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INEOS and Solvay sign definitive Joint Venture agreement to create leading PVC producer INOVYN

INEOS and Solvay have today announced the signing of a definitive Joint Venture agreement covering their European chlorvinyls activities. The Joint Venture - to be known as INOVYN™ - was given clearance by the European Commission in May 2014.

Formation of the Joint Venture is subject to implementation of an agreed remedy package consisting of the divestment of INEOS-owned assets in Tessenderlo (Belgium), Mazingarbe (France), Beek (The Netherlands), Wilhelmshaven (Germany) and Runcorn (UK).

The terms of the Joint Venture have been simplified since the deal was announced in May 2013. Solvay will now receive an up-front payment of €175 million at closing and in addition to transferring their chlorvinyls assets into the Joint Venture, will also transfer €250m of liabilities principally in respect of pensions and environmental liabilities. Solvay will exit INOVYN™ after three years, leaving INEOS in sole control, when Solvay will receive additional cash proceeds targeted at €250 million (with a minimum payment of €75 million). This amount will be adjusted depending on the financial performance of INOVYN™ during the three year Joint Venture period.

Chris Tane, CEO INEOS ChlorVinyls comments: **"We are delighted to have been able to reach this agreement, which will combine our respective chlorvinyls activities to create a world scale business. INOVYN™ will be better able to rapidly respond to changing European markets and increasing competition from global producers."**

To be headquartered in London, INOVYN™ will have proforma 2013 sales of more than €3 billion, with assets across 14 sites in Belgium, France, Germany, Italy, Norway, Spain, Sweden and the UK.

Governance of the Joint Venture will be shared between INEOS and Solvay, with equal representation on the Supervisory Board. Day to day management of the business will be led by an Executive Team consisting of Chris Tane as CEO, Mike Maher as CFO and Julie Taylorson as Procurement Director (all currently INEOS) and Filipe Constant as Commercial Director, Jean Michel Mesland as Operations Director and Otto Grolig as General Counsel (from Solvay).

Until formation of the Joint Venture, which is expected during Q4 2014, INEOS and Solvay will continue to run their businesses separately.

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