INVESTOR DAYS

Financial review

September 25th, 2007

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ARKEMA

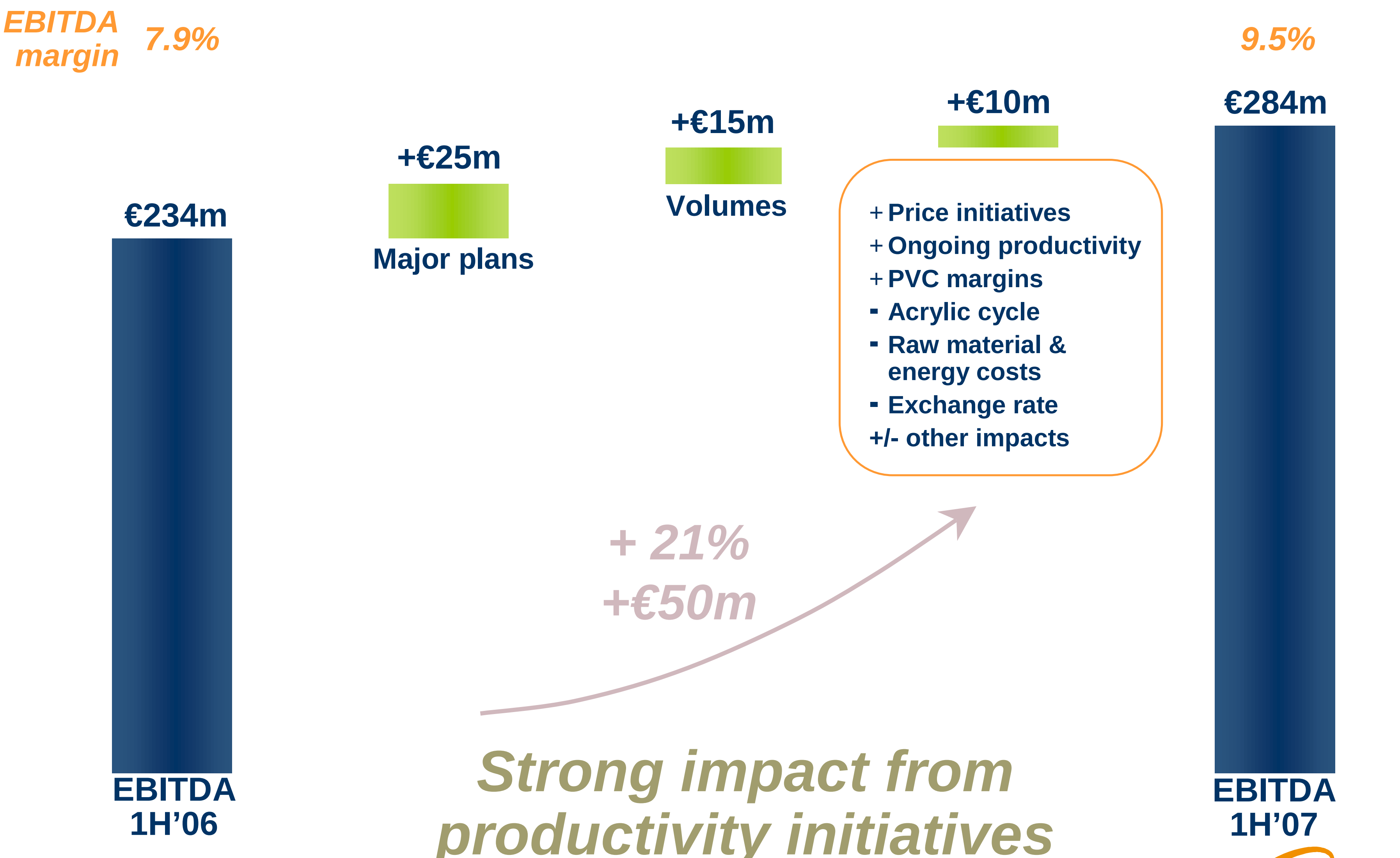
1H'07 key figures

	1H'06	1H'07	*Variation**
Sales	**2,954**	**2,977**	*+0.8%*
EBITDA	**234**	**284**	***+21%***
EBITDA margin	***7.9%***	***9.5%***	
Operating income (rec.)	**124**	**177**	*+43%*
NR items	**(40)**	**(79)**	*n/a*
Net income (group share)	**37**	**67**	***+81%***
Adj. net income	**67**	**119**	*+78%*
Cash flows**	**(149)**	**132**	***n.m.***
Net debt (vs 12/31/06)	**324**	**198**	*(39%)*

