

SOLVAC

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Press Release

Embargo, 27 February 2016 at 6:15 p.m.
Regulated Information

Solvac: Increase in net profits of 3% compared to 2014

1. Net income in 2015 rose by 3% compared with 2014 despite exceptional expenses of EUR 3.7 million linked to the capital increase. Cash revenue of Solvac, including inflow of dividends from its participation in Solvay, came to EUR 87.7 million versus 81.9 million in 2014, i.e., an increase of 7.0% attributable to the increase in dividends per share paid or decided by Solvay as shown in the table below:

EUR million	2014		2015		
Cash inflow(*) :	81,9		87,7		7,0%
Of which is: - Solvay dividend balance	from 2013: 1,8667 €/share	47,8	from 2014: 2,0667 €/share	52,9	10,7%
- Solvay interim dividend	from 2014: 1,3333 €/share	34,1	from 2015: 1,36 €/share	34,8 (***)	2,1%
Annual dividend/share :	3,2000 €/share		3,4267 €/action		
General expenses (including financial expenses) :	5,3		5,0		
Cash income(**) :	76,6		82,7		
Extraordinary result (****) :	0		3,7		
Net result of the period :	76,6		79,0		

(*): 'Cash revenue' means net dividend inflow from the participation in Solvay and interest earned.

(**): 'Cash income' means the cash revenue reduced by interest charges and other financial/operational income and expenses).

(***): This amount takes into account the dividend decided on the number of Solvay shares held by Solvac before Solvay's capital increase (i.e., 25,578,267 shares). The dividend decided on the shares received during the capital increase and the shares purchased afterwards (i.e., EUR 9 million on a total of 6,537,503 shares) has not been reported in the income but has been taken as a deduction from the financial participation in accordance with Belgian and international accounting rules.

(****): The exceptional items of the period concern principally all the expenses incurred by Solvac for its capital increase of 22 December 2015.

Insofar as the company accounts (see 3 hereinafter) authorise it, it is on the basis of cash income, and after covering expenses (mainly financial charges) that the Board of Directors determines the amounts of dividends proposed for distribution by Solvac.

2. The Board of Directors has prepared the consolidated financial statements of Solvac as of 31 December 2015. These accounts have been submitted to the statutory Auditor. They are presented according to IFRS standards.

Consolidated income statement

Eur million	2014	2015
Income from investments accounted for under the equity method	25	126
Operating expenses	-1	-1
Capital gain from sale of Solvay shares	0	0
Cost of borrowings	-4	-4
Net income	19	121
Net earnings and diluted earnings per share (EUR) (1)	1,3	7,8

(1) Net income per share and the net diluted income per share are identical. The average weighted number of shares used for the calculation per share was 15,267,881 in 2014 and 15,418,468 in 2015 (taking into account the capital increase which occurred on 22 December 2015 and the purchase of shares made during the final quarter of 2015).

Solvac recorded on 31 December 2015 net consolidated income of EUR 121 million (i.e., EUR 7.8 per share) versus EUR 19 million (i.e., EUR 1.3 per share) in 2014, as a result of the change in income from applying the equity method to Solvay.

3. The Board of Directors reports the numbers of the corporate accounts relating to Solvac SA in 2015:

EUR thousand	2014	2015
Recurrent financial result	77.785	84.147
Other recurrent result	-1.196	-1.452
Recurrent result	76.589	82.695
Capital gains	0	0
Extraordinary result	0	-3.654
Profit before taxes	76.589	79.041
Profit after taxes	76.589	79.041
Gross payment to shareholders	72.064	76.568
Retained earnings	4.525	2.473

Due to exceptional items (expenses relating to the capital increase of Solvac) in 2015, after-tax income came to EUR 79.0 while net recurrent income was EUR 82.7 million. In 2014, given the absence of exceptional items, the net recurrent income matched income after taxes, i.e., EUR 76.6 million.

The Board of Directors will propose to the Shareholders Meeting to allocate an amount of EUR 5,5 million to the legal reserve to bring it to EUR 19,3 million, or 10% of the share capital in accordance with legislation. The retained earnings will amount to EUR 1.382 million in 2015, compared to EUR 1.385 million in 2014.

