



INVESTOR 2012 DAY

PARIS, FRANCE
SEPTEMBER 18, 2012

ARKEMA
INNOVATIVE CHEMISTRY

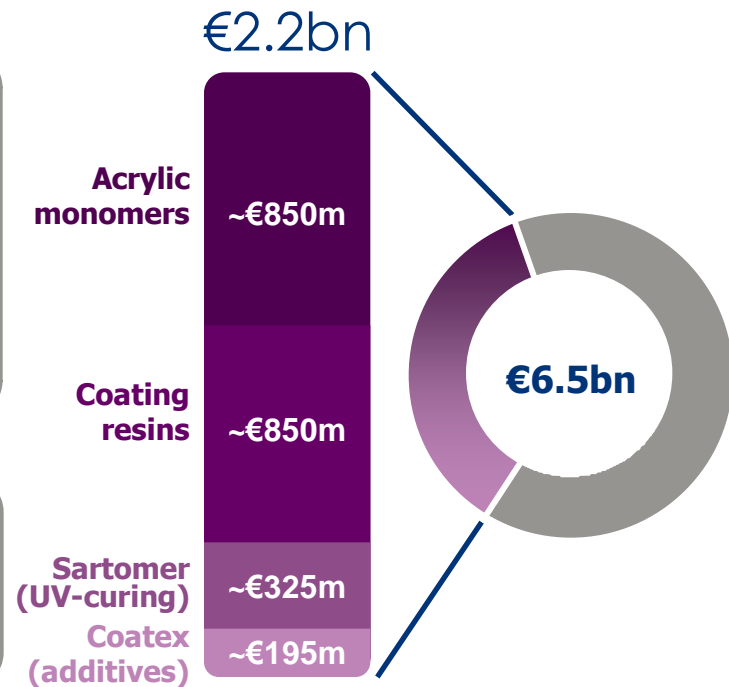
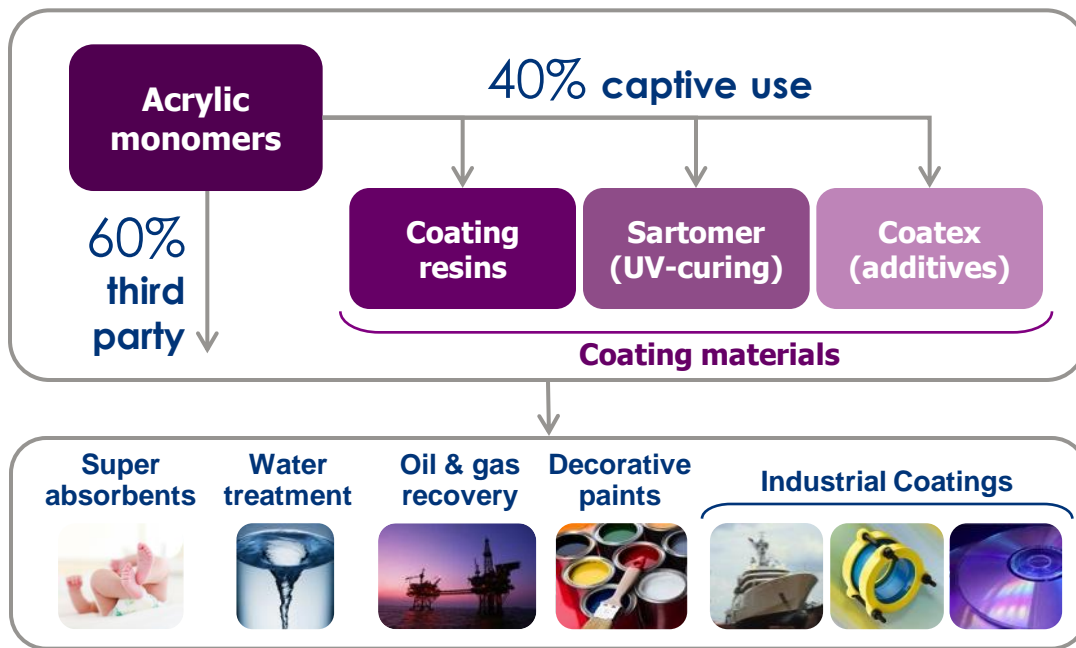
INVESTOR
2012 **DAY**