**1H'07 vs 1H'06*
*** Related to operations and investments*

Sales growth sustained by price increases

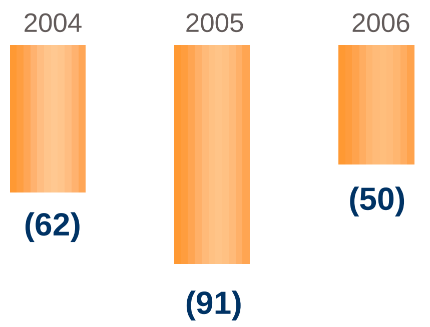
+21% EBITDA growth



Strong impact from productivity initiatives

Strict management of corporate segment

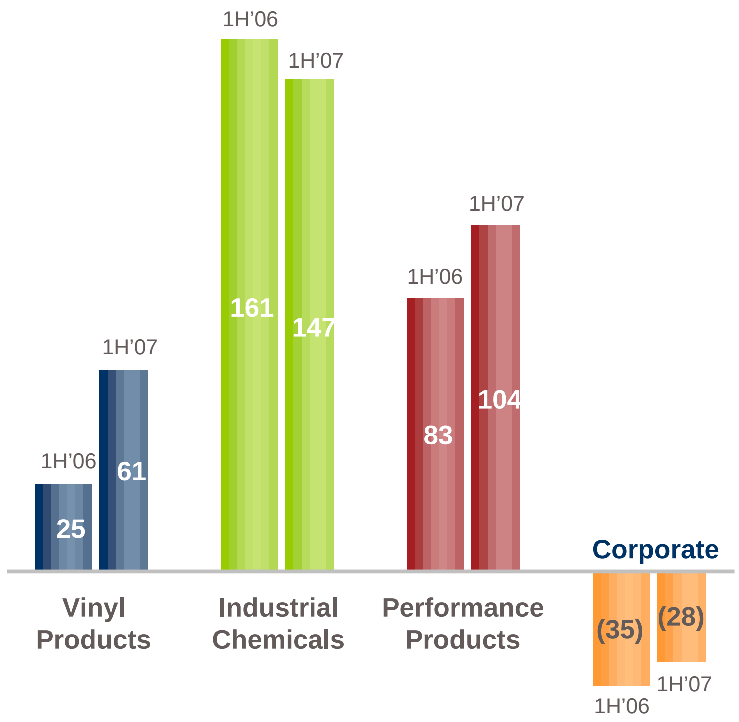
Corporate EBITDA (€m)



Normative corporate

Corporate functions Accounting/controlling, IR, Communications, Internal audit…	**~ €30m**
Corporate R&D Long term breakthrough projects	**~ €20m**
Eliminations and others Intersegment eliminations, non allocated charges	**up to €10m**

EBITDA by segment (€m)



Less than 1% of sales

Density of restructuring initiatives

NR items related to restructuring initiatives

In €m	1H'06	2H'06	1H'07
P&L charges	(31)	(51)	(81)
Expected savings	15	40	75
Full impact in	***2007***	***2008***	***2009***

Cash expenses related to restructuring at €42m in 1H'07

- €22m related to pre-spin off items
- €20m related to new restructuring initiatives announced post spin off

Full EBITDA impact in 2009: ~€100m

Tax situation

Specificity of our tax situation in France

- High level of restructuring charges
- Tax losses
- Deferred taxes not recognized yet

Define a tax rate based on recurring operating income (ROI)

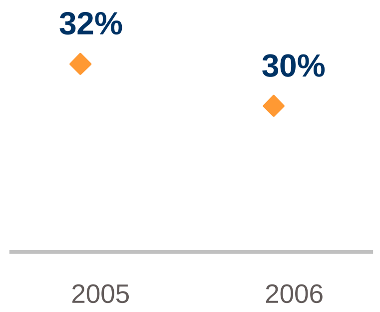
- Geographical spread of profit: average around 36.5% of ROI
- Non-operating expenses are tax deductible and represent 15 to 20% of ROI

