

4TH QUARTER AND FULL YEAR 2011 RESULTS

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REGULATED INFORMATION

FEBRUARY 16, 2012



SOLVAY GROUP

CREATION OF A MAJOR PLAYER IN CHEMISTRY, A WORLD LEADER IN ITS FIELDS OF ACTIVITY

Solvay has created with Rhodia a major player in the chemical industry with sales of EUR 12.7 billion¹, 40%¹ of which are made in high growth countries, and a REBITDA² of EUR 2.1 billion¹. This new Group is now ranked among the top 10 chemical companies worldwide.

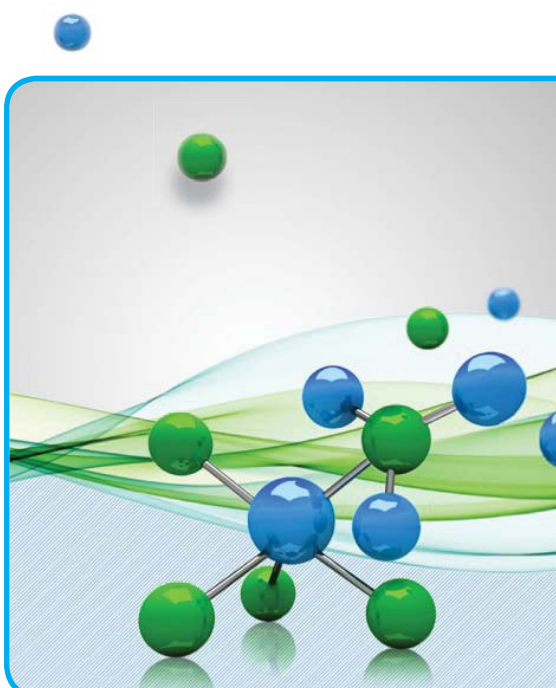
The Group is supported by positions of excellence: 90% of its sales are made in activities where it is among the top three leaders worldwide. It is one of the world leaders in high-performance specialty polymers and the world leader in soda ash and hydrogen peroxide. It also provides its leadership in specialty chemicals (silica, rare earth formulations), products designed for large consumer markets (surfactants and natural polymers, acetate tow) and engineering plastics based on polyamide 6.6.

The complementary nature of Rhodia's and Solvay's industrial activities provides the new Group with exposure to very diverse markets: special chemicals designed for consumer products, construction, automotive, energy, water, environmental, electronics, etc.

This new Group, listed on NYSE Euronext in Brussels and Paris, intends to become a major worldwide chemical group resolutely committed to sustainable development and focused on innovation and operating excellence.

1. The pro forma figures show the income statement (1) as if the acquisition of Rhodia had become effective from the 1st of January 2010, (2) harmonizing the accounting rules and (3) eliminating the Purchase Price Allocation (PPA) impacts.
2. REBITDA : operating result before depreciation and amortization, non recurring elements, financial charges and income taxes

SOLB
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Integration of Rhodia into Solvay is progressing as planned

The integration process is combining Solvay's and Rhodia's strengths and excellence.

Significant actions have already been launched.

Cost savings programs related to procurement and logistic have been launched and will generate savings of EUR 250 million per year. They will be fully effective within 3 years.

The new corporate function organizations should be put into place in the first half of 2012. The program to align the other functions is continued.

Solvay Energy Services was created on January 1, 2012.

Solvay is confident in its capacity to deliver the announced integration synergies of EUR 250 million per year by 2014. They will be added to the Horizon program savings amounting to EUR 120 million per year from 2012. These two optimization programs should generate more than EUR 100 million in gross savings¹ during 2012.

¹ Before associated costs, one-off costs

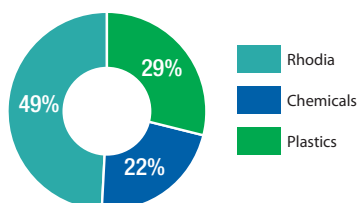
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GLOBAL ACTOR IN SUSTAINABLE CHEMISTRY

Pro forma 2011

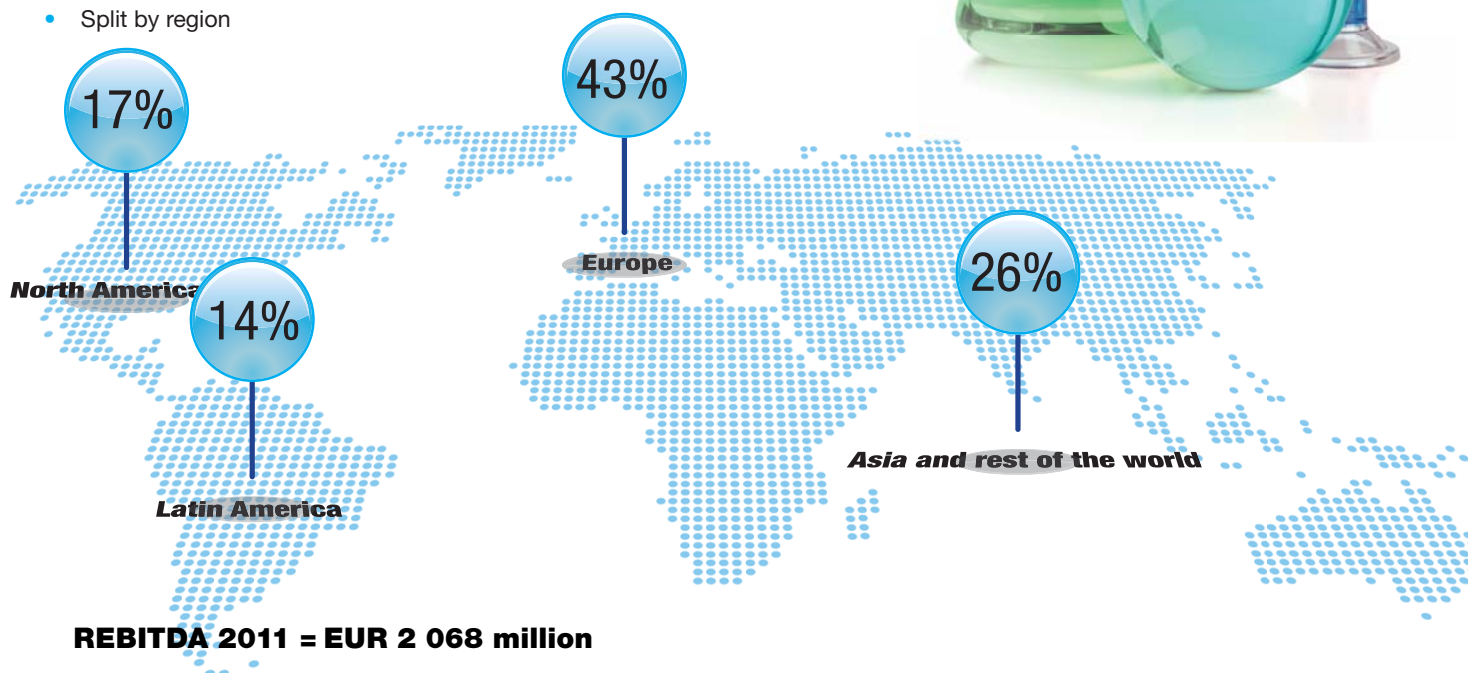
Net sales¹ 2011 = EUR 12 693 million

- Split by Sector

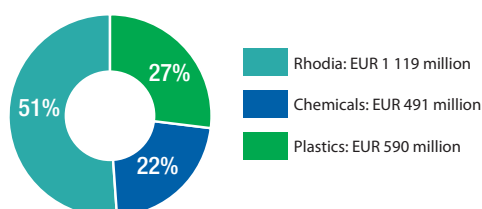


1. Net sales comprise the sales of goods and value-added services corresponding to Solvay's know-how and core business. Net sales exclude other revenues primarily comprising commodity and utility trading transactions and other revenue deemed as incidental by the Group (for example temporary).

- Split by region



REBITDA 2011 = EUR 2 068 million



- Split by Sector excluding CBS and NBD

Free Cash Flow² 2011 = EUR 656 million

2. Cash flow from operating activities + cash flow from investing activities, excluding acquisitions and sales of subsidiaries and other investments + dividends from associates and JVs.



