

Solvay second quarter 2025 results

Continued solid EBITDA margin and Free cash flow delivery, despite soft demand environment

Highlights

- **Underlying net sales** in Q2 2025 of €1,102 million were down -3.8% organically compared to Q2 2024 due to the soft market environment, impacted by ongoing tariff and geopolitical tensions. This resulted in a continued reduction of short term demand, particularly visible in certain soda ash and Coatis end-markets.
- **Underlying EBITDA** in Q2 2025 decreased year-on-year to €230 million, -12.4% organically compared to Q2 2024 which was the strongest quarter of last year. Q2 2025 was supported by a one-off gain of c. €20 million impacting both revenue and EBITDA resulting from the termination of a customer's contract in the Special Chem business unit (Performance Chemicals segment). Forex had a negative impact of €10 million in this quarter. The underlying EBITDA margin remained solid at 20.9%.
- **Structural cost savings** initiatives delivered €29 million in Q2 2025, bringing the cumulative savings to €55 million in 2025 and €165 million since the start of 2024.
- **Underlying net profit** from continuing operations was €99 million in Q2 2025 vs. €116 million in Q2 2024.
- **Free Cash Flow¹** amounted to €54 million in Q2 2025, bringing the H1 FCF to €97 million.
- **Underlying Net Debt** at €1.9 billion, implying a leverage ratio of 1.9x.
- **2025 outlook:** as revised on July 14th, Solvay now expects underlying EBITDA to be between €880 million and €930 million and confirms its Free Cash Flow¹ to be around €300 million, with a maximum of €300 million of Capex

Underlying (in € million)	Second quarter				First half			
	2025	2024	% yoy	% organic	2025	2024	% yoy	% organic
Net sales	1,102	1,194	-7.8%	-3.8%	2,223	2,396	-7.2%	-4.8%
EBITDA	230	272	-15.4%	-12.4%	480	538	-10.8%	-9.1%
<i>EBITDA margin</i>	20.9%	22.8%	-1.9pp		21.6%	22.5%	-0.9pp	
FCF¹	54	120	-54.8%		97	246	-60.7%	
ROCE					16.0%	17.6%	-1.6pp	

Philippe Kehren, Solvay CEO

"The level of business activity in the first half of 2025 has been impacted by the uncertainty around the tariff discussions and heightened geopolitical tensions. Over the past few months, our industry has faced a soft market demand environment, and this is not expected to improve in the coming months. In this context, we downgraded our 2025 underlying EBITDA outlook to reflect current conditions, while confidently re-confirming our strong free cash flow guidance. This commitment to robust cash generation is fundamental to our financial policy, and our management team is dedicated to disciplined investments and optimized cash usage to ensure we meet our objectives."

¹ Free Cash Flow (FCF) here is the free cash to Solvay shareholders from continuing operations.

2025 outlook

In the second quarter, Solvay experienced a continuation of the soft market environment, impacted by ongoing global tariff discussions and heightened geopolitical tensions. This led to a progressive reduction of demand, and a slowdown in order books, particularly in certain soda ash end-markets and in the Coatis business unit. Visibility remains low and market conditions are expected to remain challenging throughout the second half of 2025.

Based on this, Solvay has updated its 2025 outlook on July 14, 2025, as follows:

- Solvay now expects underlying EBITDA to be between €880 million and €930 million, assuming current FX levels for the second half.
- Solvay confirms its Free Cash Flow from continuing operations to Solvay shareholders to be around €300 million, with a maximum of €300 million of Capex, reflecting management's focus on cash generation and dividend cover.

Cost savings are now expected to exceed the previous indication of €200 million at the end of 2025.

Financial performance

Key figures

Underlying key figures

(in € million)