Tax expenses = 30% of ROI

1H'07 rate below guidance

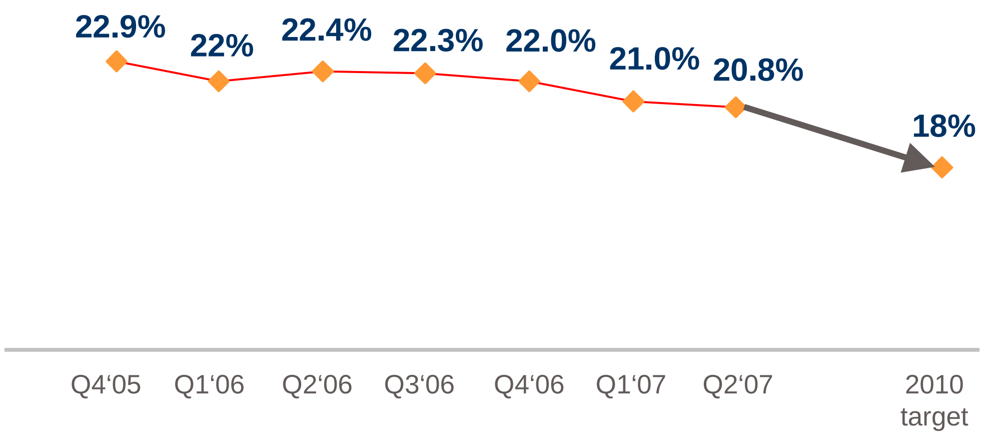
- Impact of restructuring expenses outside France
- French tax group

Taxes as a % of recurring operating income

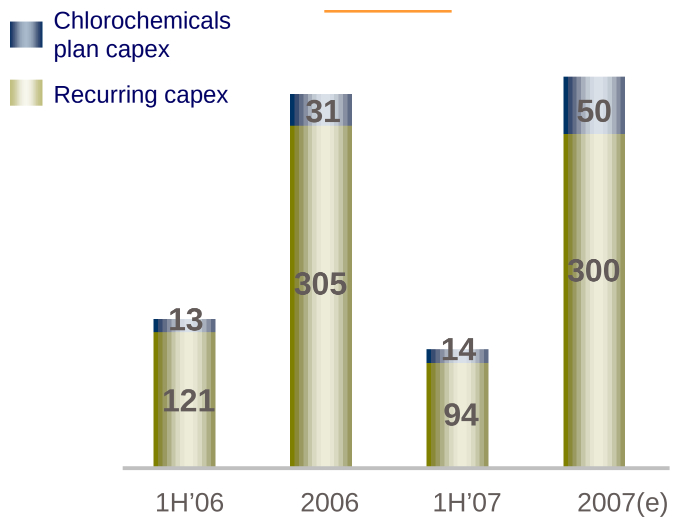


Working capital and CAPEX in line with guidance

Working capital as % of sales*



Capex (€m)