SOLVAY GROUP

FULL YEAR AND 4TH QUARTER 2011

BUSINESS REVIEW - PRO FORMA

The business review shown below on pages 4 to 15 is based on pro forma figures. Those pro forma figures show the income statement (1) as if the acquisition of Rhodia had become effective from the 1st of January 2010, (2) harmonizing the accounting rules and (3) eliminating the Purchase Price Allocation (PPA) impacts.

The PPA impacts are created by the reevaluation of assets, liabilities and contingent liabilities of Rhodia at fair value at acquisition date (IFRS 3).

This pro forma presentation shows the evolution of the economic performance of the Solvay Group on a full year basis in 2011 and on a comparable basis with 2010.

Pro forma 2011: REBITDA of EUR 2 068 million, an improvement in each Sector of activity; Pro forma Free Cash Flow of EUR 656 million

- Overall sustained level of activity with sales volumes up by 3% with constant perimeter
- Strong improvement in REBITDA of 11% to EUR 2 068 million
- Good generation of Free Cash Flow: EUR 656 million on a pro forma basis

4th quarter of 2011: REBITDA of EUR 355 million and Free Cash Flow of EUR 246 million

- Good overall resilience in sales; significant slowdown in demand for Vinyls in Europe, and to a lesser extent, in Polyamide Materials
- First contribution of Rhodia to REBITDA amounted to EUR 231 million
- Group REBITDA down by 23% on a pro forma basis primarily due to Vinyls in Europe
- Priority given to cash: significant decrease of inventories with a negative impact on result estimated to EUR 50 million; Free Cash Flow generation of EUR 246 million.
- Net result: EUR 122 million

Dividend proposed: EUR 3.0667 gross per share, stable compared to 2010

Quote of the CEO

The first contribution by Rhodia to the Group's quarterly results is substantial. It confirms the ambition pursued to create a leading chemical player serving highly diversified markets globally, with reduced cyclical exposure. With 2/3 of its sales in resilient market segments and 40% in fast growing regions, Solvay is well positioned to capture growth opportunities in promising business segments responding to the industry's undergoing megatrends. Potential cost savings will be an additional source of value creation.

Outlook

In an uncertain economic environment in Europe and in some segments of the demand, but differentiated from one world region to another, overall market conditions seem to progressively recover. In this context, Solvay emphasizes a stringent operational and financial management. As a major player in chemistry and a global leader in its activities, Solvay enjoys solid competitive advantages. The good progress with Rhodia integration and the deployment of Horizon are essential levers.

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FULL YEAR 2011 BUSINESS REVIEW - PRO FORMA

Key data (in million EUR)	Pro forma 2011 results (a)	Pro forma 2010 results (b)	Change in % (a/b)	IFRS 2011 results	IFRS 2010 results ¹
Net sales ²	12 693	11 095	14%	8 001	5 937
Net sales growth excluding forex and scope	14%			11%	
REBITDA	2 068	1 862	11%	1 208	930
REBITDA as a % of net sales	16%	17%	N/A	15%	16%
REBIT from continuing operations	1 408	1 226	15%	748	571
Net result from continuing operations	825	406	103%	334	97
Net result from discontinued operations ³	-41	1 721	N/A	-38	1 726
Net result	784	2 127	-63%	296	1 823
Net income (Solvay share)				247	1 776
Basic earnings per share from continuing operations (EUR) ⁴				3.51	0.62
Free Cash Flow from continuing operations ⁵	656	449	46%	371	117

- Financial data for the year 2010 were restated to take into account the following change: since January 1, 2011, the Group consolidates joint ventures using the equity method instead of the proportionate method with a negative impact on the sales of the year 2010 of EUR 837 million. More information about this is provided on pages 23 to 25 of this press release.
- Net sales comprise the 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 (for example temporary).
- Data from the results of the pharmaceuticals activities up to February 15, 2010 in the Group accounts are consolidated under a single heading in the income statement: "Result from discontinued operations".
- Calculated on the basis of the weighted average number of shares in the period, after deduction of own shares purchased to cover the stock option program, or a total of 81 320 011 shares at the end of December 2010 and 81 223 941 shares at the end of December 2011.
- Cash flow from operating activities + cash flow from investing activities, excluding acquisitions and sales of subsidiaries and other investments + dividends from associates and JVs.

Compared with pro forma 2010

Net sales

12 693 million €
+ 14%

REBITDA

2 068 million €
+ 11%

Net result

784 million €

SOLVAY GROUP

4TH QUARTER 2011 BUSINESS REVIEW - PRO FORMA

Key data (in million EUR)	Pro forma 4 th quarter 2011 results (a)	Pro forma 4 th quarter 2010 results (b)	Change in % (a/b)	IFRS 4 th quarter 2011 results	IFRS 4 th quarter 2010 results ¹
Net sales	2 998	2 845	5%	2 998	1 507
Net sales growth excluding forex and scope	4%			4%	
REBITDA	355	461	-23%	355	231
REBITDA as a % of net sales	12%	16%		12%	15%
REBIT from continuing operations	184	301	-39%	155	144
Net result from continuing operations	123	119	3%	-19	16
Net result from discontinued operations	0	0		0	0
Net result	122	119	3%	-20	16
Net income (Solvay share)				-23	-2
Basic earnings per share from continuing operations (EUR) ²				-0.28	-0.03
Free Cash Flow from continuing operations ³	246			211	114

1. Financial data for the year 2010 were restated to take into account the following change: since January 1, 2011, the Group consolidates joint ventures using the equity method instead of the proportionate method with a negative impact on the sales of the 4th quarter 2010 of EUR 134 million. More information about this is provided on pages 23 to 25 of this press release.
2. Calculated on the basis of the weighted average number of shares in the period, after deduction of own shares purchased to cover the stock option program, or a total of 81 320 011 shares at the end of December 2010 and 81 223 941 shares at the end of December 2011.
3. Cash flow from operating activities + cash flow from investing activities, excluding acquisitions and sales of subsidiaries and other investments + dividends from associates and JVs.

Compared with pro forma 4th quarter 2010

Net sales

2 998 million €
+ 5%

REBITDA

355 million €
- 23%

Net result

122 million €

SOLVAY GROUP

FULL YEAR 2011 BUSINESS REVIEW - PRO FORMA

Key data (in million EUR)	Pro forma results			IFRS results		
	2011	2010	Change in %	2011	2010	Change in %
Net sales¹	12 693	11 095	14%	8 001	5 937	35%
Plastics	3 686	3 361	10%	3 686	3 361	10%
Chemicals	2 836	2 575	10%	2 836	2 575	10%
Rhodia	6 171	5 157	20%	1 479		
REBITDA	2 068	1 862	11%	1 208	930	30%
Plastics	590	555	6%	583	538	8%
Chemicals	491	472	4%	484	455	6%
Rhodia	1 119	962 ³	16%	231		
New Business Development	-53	-47	-13%	-38	-25	-51%
Corporate and Business Support ²	-79	-80	1%	-51	-37	-37%

1. Following the implementation of the new organization (Horizon), an amount of EUR 272 million of sales was transferred from the Chemicals Sector to the Plastics Sector in the figures of the year 2010, without any impact on the results.

2. Part of the corporate costs of the Rhodia Sector were booked as Corporate and Business Support costs in the 4th quarter and pro forma full year 2011 results.

3. Restated based on the Solvay Group's accounting principles (harmonization of accounting principles)

PRO FORMA RESULTS 2011

The year 2011 was marked by the acquisition of Rhodia on September 16. It should be noted that only the figures from the 4th quarter of Rhodia are included in the consolidated IFRS accounts of the Solvay Group. In order to give complete and comparable information, the Group published pro forma adjusted financial results, in addition to the consolidated IFRS accounts for 2011. The comments on 2011 shown below pertain to the pro forma figures.

Net sales for 2011 amounted to EUR 12 693 million, an improvement of 14%.

The economic context remained sustained throughout 2011 for most activities, as seen in the increased sales volume in Chemistry (+4%), as well as Plastics (+2%) and Rhodia (+3%).

The activity was particularly dynamic in Specialty Polymers, in Advanced Materials and in Consumer Chemicals; their sales volumes with constant perimeter were up by 6%, 19% and 6% respectively compared to the already high levels of activity in 2010. Other activities, however, were confronted with a net slowdown in demand during the last months of the year, in particular Vinyls, fluorinated chemical products and, to a lesser degree, Polyamide Materials.

The share of sales realized by the Solvay Group in fast growing regions was clearly improved. Solvay realized 40% of its sales in Latin America, Asia and in the rest of the world in 2011.