	Q2 2025	Q2 2024	% yoy	H1 2025	H1 2024	% yoy
Net sales	1,102	1,194	-7.8%	2,223	2,396	-7.2%
EBITDA	230	272	-15.4%	480	538	-10.8%
<i>EBITDA margin</i>	20.9%	22.8%	-1.9pp	21.6%	22.5%	-0.9pp
EBIT	150	197	-23.6%	322	381	-15.4%
Net financial charges	-33	-40	+17.6%	-63	-71	+11.3%
Income tax expenses	-19	-41	+54.0%	-58	-74	+21.5%
<i>Tax rate</i>				22.7%	24.2%	-1.5pp
Profit from continuing operations	99	116	-15.0%	201	236	-14.8%
Profit / (loss) from discontinued operations	1	-	n.m.	-	1	n.m.
(Profit) / loss attributable to non-controlling interests	-3	-6	-56.3%	-5	-9	-44.3%
Profit / (loss) attributable to Solvay shareholders	97	111	-12.0%	196	228	-14.0%
Basic earnings per share (in €)	0.93	1.05	-11.2%	1.88	2.17	-13.4%
of which from continuing operations	0.92	1.05	-12.5%	1.88	2.16	-13.0%
Capex in continuing operations	63	48	+31.4%	133	108	+22.9%
FCF to Solvay shareholders from continuing operations	54	120	-54.8%	97	246	-60.7%
Net financial debt				1,856	1,568	+18.4%
Underlying leverage ratio				1.9	1.5	+26.5%
ROCE (continuing operations)				16.0%	17.6%	-1.6pp

Group performance

Underlying net sales of €1,102 million for the second quarter of 2025 were lower by -7.8% versus the second quarter of 2024 (-3.8% organically) primarily due to the negative impact of scope and forex (-4.1%) and to lower volumes (-2.0%, and -3.9% excluding the positive one-off impact from the termination of a customer's contract for c. €20 million). Prices were only slightly down (-1.6%).

Underlying EBITDA of €230 million in Q2 2025 was down -15.4% (-12.4% organically). Scope and forex impact was negative (-3.5%), volumes were up +1.6%, but decreased by -6.5% after excluding the one-off impact. Net pricing was also down (-12.9%), mainly due to soda ash and Coatis softness and to some short-term inefficiencies resulting from low production volumes. Fixed costs impact was negative (-8.3%), mainly from Corporate, including temporary stranded costs (€-7 million) related to the TSA exit, and from Basic Chemicals. Overall, the EBITDA margin was 20.9%, -1.9pp year on year.

Free cash flow to shareholders from continuing operations was €54 million in Q2 2025 with Capex at €-63 million and €-10 million of Working Capital variation. Cash outflows from Provisions reached €-60 million, including a €-20 million relating to the energy transition project in Dombasle. Free cash flow to shareholders from continuing operations amounted to €97 million in H1 2025, in line with the communicated seasonality of the free cash flow generation.

Underlying net financial debt was €1.9 billion at the end of Q2 2025, increasing by €312 million compared to the end of 2024, mainly from the dividend payments (€254 million) and from new leases (€134 million, related to the launch of the biomass boiler in Rheinberg and to the future ERP), partly offset by the positive free cash flow of €97 million. The underlying leverage ratio was 1.9x at the end of Q2 2025.

Provisions amounted to €1.5 billion at the end of Q2 2025, decreasing by €-47 million, and included €662 million of employee benefits (primarily pensions) and €559 million of environmental provisions.

Performance by segment

Basic Chemicals

Basic Chemicals sales in Q2 2025 were down -5.8% (-3.5% organically) compared to Q2 2024, with a negative impact from scope and conversion (-2.4%), flat volumes (-0.5%) and lower prices (-2.9%).

Soda Ash & Derivatives sales for the quarter were lower by -5.7% (-4.1% organically) compared to Q2 2024. Soda ash volumes, though improving sequentially compared to Q1, were lower year-on-year from sluggish demand in domestic markets and competition on the seaborne market. Bicarbonate demand continues to be robust, driven by food and feed and flue gas treatment applications.

Peroxides sales for the quarter decreased by -6.0% compared to Q2 2024 (-2.1% organically). Volumes were stable, with mining and water end-markets robustness offsetting lower demand from chemicals for the merchant applications, while electronic grades saw higher demand in semiconductors offsetting lower volumes from the solar panels industry.

The segment EBITDA was down -27.0% (-25.4% organically) in Q2 2025 due to lower volumes, lower Net pricing negatively impacted by short-term inefficiencies due to the current environment, and higher fixed costs. The EBITDA margin reached 21.2%, -6.2pp versus Q2 2024.

Performance Chemicals

Performance Chemicals sales in Q2 2025 were down -10.2% (-4.3% organically) compared to Q2 2024, with negative scope and conversion impact (-6.1%), lower volumes (-4.1%, -8.9% excluding the one-off impact) and steady prices (+0.1%).

Silica sales for the quarter decreased by -4.6% (-1.3% organically) with a slight volume decrease in the tire market compared to a strong Q2 2024.

