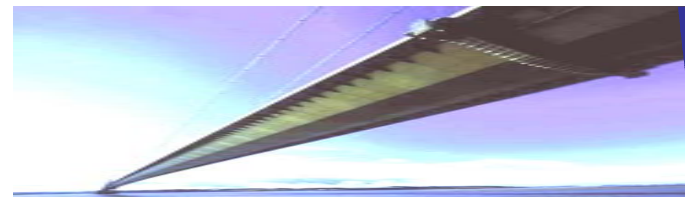


SOLVAY GROUP : NEW RECORD RESULTS IN 2005, AFTER EXCELLENT RESULTS IN 2004

Press conference
February 16, 2006

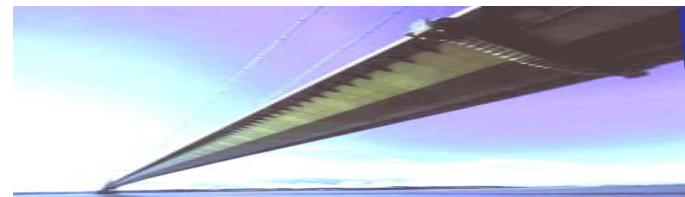


2005 RECORD RESULTS



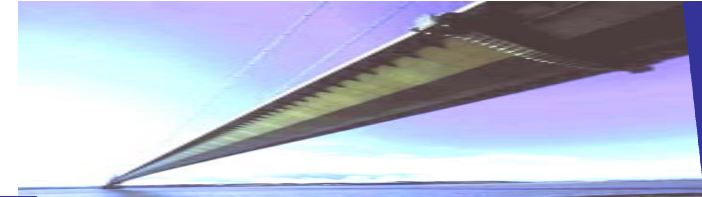
- **SALES (+18%)**
 - Pharma +30%, Chemicals +14%, Plastics +13%
- **REBIT (+23%)**
 - Pharma +28%, Chemicals +58%, Plastics +4%
- **OPERATING MARGIN OF 11%**
- **GROUP NET PROFIT (+51%)**
 - to EUR 816 M
- **CASH FLOW (+29%)**
 - to EUR 1.3 Bn
- **DIVIDEND (+5.3%) TO 2 EUR**
 - steady increase since 24 years

2005 NET INCOME OF THE GROUP UP 51%



In M EUR	2004	2005	2005 / 2004
Sales	7,271	8,562	+18%
REBIT	741	912	+23%
Non-recurring items	-67	-357	n.s.
EBIT	674	555	-18%
Charges on net indebtedness	-89	-85	-4%
Income taxes	-125	-153	+22%
Discontinued operations	+66	+476	n.s.
Income from investments	+15	+23	+53%
Net income of the Group	541	816	+51%
Net income (Solvay Share)	489	789	+61%
Earnings per share (in EUR)	5.92	9.51	+61%

MAIN FINANCIAL ITEMS



■ Significant non operating items :

→ **Non-recurring items of EUR -357 M (EUR -62 M in Q4/05) :**
capital gain (EUR +135 M) on sales of buildings and provisions (EUR -432 M) for various risks in Pharmaceuticals and Peroxygens and restructurings

→ **« Discontinued operations » (EUR +476 M) :**
net capital gain on the sale of HDPE participation (EUR +472 M) and net result of industrial films