REBITDA for 2011 amounted to EUR 2 068 million compared to EUR 1 862 million in 2010, or an increase of 11%. Priority was given to cash generation, especially in the 4th quarter, which resulted in a considerable decrease of stocks. This made it possible to generate a free cash flow of EUR 246 million in the 4th quarter, but adversely impacted profit by an estimated EUR 50 million.

SOLVAY GROUP

FULL YEAR 2011 BUSINESS REVIEW - PRO FORMA

The improvement in REBITDA in the **Plastics Sector** (+6% to EUR 590 million) is explained by the record operating performance of Specialty Polymers in a context of very sustained activity; the margin - REBITDA on net sales – for this activity amounted to 29% a net improvement due to higher sales prices, significant improvement in industrial performances and a better product mix. The results from Vinyls have been under strong pressure since the end of the summer despite major cost-reduction efforts. Overall for the year, their REBITDA posted a slight drop of 4% compared to 2010, with a margin - REBITDA on net sales – of 9% compared to 10% in 2010.

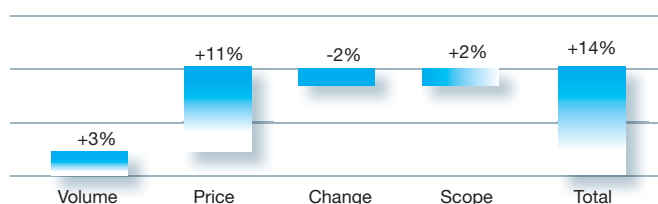
REBITDA of the **Chemicals Sector** again improved compared to the preceding period; it increased by 4% to EUR 491 million. The result from Essential Chemicals was up by 9% compared to 2010; it was sustained by an increase in demand across the majority of its activities and a good level of profitability, with increases in sales prices more than compensating for the increased costs of energy and some raw materials. Despite a very good operating performance in the first half, the REBITDA of Special Chemicals was down due to a net slowdown in the activity during the last months of the year.

Rhodia Sector's posted a strong 16% progression to a record EUR 1 119 million REBITDA, illustrating a successful execution of its profitable growth strategy and confirming the ambitions linked to this acquisition. The sector benefited from its resilient quality portfolio, its strong exposure to fast growing regions as well as its excellent pricing power. Overall organic volume progressed by 3%. Furthermore, the Feixiang acquisition, consolidated since December 2010, continued growing at a double-digit pace. In a context of global inflationary raw material and energy costs, the sector's pricing power generated a net positive impact in REBITDA of EUR 158 million in the year. By segments, Consumer Chemicals and Advanced Materials, constituted powerful growth engines and posted profitability improvements by over 30% with respective REBITDA levels of EUR 364 million and EUR 267 million. Polyamide Materials, down by 23% suffered from a demanding comparative base in 2010 and a weakened activity in the second half of the year. Acetow & Eco services, operating in more mature business segments, saw sustained business dynamics throughout the year. Energy Services remained stable.

REBITDA of **New Business Development** amounted to EUR -53 million; it reflects the research & development efforts made in promising and important areas for development of the Group outside its traditional activities.

REBITDA of **Corporate and Business Support** amounted to EUR -79 million against EUR -80 million last year.

Factors influencing net sales (% of pro forma 2010 net sales)



Solvay and Avantium combining to develop bio-sourced high-performance technical polymers

Solvay studies the transformation of agro-resources from different areas (sugar cane, starch, cellulose, vegetable oils, etc.) for competitive production of chemical intermediaries or creation of new monomers that would broaden the specialty polymers portfolio. Thus an agreement for collaboration was concluded in 2011 with the Dutch startup Avantium, dealing with the use of a bio-sourced monomer for the chain of semi-aromatic polyamides.

The acquisition of Rhodia enabled the Solvay Group to expand this partnership agreement at the start of 2012; it offers the partners a unique opportunity to explore a wide range of bio-sourced compositions and applications based on Avantium's YXY technology in the larger Polyamide field.

PLASTICS

4TH QUARTER AND FULL YEAR 2011 BUSINESS REVIEW - PRO FORMA¹

- Performance of Specialty Polymers improved despite a slowdown in demand in electronics and photovoltaic cells
- Strong reduction in demand for Vinyls in Europe
- Priority given to cash, in particular in Vinyls in Europe: the willingness to reduce production and inventories in line with the evolution of demand weighed on the result of the Sector by an estimated amount of EUR -25 million
- REBITDA of the Sector down by 52% due to Vinyls

Key data (in million EUR)	4 rd quarter		12 months	
	2011	Change in %	2011	Change in %
Net sales	824	-3%	3 686	10%
Specialty Polymers	306	7%	1 251	9%
Vinyls	518	-7%	2 435	10%
Vinyls Europe	281	-10%	1 394	10%
Vinyls Asia	77	-2%	330	9%
Vinyls South America	126	-2%	545	11%
Plastics Integration	33	-10%	166	5%
REBITDA	68	-52%	590	6%
Specialty Polymers	76	10%	365	27%
Vinyls	-9	-113%	218	-4%
Accounting rules harmonization	2	-65%	6	-65%

¹. Only the Sector's figures are pro forma figures, the pro forma adjustments, summarized in the rubric «Accounting rules harmonization» not being allocated by clusters of activity

Compared with pro forma 4th quarter 2010

Net sales
824 million €
-3%

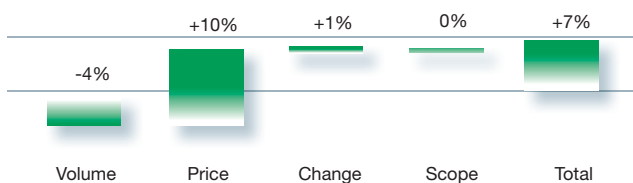
REBITDA
68 million €
-52%

Specialty Polymers

Net sales of Specialty Polymers were up by 7%, despite a slight drop (-4%) in sales volume. This was primarily due to the slowdown in demand in electronics and photovoltaics. The demand from other end-markets remained steady. The impact of the drop in volumes was largely compensated for by the foreign exchange impact (+1%) and the higher level of sales prices (+10%); these prices were increased during preceding quarters in a context of very sustained demand.

REBITDA amounted to EUR 76 million, up by 10%. The margin – REBITDA on net sales – amounted to 25% compared to 24% in the 4th quarter of 2010. While still excellent, it is lower than the very high margin realized during the first nine months of 2011 (31%) due to some softening in sales and a slowdown in production in order to reduce inventories, which reached a low level at the end of this year. The current context of economic uncertainty led the GBU to adopt a conservative attitude by optimizing cash generation, and pursuing cost reduction and maximizing its operational performance. The efforts of R&D, at the heart of the strategy of this GBU, were continued. The innovation program is very promising: over 1300 ongoing projects help keeping the New Sales Ratio above 30%.

Factors influencing net sales (% of 4 Q10 net sales)

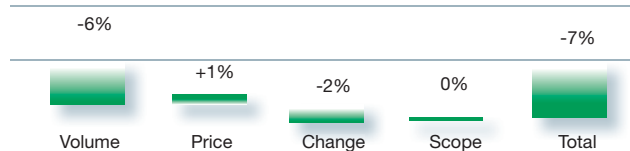


Vinyls

Net sales amounted to EUR 518 million, down by 7% due to a global drop in volumes (-6%). The effect was felt particularly in Europe. The demand for PVC remains very weak there in a context of economic sluggishness and a strict management of inventory by customers. The sales prices of PVC trended downward in the 4th quarter; this was true in the different regions of the world.

REBITDA amounted to EUR -9 million compared to EUR 69 million in the 4th quarter of 2010. In Europe, it was greatly penalized by weak demand and compression of margins. Priority was given to cash generation and in particular reduction of inventory. The slowdown in production rates, however, negatively impacted the result. In Latin America, overall demand remained good but the margins showed a drop in the 4th quarter due to pressure from imports. Solvay Indupa posted better results than in 2010 on an annual basis due especially to more consistent production rates that were better aligned with available capacity. In Asia, REBITDA from Vinythai, although down in the 4th quarter from 2010 mainly due to the effect of the flooding on the customers, posted overall for the year a growth of 24% compared to 2010, which is a new record.

Factors influencing net sales (% of 4 Q10 net sales)



VinyLoop® met the growing demand for Eco-products due to its recycling technology for composite PVC waste.