4. Two interim dividend payments were made, respectively on 27 August 2015 and 24 November 2015, the second representing in principle the balance due, which the General Shareholdings Meeting had to confirm. In total, each share received in 2015 a gross compensation 6.25% greater than in 2014:

EUR	2014	2015
Gross dividend per share	4,720	5,015

5. The Board of Directors of Solvay decided on 24 February to make a payment on 17 May 2016 of the balance due on the dividend for the 2015 financial year, which comes to EUR 1.94 gross and per share.

Taking into account the interim dividend paid in January 2016, the gross dividend of Solvay, for the fiscal year 2015, reaches 3.30 EUR per share, up to 3.3%, compared to a 2014 historical dividend of € 3.40 gross per share or € 3.20 after adjusting for a factor of 0.9398 following Solvay's rights issue completed on December 21, 2015. At a global unchanged dividend, the dividend per share is adjusted as to taking account of the largest number of Solvay shares following the capital increase.

The amount of the dividends to be received by Solvac in 2016 is expected to rise by more than 20% to approximately 106 MEUR due to:

- the total (and not partial) subscription by Solvac, exercising all its rights, namely 6,394,567 new shares;
- the subscription (above its part) and purchase of 538,291 additional Solvay shares in December 2015 and January 2016;
- the decision of Solvay to raise its adjusted gross dividend of 3.1953 EUR to 3.30 EUR per share.

NOTES

1. Report of the statutory auditor

Deloitte confirmed that the fieldwork related to the audit of the consolidated financial statements of Solvac SA and its subsidiaries, 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 presented in this press release requires no comments on its part and is in agreement with the consolidated financial statements of Solvac. The full audit report related to the audit of the consolidated financial statements will be shown in the 2015 Annual Report. The full report of the Statutory Auditor relating to the annual financial information will be included in the 2015 annual report to be published on the Internet (www.solvac.be) on 31 March 2016.

2. Content

This press release contains regulated information and is established in compliance with applicable IFRS rules. An analysis of risk management appears in the annual report, which will be available on the Internet (www.solvac.be).

3. Solvac shares

	2014	2015
Number of shares issued at the end of the period	15.267.881	21.375.033
Average number of shares for calculating IFRS earnings per share	15.267.881	15.418.468
Average number of shares for calculating IFRS diluted earnings per share	15.267.881	15.418.468

4. Statement by the responsible persons

M. JP. Delwart, Chairman of the Board of Directors, and M. B. de Laguiche, Managing Director of Solvac, confirm that to the best of their knowledge:

- the financial information, prepared in conformity with applicable accounting standards, reflects a true and fair view of the net worth, the financial situation and the results of the Solvac Group and of Solvac S.A.
- the report contains a faithful presentation of significant events occurring in the 2015 financial year and their impact on the financial information.
- there are no transactions with related parties.

Key dates for financial communications

- 31 March 2016 : Publication of the 2015 annual report on www.solvac.be
- 10 May 2016: Ordinary General Meeting of the Shareholders (2:30 p.m.)
- 29 July 2016: Results from the first half of 2016 and announcement of the first interim dividend for financial year 2016
- 25 August 2016: Payment of the first interim dividend for financial year 2016
- 14 December 2016: Announcement of the second interim dividend for financial year 2016
- 27 December 2016: Payment of the second interim dividend for financial year 2016

For additional information, please contact:

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Dit persbericht is ook in het Nederlands beschikbaar - Ce communiqué de presse est également disponible en français.

Solvac – Consolidated financial statements

The financial statements that follow were approved by the Board of Directors on 27 February 2016. They were prepared in compliance with IFRS accounting standards described on the following pages.

Consolidated income statement

Eur million	Notes	2014	2015
Income from investments accounted for under the equity method	(1)	25	126
Operating expenses		-1	-1
Capital gain from sale of Solvay shares		0	0
Cost of borrowings	(2)	-4	-4
Net income		19	121
Net earnings and diluted earnings per share (EUR)	(3)	1,3	7,8

Statement of total comprehensive income

EUR million	Notes	2014	2015
Net income		19	121
Other comprehensive income (1)			
Recyclable items			
Hyperinflation		-3	13
Gains and losses on re-measuring available-for-sale financial assets		0	1
Gains and losses on hedging instruments in a cash-flow hedge		-18	5
Currency translation differences (activities abroad)		75	52
Non-recyclable items			
Remeasurements of the net defined benefit liability		-152	86
Tax expenses with respect to recyclable and non-recyclable items			
Tax expenses with respect to recyclable and non-recyclable items		22	-7
Other comprehensive income after tax effects		-76	150
Comprehensive income	(4)	-57	271

(1) Other elements of the comprehensive income come from the statement of changes in equity of Solvay S.A. More information is available in the latter's press release.

