

Annex 3

Meeting 30th April 2015

Note: The following text is the main outcome of a meeting held on 30th April 2015 with Mr. François Cornélis. After the meeting, this content was sent to Mr. François Cornélis in order to prove its veracity.

1. Growth

- Normal trend of smaller firms growing at higher rates is not verified in this set of 8 firms.
- BASF showing an outstanding performance.

2. Market Capitalization

- Floridienne's decline in 2011 mainly due to a bankruptcy of a subsidiary.

3. Acquisitions

- BASF, The Dow Chemical Company and Floridienne engaging more in acquisitions. Exception for Solvay, mainly because its acquisition of Rhodia.

4. Internationalization

- Main difference between BASF and Floridienne and rest of the European firms is their growth performance in Europe.
- Sales in Europe grew over 2003-2013, with exports having more importance than domestic sales.

5. Profitability

- Analyze Solvay's profitability without the capital gain realized on the sale of the pharmaceuticals activities in 2010.
- Firms with the lowest growths presenting significant poor financial performances.

6. R&D

- Analyze Solvay's profitability without the pharmaceuticals activities in 2010, since usually demand for a higher R&D intensity.
- BASF and The Dow Chemical Company engaging more in R&D than the rest of firms (Solvay has to analyzed more carefully), excepting Agfa-Gevaert, that is trying to struggle in an industry in decline.
- Europe with a guideline for the Chemical Industry of 3% in terms of R&D Intensity.
- Even with R&D above average, BASF and The Dow Chemical Company are able to outperform rest of the firms in terms of profitability.