■ Charges on net indebtedness : EUR 85 M

→ after the payment of EUR 1.2 Bn for Fournier Pharma

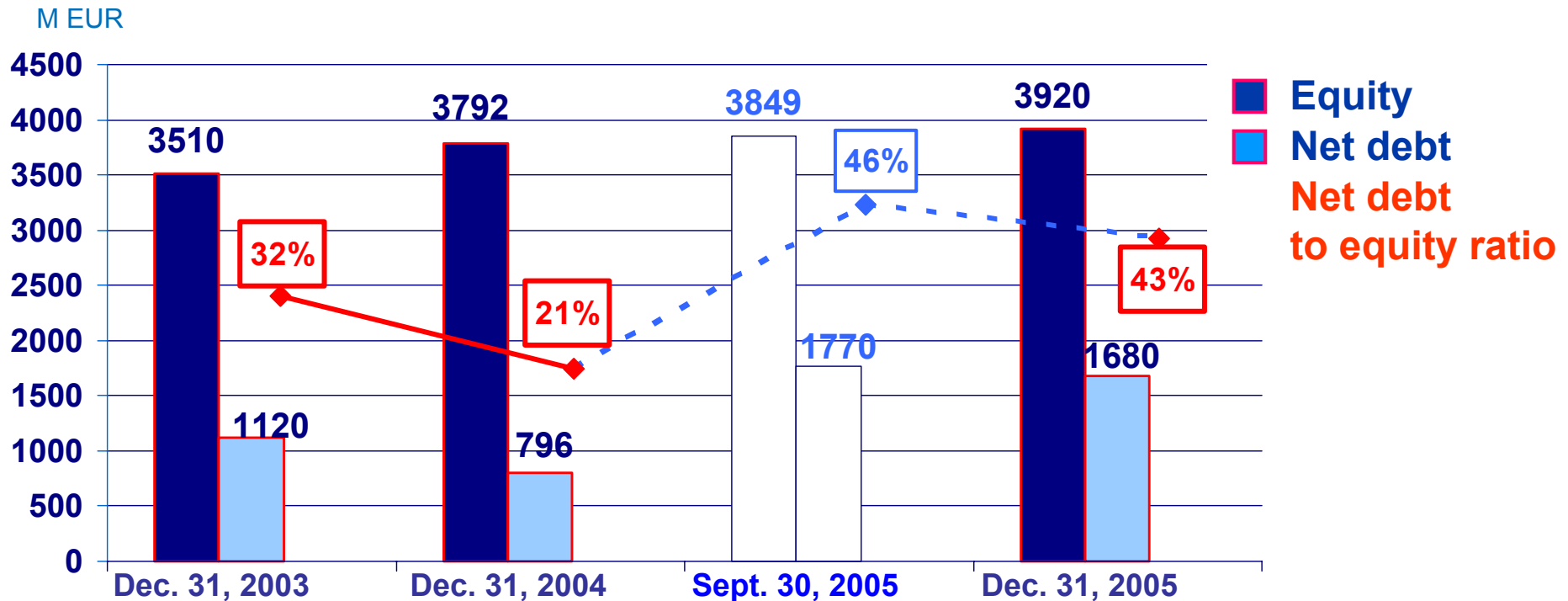
■ Tax rate (33%) : distorted by provisions which are not deductible


→ expected medium term average tax rate of about 30%

SOUND FINANCIAL SITUATION



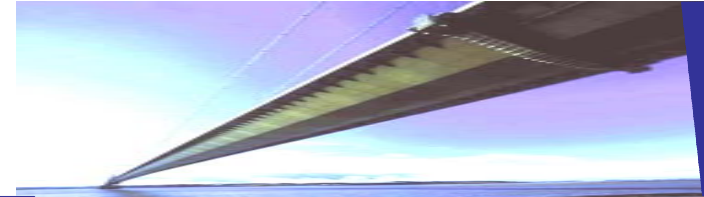
- EUR 1.2 Bn acquisition of Fournier Pharma in July 2005
- Rating confirmed by Moody's and S&P (long term : A/A2; short term : A1/P1)
- Our objective : not to exceed durably 45%



A large cable-stayed bridge spans across a body of water. The bridge's structure is a prominent diagonal beam supported by cables. The sky is blue with scattered white clouds. The water is calm and reflects the light.