Cash flow statement

EUR Million	Notes	2014	2015
Net result		19	121
Cost of borrowings		4	4
Income from investments accounted for under the equity method	(1)	-25	-126
Paid taxes		0	-7
Changes in working capital	(5)	-1	-10
Dividends received from Solvay	(1)	82	97
Cash flow from operating activities		80	79
Acquisition of Solvay shares	(1)	-2	-466
Sale of Solvay shares		0	0
Cash flow from investing activities		-2	-466
Capital increase	(9)	0	449
Acquisition of treasury shares		0	0
Increase in borrowing	(6)	39	20
Repayment of borrowing	(6)	-41	0
Interest paid		-4	-4
Dividends paid	(7)	-72	-77
Cash flow from financing activities		-78	388
Net change in cash and cash equivalents		0	1
Opening cash balance		1	1
Closing cash balance		1	2

The table of cash flow has been greatly impacted by the capital increase of Solvac which occurred on 22 December 2015 (in the amount of EUR 449 million (453 – 3.7) net of transaction costs), as well as by the participation in the capital increase of Solvay S.A. and the purchase of Solvay shares for a total amount of EUR 466 million (453 + 10 +3).

Statement of financial situation

EUR million		2014	2015
ASSETS			
Tangible assets		0	0
Non-current assets: investments in associates	(1)	2.365	3.258
Goodwill		342	342
Investments in associates excluding goodwill		2.023	2.916
Current assets: short-term receivables	(8)	34	52
Cash and cash equivalents		1	2
Total assets		2.400	3.312
EQUITY AND LIABILITIES			
Equity	(9)	2.241	3.131
Capital		138	192
Reserves		2.103	2.939
Non-current liabilities: long term financial debt	(2)	110	110
Current liabilities		49	71
Short-term financial debts	(6)	39	59
Tax liabilities		7	0
Other current liabilities		3	12
Total equity and liabilities		2.400	3.312

Statement of changes in equity

EUR million	Capital	Issue premiums	Treasury shares	Hybrid bond	Retained earnings	Currency translation, fair value differences and defined benefit pension plans	Total equity
Balance as at 31/12/2013	138	173	0	367	2.085	-374	2.389
Comprehensive income					19	-76	-57
Dividends					-72		-72
Hybrid bond							0
Acquisition / sale of treasury shares							0
Scope and other variations					-20		-20
Balance as at 31/12/2014	138	173	0	367	2.013	-450	2.241
Comprehensive income					121	150	271
Dividends					-77		-77
Capital increase	54	395					449
Hybrid bond							0
Acquisition / sale of treasury shares							0
Scope and other variations				308	-61		247
Balance as at 31/12/2015	192	568	0	675	1.996	-300	3.131

Notes to the consolidated financial statements

IFRS accounting policies

The primary accounting policies used in the preparation of these consolidated financial statements are the following:

1. General information and applicable IFRS standards

Solvac ("the Company") is a public limited company incorporated under Belgian law and quoted on Euronext Brussels. The Company's main activity is its 31 % shareholding in Solvay.

The consolidated financial statements for the financial year ending 31 December 2015 have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union.

Obligatory changes of accounting methods

The following new and amended standards and interpretation have been applied beginning with the 2015 financial year:

- Improvements to the IFRS (2011-2013) (applicable for annual periods beginning from 1 January 2015); and
- IFRIC 21 – *Taxes* (applicable for the annual periods starting 17 June 2014).

These new and amended standards and interpretation did not have a significant impact on the consolidated financial statements of Solvac.

Standards in force after the closing date of the financial year

Solvac did not anticipate application of new and amended standards and interpretation which come into force after 31 December 2015, namely:

- IFRS 9 *Financial Instruments* and subsequent amendments (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in the EU)
- IFRS 14 *Regulatory Deferral Accounts* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU)
- IFRS 15 *Revenue from Contracts with Customers* (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in EU)
- IFRS 16 *Leases* (applicable for annual periods beginning on or after 1 January 2019, but not yet endorsed in EU)
- Improvements to IFRS (2010-2012) (applicable for annual periods beginning on or after 1 February 2015)
- Improvements to IFRS (2012-2014) (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IFRS 10, IFRS 12 and IAS 28 *Investment Entities: Applying the Consolidation Exception* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in EU)
- Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (the effective date has been deferred indefinitely, and therefore the endorsement in EU has been postponed)