A recent study revealed the low carbon footprint being left by VinyLoop®, decreasing water consumption by 72%, energy consumption by 46% and greenhouse gas emissions by 39%.

VinyLoop®'s eco-consultants propose that its partners establish the carbon footprint of their applications such as sprinkler pipes, membranes and soles of shoes to be able to communicate these results to their customers, throughout the chain of value.

CHEMICALS

4TH QUARTER AND FULL YEAR 2011

BUSINESS REVIEW - PRO FORMA¹

- Global resilience of sales despite a net slowdown in fluorinated chemicals and epichlorohydrin activities
- REBITDA of EUR 103 million, down by 15%:
 - Good resistance in result from Essential Chemicals in a more difficult economic context
 - In Special Chemicals, net slowdown in demand and operating margins under strong pressure

Key data (in million EUR)	4 th quarter		12 months	
	2011	Change in %	2011	Change in %
Net sales	695	5%	2 836	10%
Essential Chemicals ²	558	5%	2 237	11%
EMEA ³	346	1%	1 429	12%
North America	120	-8%	474	-8%
South America	34	62%	131	53%
Asia Pacific	57	49%	203	43%
Special Chemicals	138	5%	599	8%
REBITDA	103	-15%	491	4%
Essential Chemicals	101	-3%	419	9%
Special Chemicals	1	-95%	64	-10%
Accounting rules harmonization	2	-65%	6	-65%

1. Only the Sector's figures are pro forma figures, the pro forma adjustments, summarized in the rubric «Accounting rules harmonization» not being allocated by clusters of activity
2. Soda ash exports from the USA no longer go through ANSAC but are directly handled by Solvay since January 1, 2011. This largely explains the sales drop in North America and the higher sales in Asia and South America.
3. Europe, Middle-East and Africa

Compared with pro forma 4th quarter 2010

Net sales

695 million €

+ 5%

REBITDA

103 million €

-15%

Essential Chemicals

Net sales were up by 5% to EUR 558 million.

- Soda ash demand remained steady overall in the fourth quarter. In Europe, the business remained at a good level, due to very good strength in container glass. In the United States, Solvay benefited from strong demand from Asia and South America. Bicarbonate sales remained at a very good level; all segments of the market improved, in particular the environmental and medical applications. Sales from this activity also benefited from higher prices. It should be noted that at the start of 2012, that there were new price hikes in Europe, the United States and export markets and a reduction in duration of European contracts, which henceforth will be mostly for six-month periods.
- In caustic soda, demand continued at a good level in the fourth quarter while offer was limited by the drop in PVC production, explaining the increase in sales prices to a level clearly higher than last year. This price hike continued into the first quarter of 2012.
- The epichlorohydrin activity is confronted since the third quarter with a net slowdown in demand, having a significant impact on volumes and sales prices. A gradual recovery of the activity has been observed in early 2012.
- For hydrogen peroxide, sales are similar to the very high level of the 4th quarter of 2010. Volumes remained sustained by high demand for paper pulp in Asia and Latin America. Except for the textile markets in Asia, the other end uses, the chemicals industry, the mining industry and environmental applications, continued to do well. In percarbonates, sales lagged. Sales prices posted improvement at the start of 2012.

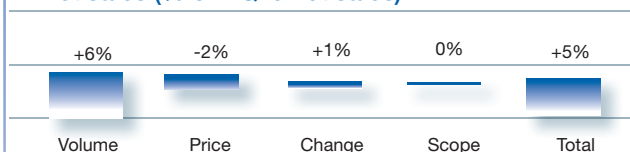
REBITDA of EUR 101 million (EUR 104 million last year) showed the resilience of this activity in a more difficult economic context. The margin - REBITDA on net sales - amounted to 18%. It was only slightly lower than the annual margin (19%) despite the reduced activity and the maintenance costs inherent in the fourth quarter. This margin level is explained by the capacity to compensate for the rise in energy costs by increases in sales price and volumes.

Special Chemicals

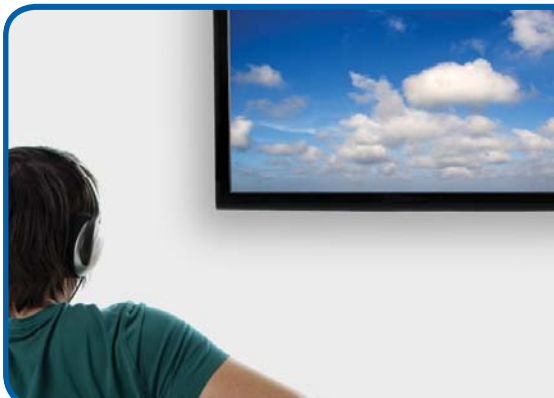
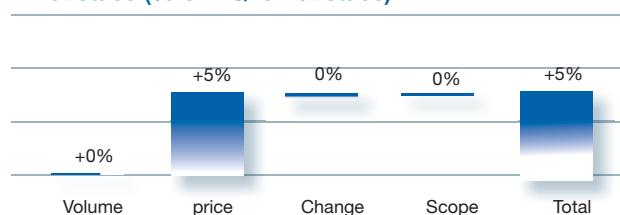
Net sales amounted to EUR 138 million, up by 5% compared to last year due to improved sales volumes. They trended downward, however, on a sequential basis. This drop is explained by a drop in sales of fluorinated chemicals due to a slowdown in demand in electronics and much stiffer international competition in the refrigerant applications, with a negative impact on volumes and on sales price.

REBITDA amounted to EUR 1 million compared to EUR 12 million last year. The profit margin of this branch of activity was heavily impacted by the drop in sales prices for fluorinated chemicals while production costs remained high; the latter were especially high in the fourth quarter due to maintenance on certain production units and the higher cost of fluorspar following internal supply problems. The financial performance of Molecular Solutions remains loss-making.

Special Chemicals - Factors influencing net sales (% of 4 Q10 net sales)



Essential Chemicals - Factors influencing net sales (% of 4 Q10 net sales)



Creation with Air Liquide of a worldwide fluorine gas business partnership

This joint venture* will build, own and operate modular on-site fluorine cleaning gas production units for the flat panel display and photovoltaic panel industries; it will offer these industries an economic cleaning gas that is reliable and free of greenhouse gas emissions.

* The creation of the joint venture is subject to approval by the competition authorities.

RHODIA

4TH QUARTER AND FULL YEAR 2011 BUSINESS REVIEW - PRO FORMA¹

Opening note: Rhodia is consolidated in the Solvay Group's income and cash flow statements as from 1 October 2011. The annual results as presented are pro forma. They are intended to help appreciate the operational performance of the Rhodia Sector in the full year 2011 and are presented in accordance with the Solvay Group's accounting principles.

- Good resilience across businesses except Polyamide Materials: net sales up by 11%; volumes slightly down compared to a demanding fourth quarter 2010
- REBITDA at EUR 231 million, compared to EUR 239 million in the same quarter 2010
- Sustained pricing power: EUR 8 million net positive price impact at REBITDA level
- Priority given to cash: the willingness to reduce production and inventories in line with the evolution of demand weighed on the result of the Sector by an estimated amount of EUR -21 million

Key data (in million EUR)	4 rd quarter		12 months	
	2011	Change in %	2011	Change in %
Net sales	1 479	11%	6 171	20%
Consumer Chemicals	617	28%	2 451	30%
Advanced Materials	218	45%	891	65%
Polyamide Materials	406	-6%	1 802	6%
Acetow & Eco Services	228	13%	868	10%
Energy Services	55	-17%	219	8%
Corporate & Others	10	-62%	93	-15%
Accounting rules harmonisation	-55	150%	-153	122%
REBITDA	231	-3%	1 119	16%
Consumer Chemicals	90	53%	364	32%
Advanced Materials	56	65%	267	134%
Polyamide Materials	14	-78%	196	-23%
Acetow & Eco Services	54	35%	202	7%
Energy Services	44	-25%	175	-2%
Corporate & Others	-19	90%	-62	100%
Accounting rules harmonisation	-8	14%	-23	35%

1. Only the Sector's figures are pro forma figures, the pro forma adjustments, summarized in the rubric «Accounting rules harmonization» not being allocated by clusters of activity

Compared with pro forma 4th quarter 2010

Net sales

1 479 million €
+11%

REBITDA

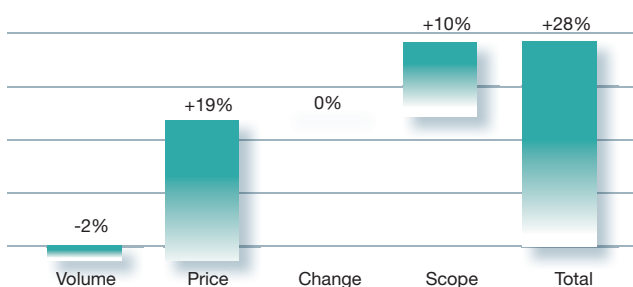
231 million €
-3%

Consumer Chemicals

Net sales amounted to EUR 617 million, up 28% quarter-on-quarter, driven by resilient business dynamics, successful price increases of 19% and external growth by 10% from Feixiang acquisition. Within the cluster, Novecare continued to benefit from its innovative solutions for shale oil & gas exploitation, coupled with highly successful new product developments serving the Agro market. The Home & Personal care segment remained stable, offsetting for the most part a slight decline in the industrial & coatings segments. Coatis sales were up thanks to good pricing while volumes decreased against a baseline of strong phenol activity in the previous year. Aroma Performance continues to implement its strategic food safety repositioning.