**OUR STRATEGY :
PRIORITY TO SUSTAINABLE
AND PROFITABLE GROWTH**

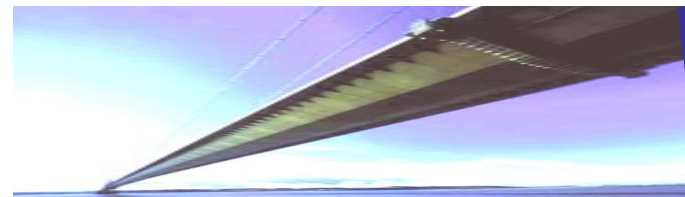
2005 : IMPLEMENTATION OF THE STRATEGY



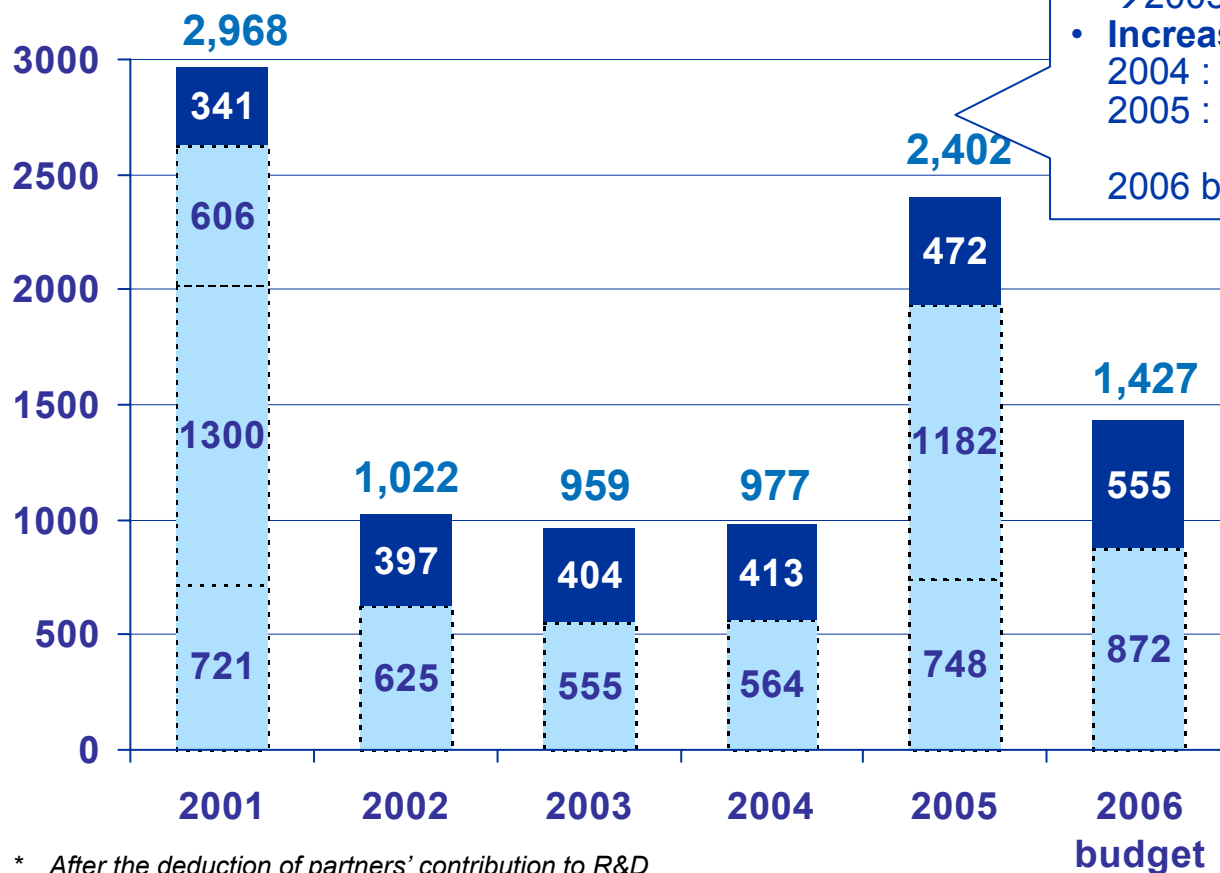
SUSTAINABLE AND PROFITABLE GROWTH

- **Acquisition of Fournier Pharma and plan for the transformation of Solvay Pharmaceuticals**
- **Sale of Solvay's interests in the HDPE joint ventures to BP**
- **Significant capacity increases and acquisitions in India and in the USA to meet the growing demand of Specialty Polymers**
- **Further restructuring in Vinyls in Europe (new electrolysis in Antwerp, closure of Ludwigshafen); doubling of the salt-UE-VCM capacities in Thailand and expansion in Brazil**
- **New fluor production facility in progress in Korea to serve the fast growing markets**
- **Entry in selected areas of organic chemistry**
- **Sale of all Solvay's industrial foils to Ineos and Renolit**

INVESTING FOR THE FUTURE



In M EUR



- **Major strategic initiatives**
 - 2001 : Ausimont/BP high performance polymers
 - 2005 : Fournier Pharma (EUR 1.2 Bn)
- **Increased R&D efforts in Pharma :**
 - 2004 : EUR 294 M* (EUR 323 M**)
 - 2005 : EUR 351 M* (EUR 404 M**)
 - (incl. 5 months of Fournier)
 - 2006 budget : EUR 413 M* (EUR 465 M)**