- Amendments to IFRS 11 *Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations* (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IAS 1 *Presentation of Financial Statements – Disclosure Initiative* (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IAS 7 *Statement of Cash Flows – Disclosure Initiative* (applicable for annual periods beginning on or after 1 January 2017, but not yet endorsed in EU)
- Amendments to IAS 12 *Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses* (applicable for annual periods beginning on or after 1 January 2017, but not yet endorsed in EU)
- Amendments to IAS 16 and IAS 38 *Property, Plant and Equipment and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation* (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* (applicable for annual periods beginning on or after 1 January 2016)
- Amendments to IAS 19 *Employee Benefits - Employee Contributions* (applicable for annual periods beginning on or after 1 February 2015)
- Amendments to IAS 27 *Separate Financial Statements - Equity Method* (applicable for annual periods beginning on or after 1 January 2016)

The future application of these standards and interpretations by Solvay is set out in detail in its annual report. Except for this, their application at the level of Solvac should not have any significant impact on the consolidated financial statements.

2. Consolidation

Since the Board of Directors believes that Solvac has a significant influence on Solvay, the shareholding in Solvay S.A. has been integrated into Solvac's consolidated financial statements using the equity method. This method takes into account the Solvac S.A. share in the financial statements of the Solvay Group, prepared on 31 December of the financial year using Solvay's IFRS accounting standards (cf Solvay Annual Report). According to the equity method, a shareholding in an associated company is initially reported at cost in the consolidated statement of the financial situation, then it is adjusted later to account for the Group share in the net revenue and the other elements of the total revenue of the associated company.

3. Segment information

Given the nature of the holding company, there is no need to present segment or geographical information. The data on shareholding in Solvay is available in the Solvay S.A. financial statements.

4. Impairment of assets

At the end of each accounting year, the Group reviews the book value of its share for indications of the potential impairment of assets. If such indications exist, the recoverable value of the asset is estimated in order to establish the extent of any impairment loss.

5. Financial instruments

Bank loans

Bank loans and overdrafts are accounted for in the net amount received. Financial expenses, including any settlement or redemption premiums, are covered for the estimated period of availability.

Cash and cash equivalents

Cash and cash equivalents consist of cash and demand deposits, short-term investments (less than 3 months) and highly liquid investments readily convertible into known amounts of cash and subject to an insignificant risk of any change in value.

6. Recognition of revenue

Revenue is recognised when it is likely to be acquired and as soon as its value can be reliably measured.

Interest earnings are recorded in the income statement on a pro rata basis taking account of the effective interest rate of the investment.

7. Estimates and significant judgements when applying an accounting method

Over and above the estimates and significant judgements made by Solvac when applying accounting methods (see Solvac's Annual Report), the key estimate made by the Board of Directors on 31 December 2015 concerns the recoverable value of its holding in Solvac. An impairment test is performed if there is any indication that the investment may be impaired. The impairment test involves comparing the book value of the investment to its market value. In the event of a crisis on the market with excessive price volatility, reference may be made in addition to the "target prices" for Solvac shares, as estimated by financial analysts.

As of the close of the financial year, Solvac considers that there was no sign of a loss of value. Therefore, no investment impairment test was conducted.

Finally, the Board of Directors believes that Solvac has no control over Solvac but a significant influence and therefore consolidates the accounts of this group according to the equity method.

8. Risk management

Solvac underlying risk – The sole investment of Solvac being its investment in Solvac, the primary risks to which the Company is exposed are similar to those of Solvac. The financial situation and results of Solvac are influenced by the results of Solvac, either through the dividends received (financial statements) or through consolidation using the equity method (consolidated accounts).

Valuation risk - Solvac is exposed to market risk (changes in Solvac's share price). Although the share price is subject to market volatility, the Board considers that in the long run, it constitutes a reliable indicator of valuation. The book value of the Solvac shares on the Solvac balance sheet is EUR 90.80 per share excluding goodwill (EUR 82.65 in the statutory accounts).

Rate risk – Solvac is exposed to an interest rate risk resulting from bank loans at fixed rates for a total of EUR 110 million (EUR 160 million beginning in March 2016). The company monitors this risk through the periodic calculation of the fair market values of these loans.