REBITDA amounted to EUR 90 million, up 53% compared to the same quarter 2010. This improvement in profitability was due to the effectiveness of the various growth levers: a quality portfolio, geographical breath, innovation and external growth, coupled with strong pricing power. REBITDA margin improved to 15% compared to 12% in the fourth quarter 2010. Going forward, this cluster should remain a strong growth engine for the Group.

Factors influencing net sales
(% of 4 Q10 net sales)



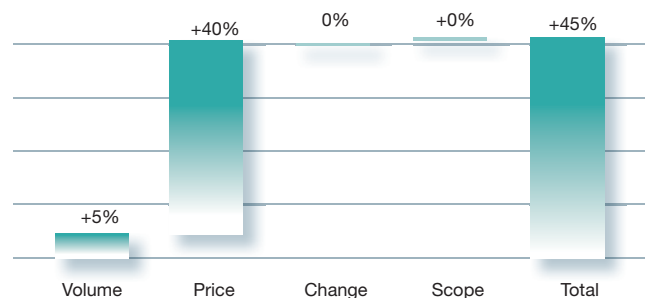
Advanced Materials

In the 4th quarter 2011, Advanced Materials reported **net sales** of EUR 218 million, up 45% compared to last year. Both segments, Silica and Rare Earth Systems, generated double-digit growth year-on-year, benefiting from a product portfolio well-suited to global market sustainable mega trends and unmatched competitive positioning. Price increases remained strong (+40% year-on-year), primarily attributable to rare earths ore inflation. Overall volumes increased 5% compared to the same period the previous year, with both segments contributing to the expansion. Resilient catalysis activity at Rare Earth Systems in the quarter compensated for some slowdown in Electronics.

REBITDA stood at EUR 56 million, up +65% compared to the fourth quarter. REBITDA margin improved to 26% versus 23% last year and, as anticipated, lower than the 32% margin posted in the third quarter 2011 under exceptional pricing conditions. Both Silica and Rare Earth Systems enjoyed strong pricing.

Rare Earth Systems disposes of a unique optimized competitive sourcing that combines a presence in China and cutting-edge recycling expertise.

Factors influencing net sales (% of 4 Q10 net sales)



Cooperation agreement with Chinalco in rare earth business

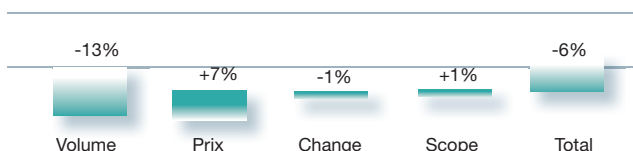
Rare Earth Systems announced the signature of a letter of intent with Chinalco subsidiaries, aimed at developing a strategic cooperation in rare earth supply technology. This cooperation should further support the competitive sourcing of rare earth ore by the Group.

Polyamide Materials

Net sales of EUR 406 million were down 6% against a demanding baseline in 2010. Overall volumes decreased by 13%, partly offset by price increases of 7%. Polyamide & Intermediates suffered generalized low textile demand and some temporary adverse developments affecting its customers (floods in Thailand and strike issues). Fibras activity remained low, reflecting the eroded competitiveness of the Brazilian textile industry. Engineering Plastics reported volume decline for the first time due to weakened demand and cautious purchasing strategies in developed regions. Sustained good dynamics in the automotive market were more than offset by Electrical and Construction markets.

REBITDA decreased to EUR 14 million, versus EUR 64 million last year. Profitability erosion resulted from low volumes and corresponding adverse operating leverage effects. Weaker market dynamics translated into less favorable pricing conditions.

Factors influencing net sales (% of 4 Q10 net sales)

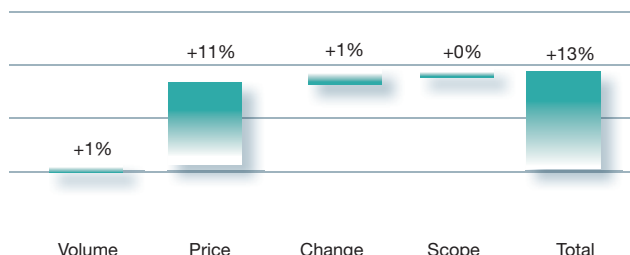


Acetow & Eco Services

Acetow & Eco Services reported **net sales** of EUR 228 million, a 13% increase compared to the fourth quarter of 2010. This was primarily due to price increases across the two segments, globally amounting to +11%, whereas overall volume was slightly up +1%. Acetow reported a robust performance driven by continuous solid demand. Eco Services reported normal activity levels corresponding to the usual low seasonality.

REBITDA amounted to EUR 54 million, up 35% against a low comparative base of EUR 40 million reported in the same quarter the previous year related to time lag effects linked to sulfuric acid price developments.

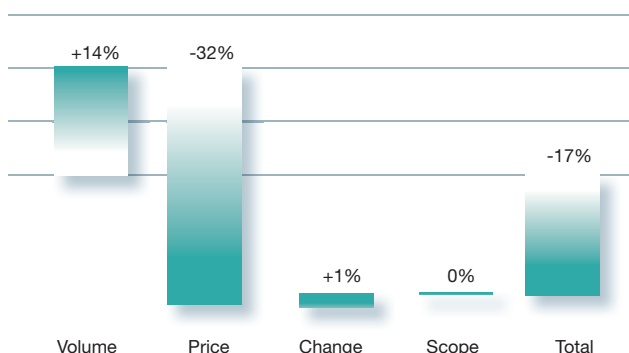
Factors influencing net sales (% of 4 Q10 net sales)



Energy Services

In the 4th quarter, Energy Services reported **REBITDA** of EUR 44 million compared to EUR 59 million in the fourth quarter of 2010. Average selling prices for CERs went down to 10 EUR per ton from 13.5 EUR per ton in the same quarter last year, explaining profitability developments. Actual prices were nevertheless significantly higher than spot prices over the period (4 EUR in the 4th quarter 2011). Going forward into 2012, CER production levels are expected to remain stable at 14 million tons with 80% already hedged at an average price of 11.5 EUR per ton. In 2013, about 8 million tons of CER sales are expected, of which 65% are hedged at an average price of 13 EUR per ton CER. This coverage reflects the effectiveness of the Group's long-term hedging policy.