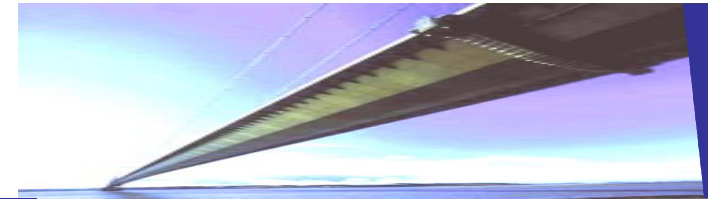
■ R&D expenses

□ Capital expenditures & Acquisitions

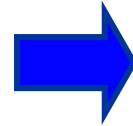
* After the deduction of partners' contribution to R&D

** Before the deduction of partners' contribution to R&D

OUR RESPONSES TO CURRENT CHALLENGES



- Higher energy costs
 - About 8% of Group sales
 - +18% vs 2004
- Higher raw material costs



Our responses

- 13 cogeneration plants
- Diversification of resources
- Medium & long term contracts for gas, electricity
- Integration
- Price increases

SECTOR REVIEW



BUILDING THE NEXT SOLVAY PHARMACEUTICALS



STRATEGY : BUILDING THE NEXT SOLVAY PHARMACEUTICALS



* above current industry average of 7%

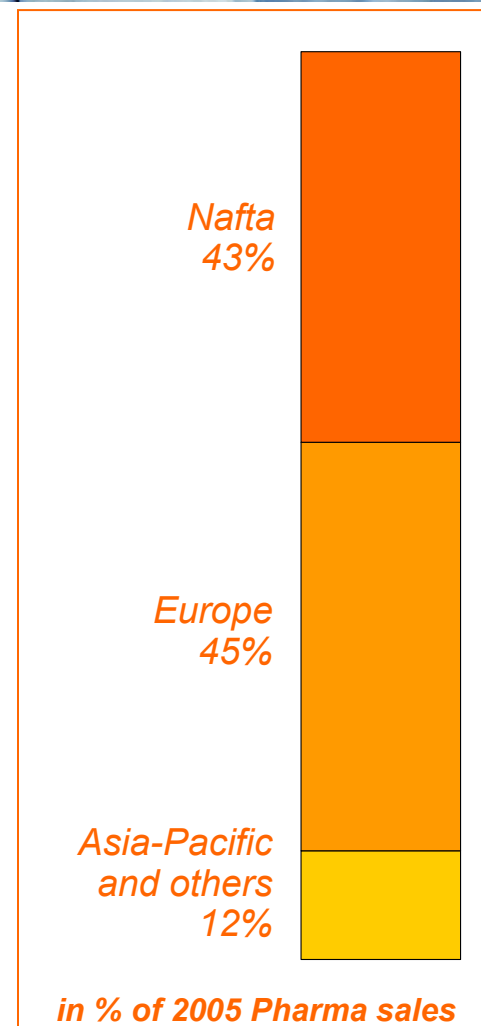
** basis proforma 2004 (after the acquisition of Fournier Pharma) = EUR 2,338 M

PHARMACEUTICALS

sales up 30%, REBIT up 28% (to EUR 302 M)



- Including 5-month sales of Fournier Pharma (EUR 265 M)
- Nafta revenues : +40%
- Revenues increase in Europe (+22%) despite price pressures
- Fenofibrate sales in the US* :
 - USD 927 M (vs USD 789 M in 2004) above our expectations
- Significant growth in Asia, Middle East, Latin America (+31%)



* Booked by Abbott

POSITIVE EVOLUTION OF FLAGSHIP PRODUCTS



<i>Sales in M EUR</i>	2004	2005	2005 / 2004
PHARMACEUTICALS	1,745	2,270	+30%
Androgel®	231	239	+3%
Fenofibrates	-	185*	<i>n.s.</i>
Pantoloc®	139	166	+19%
Creon®	130	162	+25%
Serc®	96	122	+27%
Influvac®	76	100	+32%
Teveten®	72	91	+26%
Estratest®	100	91	-9%
Marinol®	63	84	+33%
Luvox®	77	80	+4%

* 5 months only

DEPLOYMENT OF THE GLOBAL STRUCTURE

both geographically and functionally

- We are facing a tough competitive and regulatory environment
- In Europe, authorities strive to reduce social security spending on pharmaceutical products

DEPLOYMENT OF THE GLOBAL STRUCTURE

both geographically and functionally

Our Pharmaceuticals sector opts for :