Liquidity risk – Solvac is exposed to liquidity risk, particularly when it has to resort to short term bank loans. The short-term debt, which was moderate, peaked at year end (EUR 59 million at the end of 2015) and it was largely repaid in January of the following year upon payment by Solvac of its interim dividend (EUR 44 million in January 2016). Not only is short-term debt of short duration, but on average over the year, it is close to zero. Therefore, the Board is confident of the ability of Solvac to raise the funds needed in the short term and repay them with the flow of dividends paid by Solvac.

Counterparty risk - This is the bank counterparty risk relating to cash deposits and available assets. The counterparties of Solvac are banks with a minimum rating of A.

Notes to the consolidated financial statements

(1) Investments accounted for under the equity method

These include Solvac's 31% shareholding in Solvay S.A. (after deducting the treasury shares held by Solvay). Solvay S.A. is a "société anonyme" under Belgian law and quoted on Euronext in Brussels and Paris. The Solvay Group is an international chemical group.

The value of the holding under the equity method amounts to EUR 3,258 million (of which EUR 342 million is goodwill and EUR 2,916 million of value excluding goodwill). Based on the stock exchange price of 31 December 2015, the value amounts to EUR 3,161 million.

Changes in goodwill are as follows:

EUR Million	2014	2015
Value at 1 January	342	342
Sold during the year	0	0
Acquired during the year	0	0
Value at 31 December	342	342

The changes in shareholding using the equity method excluding goodwill are as follows:

EUR million	2014	2015
Value at 1 January	2.174	2.023
Sold during the year	0	0
Acquired during the year	2	457
Result	25	126
Distribution	-82	-88
Currency translation, fair value differences and others	-96	90
Hybrid bond	0	308
Value at 31 December	2.023	2.916

In December 2015, Solvac participated in the capital increase of Solvay. It also subscribed with rights to 6,394,567 new shares for a total amount of EUR 453 million and then subscribed with script to 110,000 new shares for a total amount of EUR 10 million. In addition, after this capital increase, Solvac went on to acquire 32,936 shares for a total amount of EUR 3 million.

The dividends on newly acquired shares (EUR 9 million), decided previously and paid in January 2016, were used to reduce the cost of acquisition in accordance with Belgian and international accounting requirements. The acquisitions thus amount to a net total of EUR 457 million.

In 2015, the share of Solvac in the net income of the Solvay Group, excluding minority interests, amounted to EUR 126 million (2014: EUR 25 million). In 2015, the share of Solvac in the results from discontinued operations came to EUR -17 million EUR (2014: EUR -76 million).

The value of the investment at 31 December corresponds to Solvay's equity listed in Solvay Shareholders (*) multiplied by the holding percentage (30.95% in 2015 and 30.82% in 2014).

(*) This is the equity of Solvay minus non-controlling interests.

The condensed consolidated financial statements of the Solvay Group are the following:

EUR million	2014	2015
Financial position		
Non-current assets	11.529	18.716
Current assets	6.365	6.613
Cash and cash equivalents	1.251	2.030
Assets	17.894	25.329
Equity	6.778	9.668
Solvay stockholders	6.564	9.423
Non-controlling interests	214	245
Non-current liabilities	6.088	11.330
Long term financial debt	1.485	5.628
Current liabilities	5.029	4.331
Short term financial debt	853	892
Equity and liabilities	17.894	25.329
Income statement		
Sales	10.629	11.047
Result from continuing operations	259	509
Result from discontinued operations	-246	-55
Net income for the year	13	454
Non-controlling interests	67	-48
Net income (Solvay share)	80	406
Comprehensive income		
Other comprehensive income	-264	505
Total comprehensive income	-251	959
Dividend received	82	97

(2) Long-term financial debt

Debts with a maturity of more than one year are stable and amount to EUR 110 million (loans from BNP Paribas Fortis). This represents the structural indebtedness of Solvac: a loan of EUR 50 million (maturing in 2022; fixed rate of 2.90%) and a loan of EUR 60 million (maturing in 2020; fixed rate of 3.20%). The interest on loans longer than one year amounted to EUR 4 million for the financial year 2015.

(3) Net earnings per share

The earnings per share and diluted net earnings per share are identical. The number of Solvac shares was 21,375,033 at the end of 2015 (15,267,881 at the end of 2014).