Factors influencing net sales (% of 4Q10 net sales)



IFRS CONSOLIDATED FINANCIAL STATEMENTS¹

INCOME STATEMENT

Million EUR (except for per-share figures in EUR)	4 th quarter		12 months	
	2011	2010 ²	2011	2010 ²
Sales	3 089	1 512	8 109	5 959
Net sales	2 998	1 507	8 001	5 937
Cost of goods sold	-2 549	-1 222	-6 545	-4 833
Gross margin	540	290	1 564	1 126
Commercial and administrative costs	-290	-132	-660	-482
Research and development costs	-63	-32	-156	-125
Other operating gains and losses	-59	14	-60	6
Earnings from associates and joint ventures accounted for using the equity method	26	5	61	46
REBITDA	355	231	1 208	930
REBIT	155	144	748	571
Non-recurring items	-158	-83	-188	-317
EBIT	-3	61	560	254
Cost of borrowings	-51	-37	-159	-138
Interest on lendings and short-term deposits	8	8	39	22
Other gains and losses on net indebtedness	-6	-2	-16	-10
Cost of discounting provisions	-35	-13	-72	-52
Income/loss from available-for-sale investments	0	0	1	0
Result before taxes	-87	17	354	76
Income taxes	68	-1	-19	21
Result from continuing operations	-19	16	334	97
Result from discontinued operations	0	0	-38	1 726
Net income	-20	16	296	1 823
Non-controlling interests	-4	-18	-50	-47
Net income Solvay share	-23	-2	247	1 776
Basic earnings per share from continuing operations	-0.28	-0.03	3.51	0.62
Basic earnings per share from discontinued operations	-0.01	0.00	-0.47	21.22
Basic earnings per share	-0.29	-0.03	3.04	21.84
Diluted earnings per share from continuing operations	-0.28	-0.03	3.49	0.62
Diluted earnings per share from discontinued operations	-0.01	0.00	-0.47	21.18
Diluted earnings per share	-0.29	-0.03	3.03	21.80

1. The income statement of Rhodia is consolidated since the 4th quarter 2011.

2. Restated to take the changes in joint venture accounting into account.

Additional comments on the income statement of the full year 2011 (IFRS)

Non-recurring items amounted to EUR -188 million. They were impacted by EUR -160 million by the reevaluation at fair value of the Rhodia inventory included in the opening balance sheet on September 30, 2011. They also included reversal of a provision of EUR 27 million following the decision by the European Court of Justice to annul the fines imposed on Solvay by the European Commission in 2000 for violation of competition rules in the soda ash market for the period preceding 1990 as well as a partial reversal by EUR 24 million of the existing provision following the decision by the European General Court to reduce the fine imposed on Solvay in 2006 by the European Commission for violations of competition rules in the peroxide market. Solvay decided to appeal this latter judgment. They are also impacted by the costs of acquisition of the Rhodia Group of EUR 33 million and restructuring costs linked to the implementation of Horizon (EUR 15 million).

Charges on net indebtedness amounted to EUR -208 million. Charges on borrowings amounted to EUR -159 million. The gross financial debt of the Solvay Group amounted to EUR 4 168 million at the end of December 2011. Interest on cash deposits and investments amounted to EUR 39 million. The cost of discounting provisions amounted to EUR -72 million.

Income taxes amounted to EUR -19 million. Note the recognition of EUR 60 million deferred tax assets linked to an internal sale of the activities of Solvay Advanced Polymers Belgium, a EUR 31 million impairment loss on a deferred tax asset in Belgium and a EUR 47 million reduction of deferred tax liabilities linked to the allocation of the purchase price of Rhodia.

Net income amounted to EUR 296 million. The negative contribution of "discontinued operations" of EUR -38 million is explained primarily by the adjustment of EUR -47 million with regard to working capital after closing of the sales of the pharmaceuticals activities.

Net income Solvay share amounted to EUR 247 million.

STATEMENT OF COMPREHENSIVE INCOME (IFRS)¹

Million EUR	4 th quarter		12 months	
	2011	2010	2011	2010
Net income	-20	16	296	1 823
Gains and losses on available-for-sale financial assets	-2	-7	-8	-10
Gains and losses on hedging instruments in a cash flow hedge	7	2	3	2
Actuarial gains and losses on defined benefit pension plans	-70	2	-105	-183
Currency translation differences	139	16	58	251
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	9	45	-31	27
Income tax relating to components of other comprehensive income	14	-2	28	52
Other comprehensive income, net of related tax effects	97	56	-54	139
Comprehensive income attributed to	77	72	242	1 962
Owners of the parent	60	48	202	1 876
Non-controlling interests	17	24	40	86

1. The income statement of Rhodia is consolidated since the 4th quarter 2011.

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

Million EUR	December 31, 2011	December 31, 2010
Non-current assets	12 064	5 090
Intangible assets	1 705	111
Goodwill	2 599	68
Tangible assets	5 652	3 276
Available-for-sale investments	80	62
Investments in joint ventures and associates – equity method	704	346
Other investments	125	275
Deferred tax assets	780	631
Loans and other non-current assets	420	322
Current assets	7 373	8 633
Inventories	1 578	761
Trade receivables	2 311	1 651
Income tax receivables	43	12
Dividends receivable	0	1
Other current receivables - Financial instruments	464	3 722
Other current receivables – Other	938	533
Cash and cash equivalents	1 943	1 954
Assets held for sale	95	0
TOTAL ASSETS	19 437	13 723
Total equity	6 653	6 708
Share capital	1 271	1 271
Reserves	4 885	5 017
Non-controlling interests	497	419
Non-current liabilities	8 179	4 692
Long-term provisions: employees benefits	2 595	1 003
Other long-term provisions	1 325	946
Deferred tax liabilities	710	163
Long-term financial debt	3 374	2 535
Other non-current liabilities	174	46
Current liabilities	4 605	2 323
Short-term provisions: employees benefits	39	78
Other short-term provisions	230	58
Short-term financial debt	794	148
Trade liabilities	2 232	1 428
Income tax payable	51	62
Dividends payable	100	100
Other current liabilities	1 159	450
TOTAL EQUITY & LIABILITIES	19 437	13 723

STATEMENT OF CHANGES IN EQUITY

Equity attributable to equity holders of the parent

Million EUR							Fair value differences				
	Share capital	Issue premiums	Retained earnings	Treasury shares	Currency translation diff.	Available for sale investments	Cash flow hedges	Defined benefit pension plans	Total	Non-controlling interests	Total equity
Balance – 31/12/2009	1271	18	4272	-218	-612	21	3	0	4.754	406	5160
Net profit for the period			1777						1.777	46	1823
Income and expenses directly allocated to equity					238	-10	1	-131	99	40	139
Comprehensive income	0	0	1777	0	238	-10	1	-131	1.876	86	1962
Cost of stock options			10						10		10
Dividends			-240						-240	-8	-248
Acquisition/sale of treasury shares				-83					-83		-83
Issuance of share capital									0		0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control			-22						-22	-65	-86
Other			-6						-6	0	-6
Balance – 31/12/2010	1271	18	5791	-301	-374	11	4	-131¹	6289	419	6708
Net profit for the period			247						247	50	296
Income and expenses directly allocated to equity					42	-8	8	-86	-44	-10	-54
Comprehensive income	0	0	247	0	42	-8	8	-86	202	40	242
Cost of stock options			9						9		9
Dividends			-250						-250	-14	-263
Acquisition/sale of treasury shares				10					10		10
Issuance of share capital									0		0
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control			-100						-100	52	-48
Other			-4						-4	0	-4
Balance – 31/12/2011	1271	18	5693	-292	-332	3	12	-217	6156	497	6653

1. Impact of change of accounting policy of post-employment benefit

CASH FLOW STATEMENT (IFRS)¹

Million EUR	4 th quarter		12 months	
	2011	2010	2011	2010
EBIT	-5	62	515	287
Depreciation, amortization and impairments	192	93	455	607
Changes in working capital	506	112	303	-34
Changes in provisions	-56	55	-187	21
Income taxes paid	-74	-39	-163	-96
Others	-63	-12	-128	-194
Cash flow from operating activities	500	272	794	590
Acquisition (-) of subsidiaries	-31	0	-3 984	0
Acquisition (-) of investments - Other	-28	-73	-212	-170
Sale (+) of subsidiaries	0	-17	0	4 430
Sale (+) of investments - Others	39	0	40	279
Acquisition (-) of tangible and intangible assets	-349	-134	-602	-286
Sale (+) of tangible and intangible assets	11	2	17	19
Income from available-for-sale investments	0	0	1	1
Changes in non-current financial assets	3	-34	60	-206
Other	0	0	0	1
Cash flow from investing activities	-355	-255	-4 679	4 068
Capital increase (+) / redemption (-)	0	0	31	-27
Acquisition (-) / sale (+) of treasury shares	-3	8	10	-83
Changes in borrowings	-221	-6	-97	12
Changes in other current financial assets	-268	172	3 278	-3 701
Cost of borrowings	-51	-37	-159	-142
Interest on lendings and short-term deposits	8	8	39	22
Other	-6	-2	-16	-10
Dividends received from associates and joint ventures accounted for using the equity method	19	6	56	32
Dividends paid	-2	0	-266	-248
Cash flow from financing activities	-524	149	2 877	-4 144
Net change in cash and cash equivalents	-379	167	-1 008	515
Currency translation differences	5	4	-1	25
Cash entry of Rhodia	0	0	931	0
Cash entry of Orbeo	67	0	67	0
Opening cash balance	2 250	1 783	1 954	1 415
Closing cash balance	1 943	1 954	1 943	1 954
Free Cash Flow² from continuing operations	211	114	371	117
Free Cash Flow² from discontinued operations	-27	0	-44	35

1. The cash flow statement of Rhodia is consolidated since the 4th quarter 2011

2. Cash flow from operating activities + cash flow from investing activities, excluding acquisitions and sales of subsidiaries and other investments + dividends from associates and JVs.