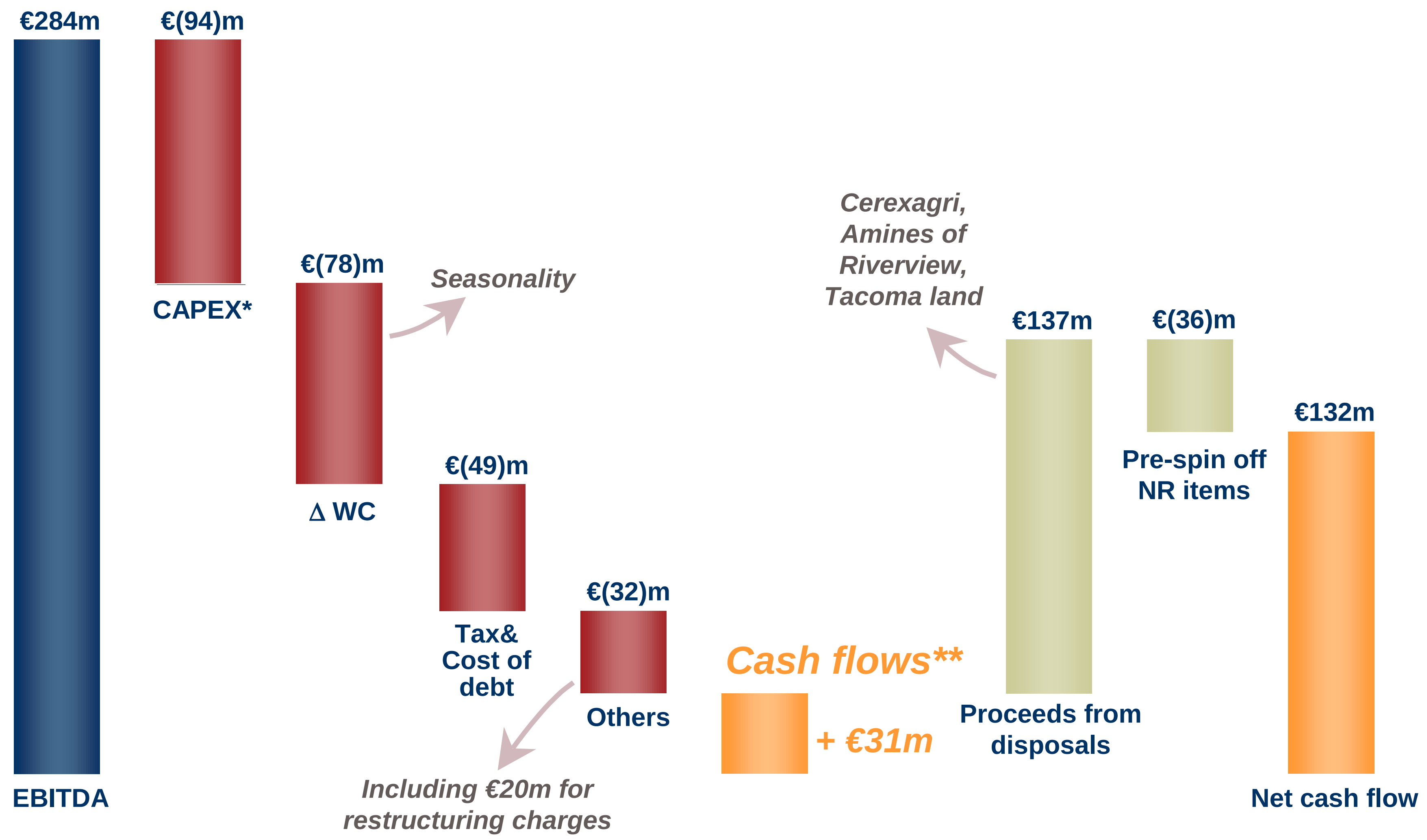


- **First improvements**
  - Reduction of overdues
  - Reduction of "sleeping inventory"
  - Optimization of spare parts
- **Mid-term actions**
  - Reduction of DSO
  - Lower level of inventories sustained by better production reliability
- **Variable part of management compensation partly linked to WC improvement**

- **€300m capex per year on average**
- **50% of capex dedicated to growth and productivity projects**
- **Capex for chlorochemicals plan (€100m) included in NR pre-spin off items**
- **>€50m capex in Asia in average for the next three years**