(4) Comprehensive income

The primary changes are related to the assessment of obligations under defined employee benefit plans in accordance with the revised IAS 19 and the conversion differences.

(5) Changes in working capital

In 2015, these changes primarily concerned the increase in the Solvay claim (interim dividend in financial year 2015), taking into account the increase at the end of the year in the number of Solvay shares held by Solvac.

(6) Short-term liabilities

This consists:

- on the one hand, of two straight loans taken out on 24 November 2015 and 11 December 2015 for a total amount of EUR 45 million (maturing on 21 January 2016) to finance the balance of the 2015 dividend paid on 24 November 2015; and
- on the other hand, Solvac contracted on 28 July 2015 for the opening of a line of credit in the form of Revolving Credit of EUR 500 million to subscribe to the capital increase of Solvay. At 31 December 2015, this Revolving Credit had been used in the amount of EUR 14 million to purchase Solvay shares at the end of December 2015 (for a total of 142,936 shares).

(7) Dividend paid

The dividends paid (EUR 5.015 gross per share, an increase of 6.25% compared to 2014) during the period amount to EUR 77 million including the interim 2015 dividend paid on 27 August 2015 (EUR 43 million) and the balance of the 2015 dividend paid on 24 November 2015 (EUR 34 million).

(8) Short-term receivables

This primarily consists of the interim dividend to be received from Solvay.

(9) Total equity

Total equity amounts to EUR 3,131 million. It was mostly impacted during the year 2015 by:

- the capital increase of 22 December 2015 for a total amount net of transaction expenses relating to this operation of EUR 449 million (EUR 453 million – EUR 3.7 million expenses related to capital increase) ;
- the payment of two interim dividends of EUR 5.015 gross per share (EUR 4.72 gross per share in 2014), for a total amount of EUR 77 million;
- the share in certain items of the total income coming from Solvay (EUR 52 million relating to the conversion rate differences and actuarial gains from the pension plans for EUR 82 million net of taxes);
- the share of a new hybrid loan issued by Solvay for EUR 308 million (following the acquisition of Cytec and in order to strengthen the capital structure of Solvay, a hybrid loan was issued for a value of EUR 1 billion. This loan qualifies as an equity instrument, given that the criteria of IAS 32 have been fulfilled); and
- the consolidated income of the period of EUR 121 million.

Reference is made to the proposal of beneficiary use on page 10 of the management report.

(10) Treasury shares

In 2015, Solvac did not acquire any treasury shares held for cancellation.

(11) Financial instruments

EUR Million	2014		2015	
	Net carrying amount	Fair value	Net carrying amount	Fair value
Loans and receivables (including cash and cash equivalents)	35	35	54	54
Financial liabilities measured at amortized cost (includes trade liabilities)	152	161	181	190

In order to reflect the importance of the data used when estimating fair market value, Solvac classes these valuations according to a hierarchy consisting of the following levels:

- level 1: the prices (non-adjusted) quoted on the securities markets for identical assets or liabilities;
- level 2: data other than the prices quoted at level 1 which are observable for the asset or liability concerned, either directly (namely, prices) or indirectly (namely data derived from prices); and
- level 3: data relating to the asset or liability which are not based on the observable data of the market (non-observable data).

For loans and receivables, book value is a good approximation of fair market value. With regard to financial liabilities at an amortised cost, the net book value of the long-term financial debt (EUR 110 million, see note 2) is less than their fair value (estimated at EUR 119 million). The fair market value of the fixed interest debt was calculated using the Discounted Cash Flow method. The net book value of other financial liabilities is a good approximation of their fair market value. Thus, the determined fair market values are categorised as Level 2 in the fair market value hierarchy.

(12) Relations with the directors of the consolidating company

Compensation and pensions: since early 2014 the directors are paid a gross appearance fee of EUR 2,000 per meeting for each Director and a gross fee of EUR 4,000 per meeting for the Chairman of the Board.

Advances and loans provided by the consolidating company or by an affiliated company: the current account with Solvay S.A. (zero balance at the end of 2015 and 2014) is compensated at the Solvay Group's internal financing rate.

(13) Off-balance-sheet rights and commitments

Real coverage by the company on its own assets: collateralisation of 1,576,685 Solvay shares in favour of BNP Paribas Fortis for a sum of EUR 155 million. An additional collateralisation was granted on 4 January for 1,181,936 shares.

(14) List of consolidated companies

The Solvay Group uses the equity method for consolidation.