Coatis sales for the quarter were lower by -28.9% (-19.5% organically), with volumes down in both the polyamide chain and solvents end markets due to renewed fierce competition from Asia.

Special Chem sales for the quarter were up by +3.2% (+6.4% organically) compared to Q2 2024. Volumes were lower in rare earth autocatalysis which was compensated by the one-off revenue from a customer's contract termination.

The segment EBITDA for the quarter was slightly up +2.3% (+8.5% organically), with positive volume up thanks to the one-off gain of c. €20 million. The EBITDA margin increased year on year to 23.9% by +2.9pp accordingly.

Corporate

For Q2 2025, EBITDA was €-15 million, €+8 million compared to Q2 2024 (€+7 million organically). Q2 2024 included an accrual of €-18 million for the Dombasle energy transition project (the project currently does not require any adjustment of the provision; it continues to progress and Solvay remains focused on its completion). Excluding this impact, Corporate EBITDA is lower by €-10 million given the start of TSA exit temporary stranded costs (-€7 million) and increased IT costs year-on-year as expected.

Key segment figures

Segment review

(in € million)

	Q2 2025	Q2 2024	% yoy	% organic	H1 2025	H1 2024	% yoy	% organic
Net sales	1,102	1,194	-7.8%	-3.8%	2,223	2,396	-7.2%	-4.8%
Basic Chemicals	667	708	-5.8%	-3.5%	1,339	1,423	-5.9%	-5.2%
Soda Ash & Derivatives	441	468	-5.7%	-4.1%	880	961	-8.4%	-7.9%
Peroxides	226	240	-6.0%	-2.1%	459	462	-0.7%	+0.2%
Performance Chemicals	434	483	-10.2%	-4.3%	884	967	-8.6%	-4.1%
Silica	134	141	-4.6%	-1.3%	278	286	-2.7%	-0.8%
Coatis	119	167	-28.9%	-19.5%	257	323	-20.3%	-10.2%
Special Chem	181	175	+3.2%	+6.4%	349	359	-2.7%	-1.8%
Corporate	-	2			-	5		
EBITDA	230	272	-15.4%	-12.4%	480	538	-10.8%	-9.1%
Basic Chemicals	141	194	-27.0%	-25.4%	303	395	-23.3%	-22.6%
Performance Chemicals	104	101	+2.3%	+8.5%	198	181	+9.2%	+13.7%
Corporate	-15	-23	+35.0%	<i>n.m</i>	-21	-39	+45.3%	<i>n.m</i>
EBITDA margin	20.9%	22.8%	-1.9pp		21.6%	22.5%	-0.9pp	
<i>Basic Chemicals</i>	<i>21.2%</i>	<i>27.3%</i>	<i>-6.2pp</i>		<i>22.6%</i>	<i>27.8%</i>	<i>-5.1pp</i>	
<i>Performance Chemicals</i>	<i>23.9%</i>	<i>21.0%</i>	<i>+2.9pp</i>		<i>22.4%</i>	<i>18.8%</i>	<i>+3.6pp</i>	

More information, including the condensed consolidated interim financial statements, reconciliation of the APM and definitions, can be found in the financial report, which is available on [Solvay's website](#).

Financial calendar

- November 6, 2025: Third quarter and first nine months 2025 earnings
- [Link to Solvay's financial calendar](#)

Details of analysts and investors conference call

- Time: July 30, 2025 - 2pm CEST
- Registration: register to the webcast [here](#).

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About Solvay

Solvay, a pioneering chemical company with a legacy rooted in founder Ernest Solvay's pivotal innovations in the soda ash process, is dedicated to delivering essential solutions globally through its workforce of around 9,000 employees. Since 1863, Solvay has harnessed the power of chemistry to create innovative, sustainable solutions that answer the world's most essential needs such as purifying the air we breathe and the water we use, preserving our food supplies, protecting our health and well-being, creating eco-friendly clothing, making the tires of our cars more sustainable and cleaning and protecting our homes. Solvay's unwavering commitment drives the transition to a carbon-neutral future by 2050, underscoring its dedication to sustainability and a fair and just transition. As a world-leading company with €4.7 billion in underlying net sales in 2024, Solvay is listed on Euronext Brussels and Paris (SOLB). For more information about Solvay, please visit solvay.com or follow [Solvay](#) on LinkedIn.

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