- a targeted growth : Cardiometabolic, Neuroscience, Influenza vaccines, pancreatic enzymes, gastroenterology and Women's & Men's Health
- building a promising pipeline
- an efficient organization

All of this, in addition to the overlaps between Fournier and Solvay, will lead our Pharma to reduce essentially its commercial staff

DEPLOYMENT OF THE GLOBAL STRUCTURE

both geographically and functionally

This will be done in accordance with :

- our commitments.
In particular, we do not foresee major restructurings in manufacturing and research
- the values of the Group

PORTFOLIO FOCUS



**Cardio
Metabolic**



**Neuro
Science**



**Influenza
Vaccines**



**Pancreatic
Enzymes**



**Gastro
Enterology**



**Women's &
Men's
Health**

KEY FOCUS AREAS

- Sustain and build on market leadership
- New products by in-licensing & acquisition

WITH FULL R&D

- In range of biological targets and indications

SPECIFIC MEDICAL NEEDS

- Sustain and build on market leadership
- New products by in-licensing & acquisition

WITH FULL R&D

- New influenza vaccine technologies
- New pancreatic enzyme replacements

MARKETING EXCELLENCE

- Sustain and build on market excellence & leadership
- New products by in-licensing & acquisition

No R to POP

- With development possibilities

R&D DEVELOPMENTS



- bifeprunox :
 - ➔ US : evaluation of data towards submission in 2006
- FIELD* study results on fenofibrate :
 - ➔ guidance for cardiovascular disease prevention in type 2 diabetes
 - ➔ generally well-tolerated alone or in combination with statins
 - ➔ favorable micro-vascular (eye and kidney) and macro-vascular benefits
- Parkinson's : registration of DUODOPA® in 28 European countries; Phase III of SLV308 in progress
- Additional indication (social anxiety disorder) for Luvox® in Japan
- Influenza cell culture manufacturing : validation expected for Q1/06
 - ➔ suited to manufacture avian flu vaccines
- cilansetron : contacts with MHRA** in the United Kingdom continue

* "Fenofibrate Intervention and Event Lowering in Diabetes," the largest study to date on prevention of cardiovascular disease among diabetics.

** MHRA : the UK's Medicines and Healthcare products Regulatory Agency

CHEMICALS : CREATING OPPORTUNITIES TO SUPPORT GROWTH



STRATEGY : CREATING OPPORTUNITIES TO SUPPORT GROWTH

GROWTH PROJECTS

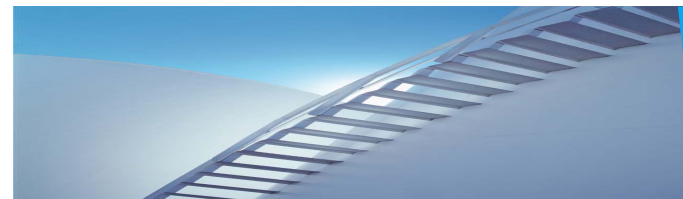
- to invest in targeted projects to capitalize on the potential of new emergent high tech industries in Europe and in the USA, e.g. acquisition of Girindus in order to reinforce the Group's competencies in organic chemistry
- geographical development in growing Asia, e.g. through direct investments and partnerships with local industrialists

COMPETITIVENESS

- ongoing restructurings to reduce costs e.g. shut down of non competitive activities (soda ash in Zurzach & Ebensee, detergents in Torrelavega,...)
- competitive energy policy : cogeneration units, technological leadership in processes, powerful industrial infrastructures, medium-long term contracts

STRONG GROWTH IN CHEMICALS

operating margins of 10%



M EUR	SALES			REBIT evolution
	2004	2005 ^[3]	2005 vs 2004 %	2005 vs 2004
CHEMICALS	2,433	2,785	+14%	+58%
Minerals cluster ^[1]	1,105	1,223	+12%	↗
Electrochemistry and Fluor chemicals cluster	892	1,099	+23%	↗
Oxygen cluster ^[2]	436	453	+4%	↗

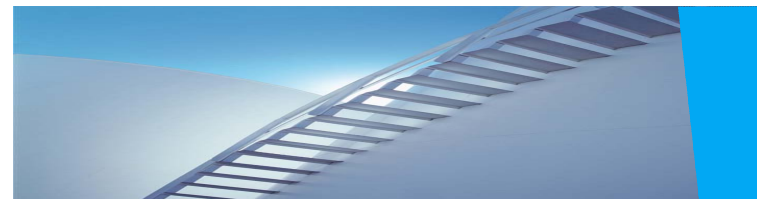
[1] including SBUs Soda ash and derivatives, Barium and Strontium carbonates, Advanced Functional Minerals