CASH FLOW FROM DISCONTINUED OPERATIONS

Million EUR	4 th quarter		12 months	
	2011	2010	2011	2010
Cash flow from operating activities	-27	0	-44	35
Cash flow from investing activities	0	-17	0	4 430
Cash flow from financing activities	0	0	0	0
Net change in cash and cash equivalents	-27	-17	-44	4 465

Additional comments on the cash flow statement of the full year 2011

The cash flow from the Rhodia Sector was only consolidated in the fourth quarter 2011 as the acquisition was closed in September 2011.

Cash flow from operating activities from continuing operations was EUR 838 million. Besides a EUR 515 million EBIT, it consisted of:

- Amortization and depreciation of assets were EUR 455 million. Amortization and depreciation of assets in the Rhodia Sector amounted to EUR 111 million in the 4th quarter.
- Working capital decreased by EUR 303 million. In addition to the impact on the sales from Rhodia's stock which was revalued at fair value in the opening balance sheet on 30 September 2011 as a result of purchase price allocation of the acquired company, this decrease shows the effort the Group delivered to diminish the working capital.

Cash flow from investing activities from continuing operations was EUR -4 679 million.

- The biggest investment was the Rhodia acquisition in cash for EUR 3 953 million.
- The other investments amounted to EUR 845 million. Besides health, safety and environment and maintaining the industrial assets, the Group invested in a limited number of strategic projects, which are in line with geographic expansion and sustainable development. The biggest investment in 2011 was the capital increase by EUR 167 million of Rusvinyl (joint venture of SolVin and Sibur for the erection of a PVC plant in Russia)

Free Cash Flow from continuing operations was EUR 371 million in 2011.

2012 INVESTMENTS AND RESEARCH & DEVELOPMENT BUDGET

2012 investment budget is EUR 862 million. It aims at continuing the strategic investments for sustainable development and capacity increases in regions with a large growth potential.

2012 Research and Development budget is EUR 244 million. It foresees strong R&D efforts for Specialty Polymers, Consumer Chemicals and New Business Development.

RESULTS BY SEGMENT BEFORE ELIMINATION OF INTER-COMPANY SALES¹

Million EUR	4 th quarter		12 months	
	2011	2010	2011	2010
Sales	3 088	1 512	8 109	5 959
Plastics				
Sales	878	1 030	3 954	4 071
Inter-segment sales	-54	-185	-268	-709
External sales	824	845	3 686	3 361
Chemicals				
Sales	734	762	2 997	3 009
Inter-segment sales	-34	-95	-139	-412
External sales	700	667	2 858	2 597
Rhodia				
Sales	1 569		1 569	
Inter-segment sales	-4		-4	
External sales	1 565		1 565	
REBITDA	355	231	1 208	930
Plastics	67	139	583	538
Chemicals	101	117	484	455
Rhodia	231		231	
New Business Development	-17	-6	-38	-25
Corporate and Business Support	-28	-18	-51	-37
REBIT	155	144	748	571
Plastics	18	90	391	344
Chemicals	63	80	334	297
Rhodia	120		120	
New Business Development	-17	-6	-39	-26
Corporate and Business Support	-29	-20	-58	-45
EBIT	-3	61	560	254
Plastics	18	77	373	437
Chemicals	60	81	349	-34
Rhodia	-38		-38	
New Business Development	-17	-6	-39	-26
Corporate and Business Support	-26	-90	-85	-123

1. The income statement of Rhodia is consolidated since the 4th quarter 2011.

NOTES TO THE ACCOUNTS:

1. Consolidated financial statements

The consolidated financial statements were prepared in conformity with IFRS standards as currently adopted in the European Union. The same accounting policies have been implemented as for the latest annual financial statements, except for the elements developed in the note 3 below. The primary variations in perimeter between 2010 and 2011 involve:

- The sale of the pharmaceuticals activities on February 15, 2010.
- The reintroduction, during the second quarter of 2010, in the Chemicals sector of the assets and liabilities linked to the precipitated calcium carbonate activity, following the decision to terminate the sale process for this activity.
- The sale of Inergy Automotive Systems on July 1, 2010.
- The entry of EBRD in the capital of Solvin Holding NL (parent company of Rusvinyl) with effect as from 30 September 2011 (impact on the value of «Investments in joint ventures and associates - equity method»).
- The acquisition of Rhodia of which the accounting impact is detailed in note 4.
- The acquisition of Orbeo on November 2011.

2. Review by the auditor

Deloitte confirmed that the fieldwork related to the audit of the consolidated financial statements of Solvay SA/NV (“the company”) and its subsidiaries (jointly “the group”), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, is substantially completed. Deloitte confirmed that the financial information shown in this press release requires no comments on its part and is in agreement with the consolidated financial statements of the group. The complete audit report related to the audit of the consolidated financial statements will be shown in the 2011 annual report that will be published on the Internet (www.solvay.com) at the end of March 2012

3. Changes in accounting policy

Since January 1, 2011, the Solvay Group has consolidated its joint ventures by the equity method and no longer by the proportionate method (in line with IAS 31).

Consolidation by the equity method leads to recognize in the consolidated accounts only the Group share of:

- The joint ventures equity for the statement of financial position (balance sheet);
- The joint ventures net income at the level of the income statement (included in the Group REBIT);
- The cash inflows and outflows between the joint ventures and the fully consolidated subsidiaries (primarily the dividends paid by the joint ventures and the investments in the joint ventures) at the level of the cash flow statement.

The net financial situation of the joint ventures will no longer be reported.

The reasons for applying this new accounting policy are the following ones:

- a. The new IFRS 11 requiring the application of the equity method for joint ventures was published in May 2011, with mandatory compliance as from 2013.
- b. The implementation of the new organizational structure (Horizon) and the repositioning of the Group will lead to significant changes in the financial statements. It is preferable to enact all changes in 2011, including consolidation of the joint ventures by the equity method, and in this way, avoid further modifications in financial reporting when the new IFRS 11 will be adopted.

Following the acquisition of Rhodia, the accounting policies for post-employment benefits have been aligned.

For long term post-employment benefits provisions (IAS19), this leads Solvay to recognize changes in actuarial gains and losses outside income statement directly in equity (Other Comprehensive Income) instead of keeping the corridor method. This is an anticipation of the revised IAS19 norm which will no longer recognize the corridor method from 2013 onwards. Additionally, the discount rates and mortality tables are harmonized.

The following tables summarize the impact of those modifications of accounting methods:

a) On the income statement and the total comprehensive income:

Million EUR	12 months 2011		12 months 2010	
	Continuing Operations ¹		Continuing Operations ¹	
	Equity method	Proportionate method	Equity method	Proportionate method
Sales	8 109	8 731	5 959	6 796
Gross Margin	1 564	1 708	1 126	1 301
REBIT	748	767	571	602
EBIT	560	577	254	274
Result before taxes	354	366	76	93
Net income	334	334	97	97
Net income Solvay share	285	285	51	51
Other comprehensive income	-54	-54	100	231
Comprehensive income	279	279	197	327

1. No subsidiary is consolidated by the equity method in Discontinued Operations.

b) On the cash flow statement:

Million EUR	12 months 2011		12 months 2010	
	Continuing Operations ¹		Continuing Operations ¹	
	Equity method	Proportionate method	Equity method	Proportionate method
Cash flow from operating activities	839	844	555	662
Cash flow from investing activities	-4679	-4 728	-363	-454
Cash flow from financing activities	2 877	2 909	-4 144	-4185

1. No subsidiary is consolidated by the equity method in Discontinued Operations.

c) On the statement of financial position (balance sheet):

Million EUR	After Rhodia's acquisition		Before Rhodia's acquisition				
	31/12/2011		31/12/2010			31/12/2009	
	Equity method	Proportionate method	Equity method after «abandon of corridor»	Equity Method before «abandon of corridor»	Proportionate method	Equity method	Proportionate method
Non-current assets	12 064	12 114	5 090	5 076	5 205	4 906	5 075
Current assets including:	7 373	7 635	8 633	8 633	8 809	7 173	7 471
Assets held for sale – Pharma						3 408	3 408
Assets held for sale – Other	95	248				53	53
Total assets	19 437	19 749	13 723	13 709	14 014	12 079	12 546
Total equity	6 653	6 653	6 708	6 839	6 839	5 160	5 160
Non-current liabilities	8 179	8 375	4 692	4 547	4 636	4 396	4 536
Current liabilities including:	4 605	4 721	2 323	2 323	2 540	2 524	2 851
Liabilities associated with assets held for sale - Pharma						1 012	1 012
Liabilities associated with assets held for sale - Other		152				11	11
Total equity & liabilities	19 437	19 749	13 723	13 709	14 014	12 079	12 546

4. Overall description of Rhodia acquisition and its accounting treatment

Based on the results of the tender offer, 95.9% of the share capital and of the voting rights of Rhodia were acquired by Solvay on September 7, 2011, together with 97.51% of the convertible bonds "OCEANE".