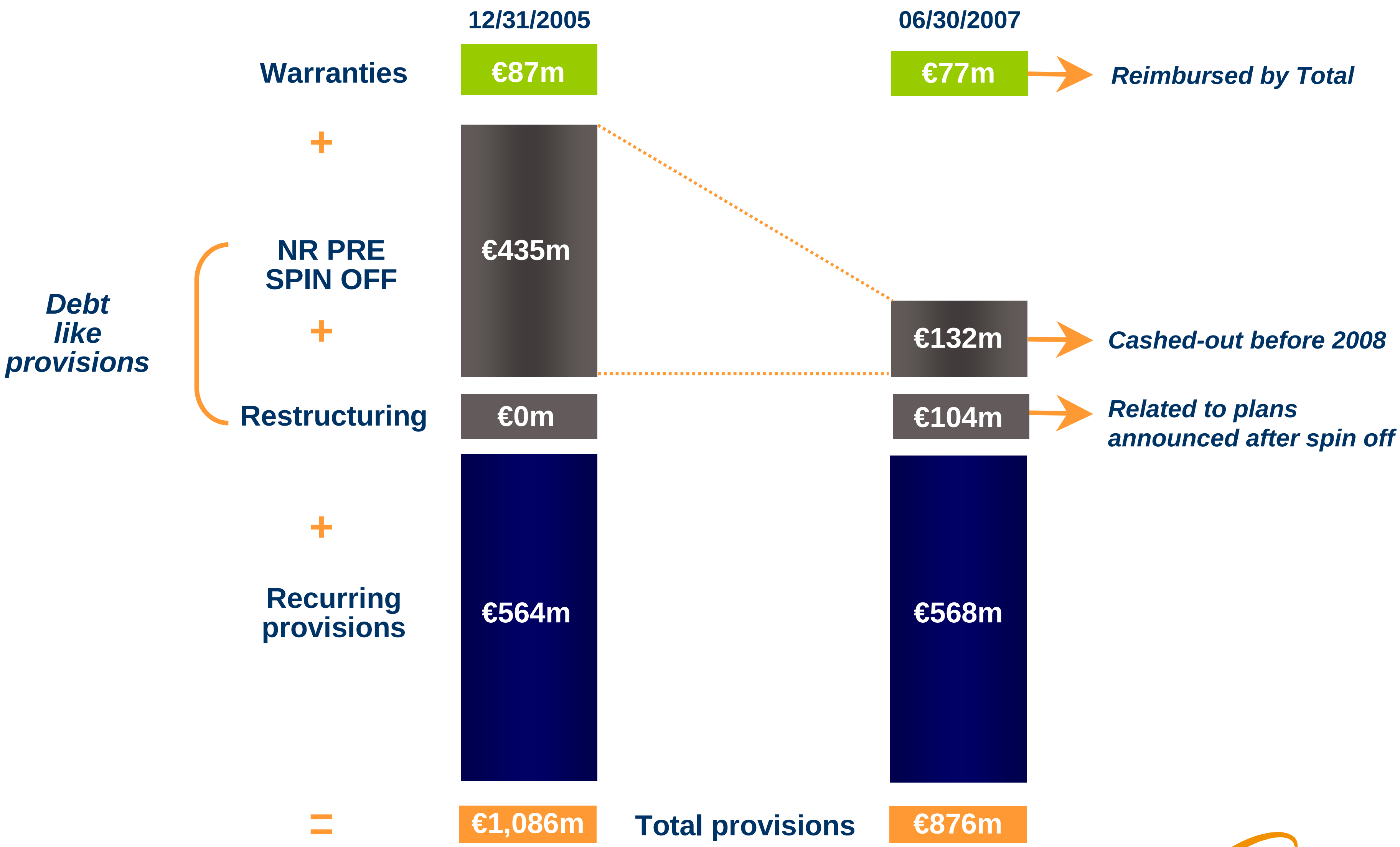
** Calculated as working capital end of period divided by 4*quarterly sales*

A positive cash flow



* Excluding capex related to Vinyl Products restructuring plan (included in pre-spin off NR items)
** Calculated as cash flows before pre-spin off NR items and portfolio management

€236m debt like provisions end of June 2007



Recurring provisions around €550m

Social

- **Retirees kept by Total**
- **Defined benefit supplementary pensions:**

  France: close in 1973

  Germany: close in 2002

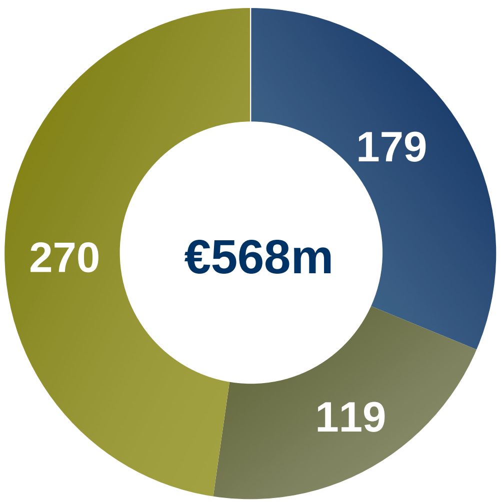
  US: close to new entrant in 2007 and to employees younger than 50 years old in 2008