[2] including SBUs Hydrogen peroxide, Detergent and Caprolactones

[3] including SBU Molecular Solutions (EUR 10 M)

STRONG GROWTH IN CHEMICALS

sales up 14%, REBIT up 58% (to EUR 285 M)

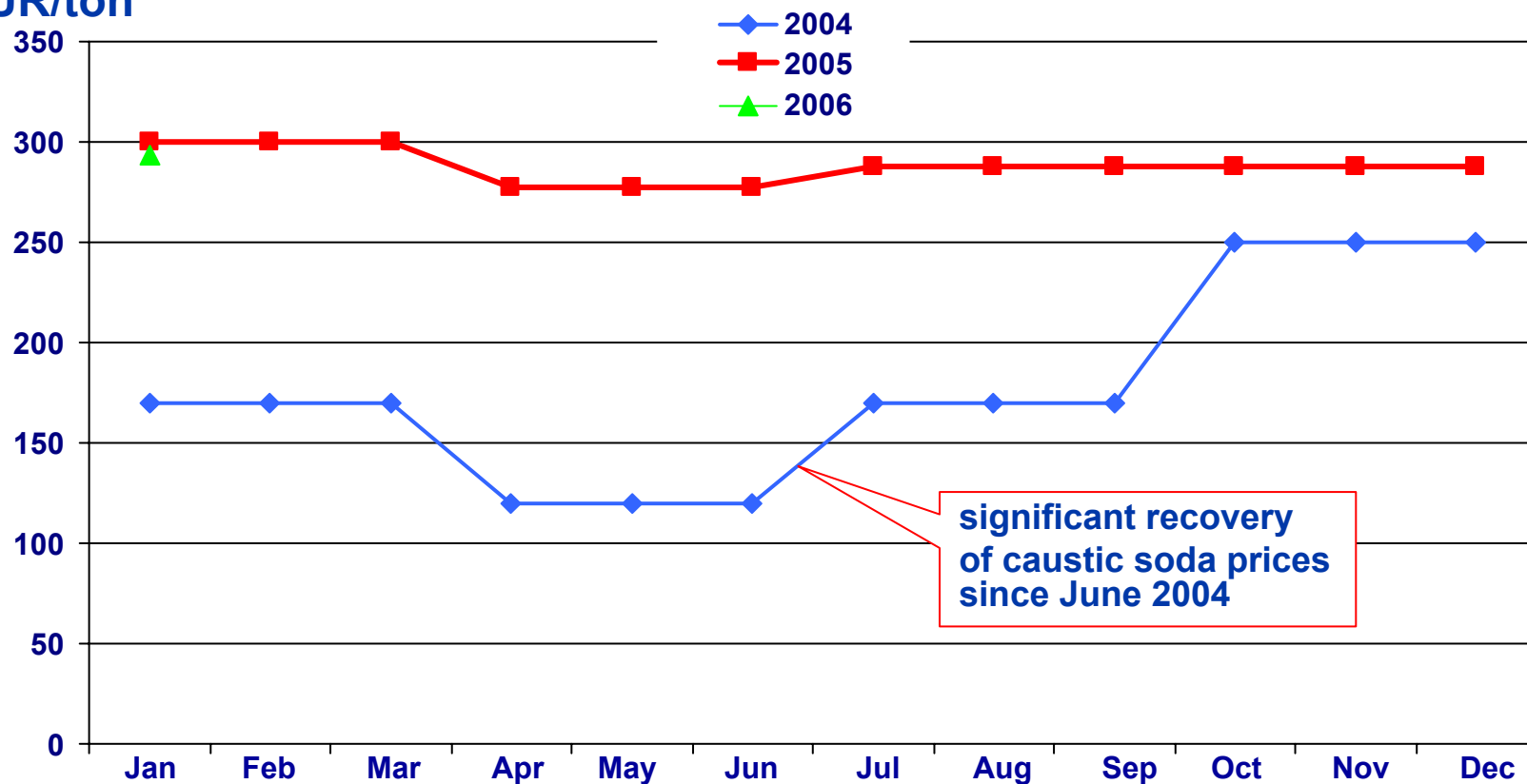


- **2005 :**
favorable market conditions, prices increases and cost control
 - Results increase in Q4 slowed by the seasonal weakness of demand for fluor products, high maintenance charges and the surge in prices of gas and electricity
- 2006 : overall favorable market conditions and rise in prices**
- **Growth in Soda ash**
 - Improving worldwide market conditions
 - Measures to restore margins (restructuring, price increases)
 - Steady growth in bicarbonate
- **Electrochemistry & Fluor**
 - High level of caustic soda prices and good volumes
 - Fluor : significant improvement thanks to Solkane® 365mfc sales and strong growth in certain other grades (e.g. Solkane® 134a)
- **Strong business in Hydrogen Peroxide**