Solvay implemented a squeeze-out procedure for the remaining shares (4.1%) and convertible bonds on September 15, 2011.

Accounting treatment

The contributive opening balance sheet of Rhodia was consolidated in the Group accounts on September 30, 2011.

Rhodia's results and cash flow were consolidated as from October 1, 2011.

Rhodia's opening balance sheet as at September 30, 2011 is subject to the Purchase Accounting (IFRS 3). This led to:

- Assess Rhodia's tangible assets, intangible assets, liabilities at fair value;
- Recognize at fair value some intangible assets which Rhodia had not previously recognized as assets,
- Recognize Rhodia's contingent liabilities (not previously recognized by Rhodia on a stand alone basis).

Regarding the squeeze-out of the 4.1% remaining shares, the difference between the price paid to acquire those shares and the book value in the Group's accounts of 4.1% of Rhodia's net assets under provisional accounting is recognized against Group's equity, without impact on goodwill and income statement.

Amounts recognized in Solvay's balance sheet for major classes of assets and liabilities (IFRS 3 B64 – i)

	Amounts recognized in Solvay's balance sheet	Acquisition of 95.9% of total shares	Squeeze-out of the 4.1 remaining shares
Price consideration		3 816	137
Vested and non-vested stock options		60	
Subtotal		3 876	137
Tangible fixed assets	2 164		
Intangible fixed assets	1 607		
Investments	104		
Loans and other non current assets	120		
Working capital	752		
Assets held for sale	34		
Deferred taxes	-504		
Provisions	-2 145		
Income tax payables	-15		
Other non current debt	-72		
Net financial debt	-647		
Net Assets	1 398	1 341	57
Provisional goodwill		2 535	
Reduction of equity			80
Total		3 876	137

As part of the acquisition, Solvay has signed a liquidity clause for Rhodia beneficiaries granted with non-vested and vested (but restricted) share-based payment. For vested share-based payments, this liquidity clause has been analyzed as a deferred payment, no future service being required from the beneficiaries. This financial liability has been measured at fair-value at the acquisition date and included in consideration transferred. As this financial liability is indexed to Solvay share price, until the liability is settled, it will be remeasured at the end of each reporting period and at the date of settlement, with any changes in value recognised in profit or loss of the period. All adjustments will be recognised in non-recurring items.

The fair value of the intangible assets is mainly comprised of acquired customer relationships for EUR 696 million and of technologies for EUR 649 million.

Inventories have been revalued for EUR 205 million. The reversal of this step up in 2011 and 2012 is accounted for as non-recurring items.

Contingent liabilities have been recognized for EUR 100 million. They relate to environmental, tax and legal contingent liabilities. As of December 31, 2011 there has been no change in the amount recognized for the liabilities at September 30, 2011, as there has been no change in the range of outcomes or assumptions used to develop the estimates.

The Purchase Price Allocation is still provisional as:

- The adjustments listed above can still be reviewed and updated if applicable until September 7, 2012 but this should not impact significantly the amounts listed above,
- The allocation of the goodwill that has to be done by September 7, 2012 is not completed.

This goodwill is mainly made up by synergies expected to occur on corporate functions and procurement (total savings estimated at EUR 250 million per year), as well as future business development.

None of the goodwill is expected to be deductible for income tax purposes.

Acquisition-related costs

The acquisition costs for Rhodia expensed at the end of December 2011 amounted to EUR 33 million and were accounted for as non-recurring items.

Pro-forma information

Since acquisition date, Rhodia's total sales amounted to EUR 1 569 million and the net result amounted to EUR -47 million, of which EUR 29 million of additional depreciation of intangible assets following the fair value exercise.

Pro-forma information

The pro forma key figures on a full year and quarterly basis are shown on pages 4 to 15 of this press release.

The table hereafter reconciles the 2011 IFRS results with the 2011 pro forma results.

	2011 IFRS results	PPA impacts	Rhodia IFRS results as of 30/09/11	Adjustments ¹	2011 pro forma results
Net sales	8 001	0	4 790	-98	12 693
REBITDA	1 208	0	853	6	2 068
REBIT	748	29	640	-10	1 408
Non recurring items	-188	160	-57	102	18
EBIT	560	189	583	93	1 426
Result before taxes	354	189	441	94	1 077
Income taxes	-19	-47	-178	-7	-251
Net result from continuing operations	334	142	263	86	825
Net result from discontinued operations	-38	0	-4	0	-41
Net income	296	142	259	86	784

1. Harmonization of accounting rules (net impact of EUR 30 million), elimination of acquisition costs at Rhodia and Solvay (net impact of EUR 60 million EUR) and reversal of interests on cash deposits and investments (net impact of EUR 4 million).

5. Content

This results report contains regulated information and is established in compliance with IAS 34. A risk analysis is included in the annual report, which is available on www.solvay.com.

6. Primary exchange rates

		Closing		Average	
1 Euro		2011	2010	2011	2010
Pound Sterling	GBP	0.835	0.861	0.868	0.858
American Dollar	USD	1.294	1.336	1.392	1.326
Argentine Peso	ARS	5.577	5.329	5.754	5.194
Brazilian Real	BRL	2.416	2.218	2.327	2.332
Thai Baht	THB	40.991	40.170	42.430	42.025
Japanese Yen	JPY	100.20	108.65	110.96	116.25

7. Solvay shares

	2011	2010
Number of shares issued at the end of the period	84 701 133	84 701 133
Average number of shares for IFRS calculation of earnings per share	81 223 941	81 320 011
Average number of shares for IFRS calculation of diluted income per share	81 546 384	81 499 005

8. Declaration by responsible persons

Christian Jourquin, Chairman of the Executive Committee, and Bernard de Laguiche, Chief Financial Officer, declare that to the best of their knowledge:

- a. The summary financial information, prepared in conformity with applicable accounting standards, reflects a faithful image of the net worth, financial situation and results of the Solvay Group;
- b. The intermediate report contains a faithful presentation of significant events occurring during 2011, and their impact on the summary financial situation;
- c. There are no transactions with related parties.

Key dates for investors

March 31, 2012: Annual report 2011 on www.solvay.com

May 7, 2012: Announcement of 1st quarter 2012 results (at 18:00)

May 8, 2012: Annual Shareholders' Meeting (at 10:30)

May 15, 2012: Payment of the balance of the 2011 dividend (coupon no. 90). Trading ex-dividend as from May 10, 2012

July 27, 2012: Announcement of the 2nd quarter and of the six months 2012 results (at 07:30)

October 25, 2012: Announcement of the 3rd quarter and the nine months 2012 results and the interim dividend for 2012 (payable in January 2013, coupon no. 91) (at 07:30)

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SOLVAY is an international chemical Group committed to sustainable development with a clear focus on innovation and operational excellence. Its recent acquisition of specialty chemicals company Rhodia created a much larger player, which is realizing over 90% of its sales in markets where it is among the top 3 global leaders. Solvay offers a broad range of products that contribute to improving the quality of life and the performance of its customers in markets such as consumer goods, construction, automotive, energy, water and environment, and electronics. The Group is headquartered in Brussels, employs about 29,000 people in 55 countries and generated EUR 12.7 billion in net sales in 2011 (pro forma). Solvay SA (SOLB.BE) is listed on NYSE Euronext in Brussels and Paris (Bloomberg: SOLB.BB - Reuters: SOLBt.BR).



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