- **Provision split**

Pensions:	€173m	France:	65%
Other benefits:	€97m	US:	12%
		Germany:	21%

- **EBITDA impact: €25m (service costs)**
- **Cash outflows: €24m**

Recurring provisions 06/30/2007



Others

Long service awards…

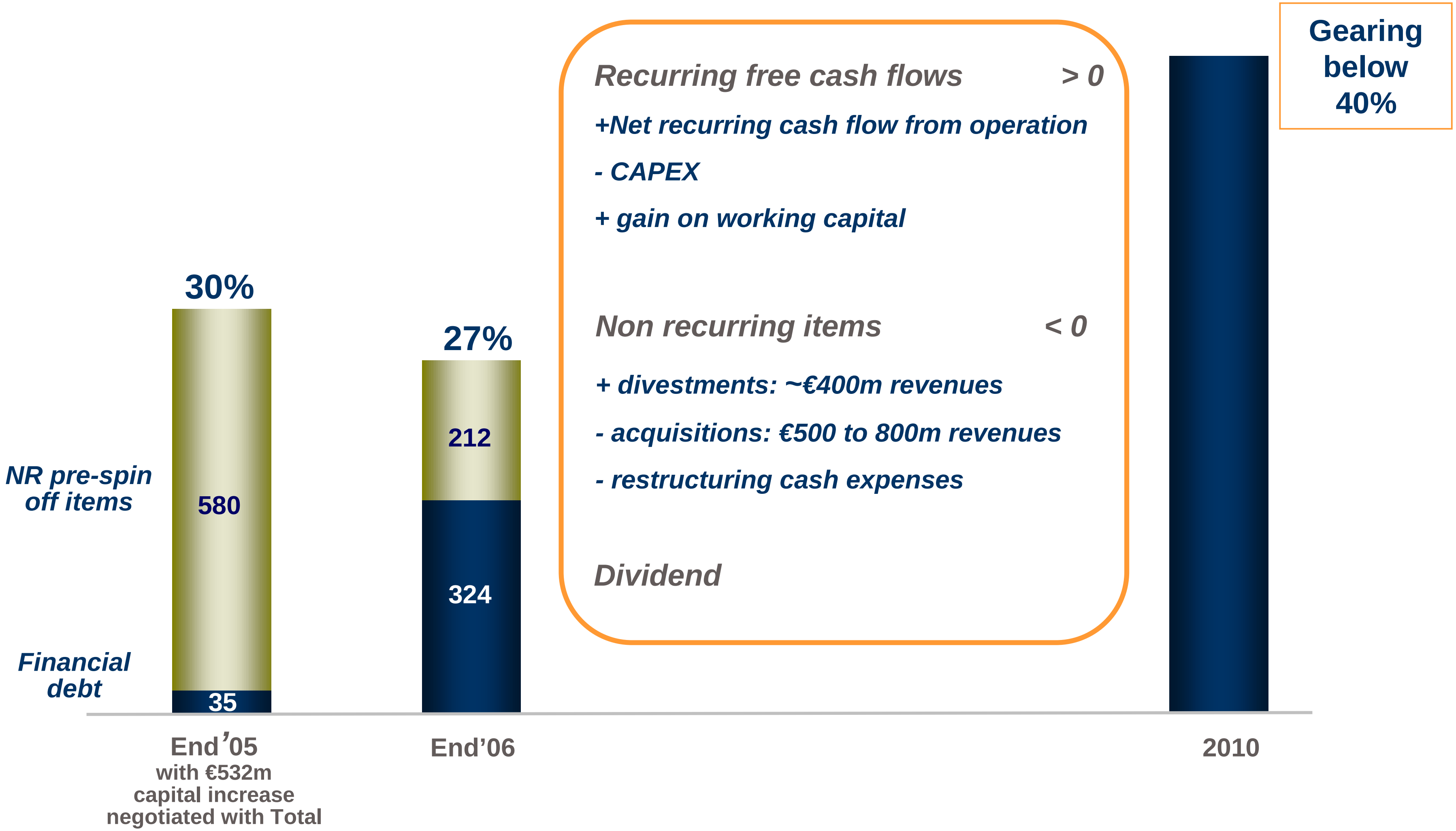
Booked in EBITDA

Environment

Related to active sites

Cash-out per year around €5-10m

A strict allocation of cash



Keep a sound balance sheet

ARKEMA

Conclusion

- **Strong performance above targets reflecting Arkema's transformation**
- **Very selective use of cash for projects with high returns (restructuring and growth projects, acquisitions)**
- **Maintain a sound balance sheet**
- **Confident in our 2010 financial targets**
  - 12% EBITDA margin
  - Working capital at 18% of sales
  - Gearing at 40%