HIGH LEVEL OF CAUSTIC SODA PRICES

Source : HARRIMAN NWE Liquid NaOH Average Market Price

EUR/ton



PLASTICS : EXTENDING OUR PORTFOLIO AND CAPITALIZING ON OUR FORCES



STRATEGY : EXTENDING OUR PORTFOLIO AND CAPITALIZING ON OUR FORCES

■ Specialties : growing and high added value markets

→ Specialty polymers

a major contributor to Group's results

→ Inergy Automotive Systems

■ Vinyls chain :

→ strong leadership and selective growth

→ global activity : Europe, Mercosur and Asia

→ ongoing measures to reinforce competitiveness

(e.g. expansion at Vinythai (chlorine, EDC, VCM) and in Brazil, closure of Ludwigshafen plant in Vinyls, structural improvement in Pipelife, ...)

GOOD PERFORMANCE IN PLASTICS

operating margins of 11%



M EUR	SALES			REBIT evolution
	2004	2005	2005 vs 2004 %	2005 vs 2004
PLASTICS	3,093	3,507	+13%	+4%
Specialty polymers and Inergy Automotive Systems cluster	1,294	1,393	+8%	↘
Vinyls cluster ^[1]	1,799	2,114	+18%	↗

[1] Including SBUs Vinyls, Performance compounds and Pipelife (pipes & fittings)

The Industrial Foils are accounted in discontinued operations (i.e. not included here); 2004 restated

GOOD PERFORMANCE IN PLASTICS

sales up 13%, REBIT up 4% (to EUR 389 M)



■ Specialty Polymers, a major contributor to the results :

- Sales +7% : strong growth in some market segments (oil industry, wire & cables, medical applications) and in Asia
- Resilience of results despite start-up costs and significant increase in raw material prices
- Sustained R&D efforts (6% of 2005 sales)

■ Vinyls

- Results above excellent level of 2004
- Recovery of demand, prices and margins at the end of Q3/05, fueled by an important increase of ethylene price in Q4
- Early 2006 : good demand for the season, price increases announced and lower ethylene price

SPECIALTY POLYMERS : FOCUS ON GROWTH



- **Upgrade the existing product portfolio to meet growing demand :**
 - Increased capacity of fluorinated polymers (Algoflon® and Hyflon® PFA/MFA)
 - New world-scale (PES/PPSU) Radel® unit in the US
- **Broaden the current polymer / technology portfolio through internal R&D and acquisitions :**
 - Solvera®, Supradel® HTS, fuel cells
 - Acquisition of Mississippi Polymer Technologies (USA): Parmax®, a new family of specialty materials
- **Accelerate geographical growth :**
 - New development center in China and reinforcement of marketing
 - Ongoing acquisition of the Polymers Division of Gharda (India) : a new global platform of ultra-high polymers (e.g. PEEK)

TRENDS FOR THE GROUP

« The record results achieved in 2005 and the structural improvement of operating margins are the fruit of our strategy of innovation, leadership and competitiveness as well as the more rapid development of Pharmaceuticals and Specialties. The Group began 2006 in favorable conditions despite the significant increases in energy costs »

“To the extent that any statements made in this presentation contain information that is not historical, these statements are essentially forward-looking. The achievement of forward-looking statements contained in this presentation is subject to risks and uncertainties because of a number of factors, including general economic factors, interest rate and foreign currency exchange rate fluctuations; changing market conditions, product competition, the nature of product development, impact of acquisitions and divestitures, restructurings, products withdrawals; regulatory approval processes, all-in scenario of R&D projects and other unusual items. Consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements can be identified by the use of words such as "expects," "plans," "will," "believes," "may," "could" "estimates," "intends", "goals", "targets", "objectives", "potential", and other words of similar meaning. Should known or unknown risks or uncertainties materialize, or should our assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly update any forward-looking statements”



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