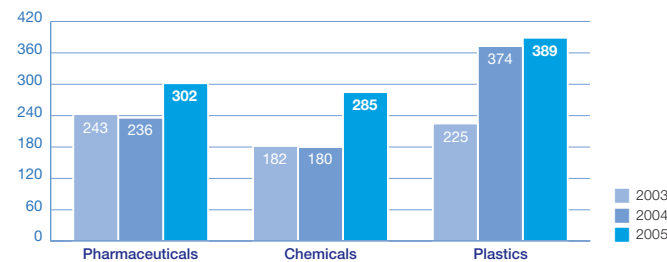
Activities

Group sales 2005 = EUR 8 562 million



Group REBIT 2005 = EUR 912* million

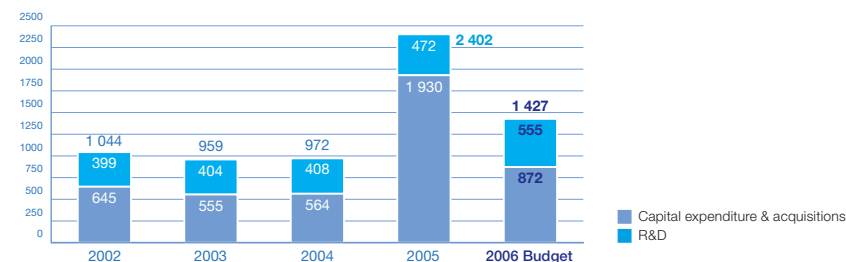
* Including EUR -64 million of unallocated items in 2005.



Expenditure on the future

Total Group capital expenditure, acquisitions and R&D 2005 = EUR 2 402 million

[including EUR 1.2 billion for the acquisition of Fournier Pharma] [EUR million].



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A strategy of sustainable and profitable growth

Our Vision

- Independent industrial Group
- Global vision
- Balanced portfolio
- Sustainable, profitable and constantly growing businesses

Our Mission

- Scientific, technical and commercial competences
- In chemistry and human health
- Supplying innovative products and services
- Creating constantly growing added value

A Passion for Progress®

Our Values

- Ethical behaviour
- Respect for people
- Customer care
- Empowerment
- Teamwork

This strategy marks the Group's determination to target its various business entities more precisely on ambitious objectives and, through innovation and better management of our internal processes, to move into new areas and manage our business better and faster than before.

Pharmaceuticals Sector

Key figures [EUR million]

	2003	2004	2005
Sales	1 832	1 745	2 270
REBIT	243	236	302
Depreciation	59	65	87
Capital expenditures	153	150	1 346
R&D	284	294	351
Headcount ^[1]	7 530	7 988	10 004

[1] Full-time equivalents at January 1 of the following year.

Strategy

Solvay Pharmaceuticals announces new performance objectives

In July 2005, Solvay Pharmaceuticals completed its acquisition of Fournier Pharma. In October it presented the new combined performance objectives for the future "Solvay Pharmaceuticals" by 2010:

- REBIT/sales in excess of 20%
- Annual sales growth above 7%
- Improving efficiency by EUR 300 million a year.

We are already on the road to achieving these objectives.

Main products	Europe	N.America	World
Cardiometabolics			
Cholesterol and triglyceremia*	12	4	6
Fibrates*	1	1	1
Neuroscience			
Antiemetics, antinauseants	-	2	3
Vertigo (Menière's syndrome)	1	1	1
Gastrointestinal enzymes			
Gastrointestinal enzymes	1	2	1
Gastroenterology			
Antispasmodics/Irritable bowel syndrome medication	1	7	2
Hormone Therapy			
Women's health	2	2	2
Men's health	3	1	1

* Including sales of TRICOR® in the USA by Abbott.

Chemicals Sector

Key figures [EUR million]

	2003	2004	2005
Sales	2 386	2 433	2 785
REBIT	182	180	285
Depreciation	172	174	173
Capital expenditures	182	165	261
R&D	30	27	27
Headcount ^[1]	9 203	8 594	8 721

[1] Full-time equivalents at January 1 of the following year.

Strategy

Consolidation in Essentials by:

- following a policy of continuous improvement;
- managing the product portfolio.

Growth in Specialties:

- in "historical" specialties like bicarbonate and certain fluorinated products;
- opening up new paths, especially in organic chemistry, with strong external support from partnering relationships with major customers and internal support from our Innovation drive.

Continuing geographic expansion:

- through investments in flagship products in high-growth areas.

Main products	Europe	World
Chemicals		
Fluorinated products	1	2
Advanced Functional Minerals	amongst the world leaders	
Sodium bicarbonate	1	1
Ultra-pure H ₂ O ₂	2	4
Ultra-pure barium/strontium	1	1
Plastics		
Fluorinated polymers	-	3
Other Speciality Polymers	amongst the world leaders	
Inergy (fuel systems)	1	1

Plastics Sector

Key figures [EUR million]

	2003	2004 ^[1]	2005 ^[1]
Sales	3 215	3 093	3 507
REBIT	225	374	389
Depreciation	176	171	174
Capital expenditures	187	217	293
R&D	72	70	79
Headcount ^[1]	11 262	8 702	8 474

[1] The Industrial Foils activities are included in "discontinued operations" in 2004 and 2005.
[2] Full-time equivalents at January 1 of the following year.

Strategy

For the two activity clusters, Specialties and Vinyls:

- capitalization on existing strengths; size and global presence, technological leadership, potential for synergy;
- management of the activities portfolio in terms of added value, growth potential and resistance to business cycles;
- constant strengthening of excellence in competitiveness, R&D and customer proximity. This involves restructurings, modernizations, expansions and acquisitions;
- strict control of strategic initiatives and operations;
- constant search for new business opportunities.

Main products	Europe	World
Chemicals		
Soda ash	1	1
Hydrogen peroxide	1	1
Persalts	1	1
Barium/strontium carbonates	1	1
Caustic soda	1	3
Plastics		
PVC	2	3
Pipeline (pipes and fittings)	4	-