Coating Solutions **segment**

Marc SCHULLER
Executive VP

ARKEMA
INNOVATIVE CHEMISTRY

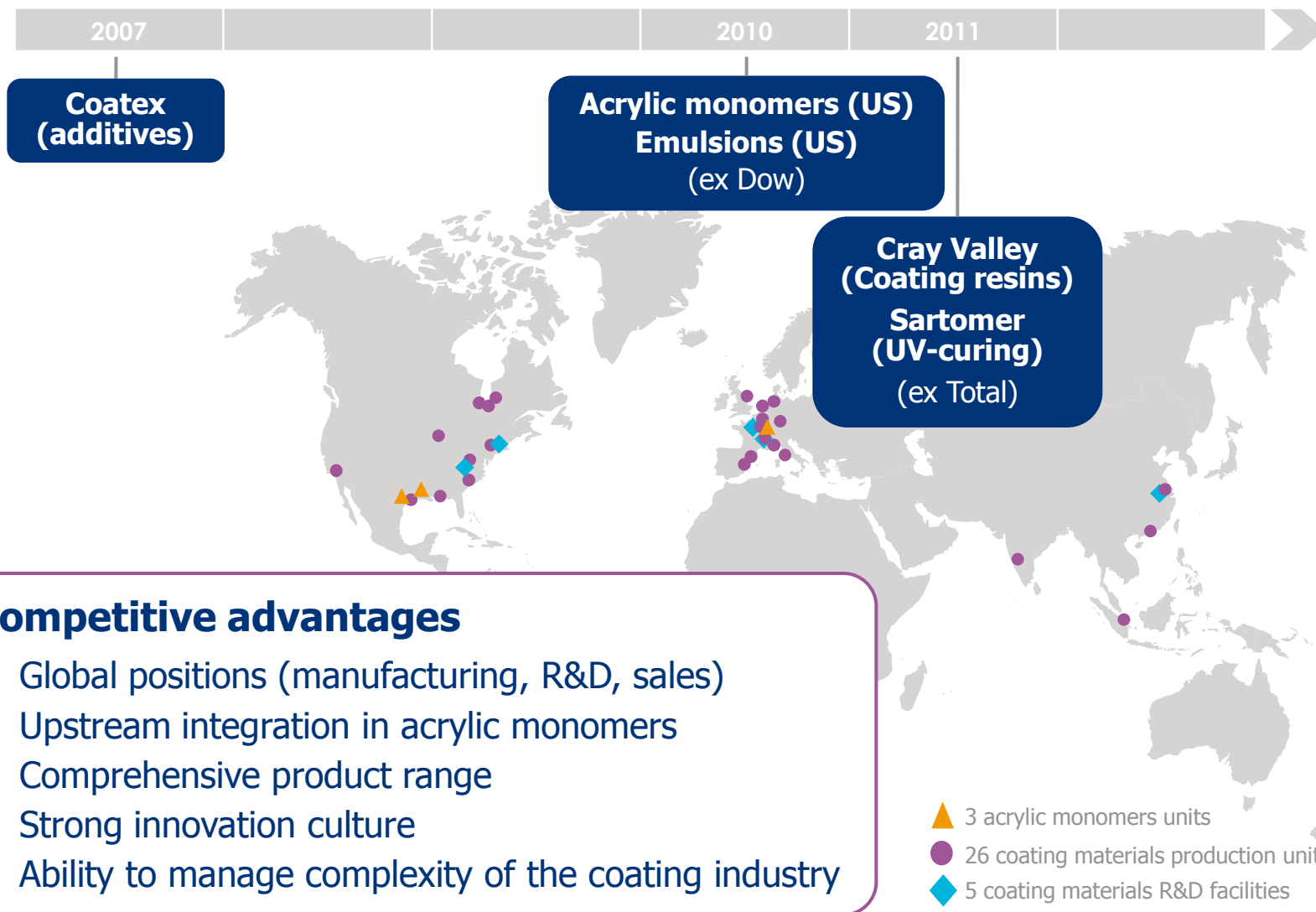
Coating Solutions segment



Key growth drivers

- Super-absorbents: baby diapers in Asia, ageing population in mature markets
- Water treatment: access to drinkable water and treatment of effluents
- Oil & Gas: enhanced recovery of oil
- Coatings:
 - low VOC products
 - high growth countries
 - expected rebound in housing in North America

A segment developed through strategic acquisitions



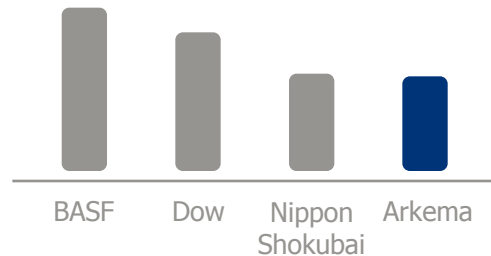
Acrylic monomers

#4 worldwide

Market size: 4.2 MT

Main competitors:

- BASF
- Dow
- Nippon Shokubai



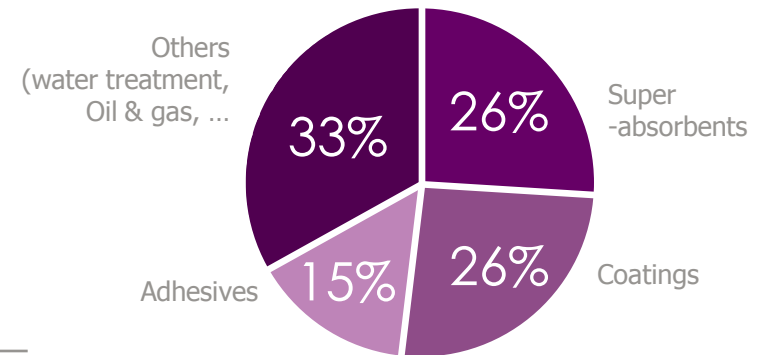
Major “building block” for a wide range of applications

Internal sales to downstream businesses (mainly coatings)

Third party sales: strong partnerships with industry leaders in higher growth applications

Market expected to remain fairly balanced for the coming years

Demand by end markets



Expected growth
4% /year

Acrylic monomers projects

➤ **US\$110m capex program in Clear Lake and Bayport (US)**

- Acrylic acid capacity increase in Clear Lake (+30 kT)
- New acrylic esters units in Clear Lake (MA – 2Q'13) and Bayport (2EHA – 2Q'12)
- Process optimization

➤ **Acrylic esters units for higher growth markets in Carling (France)**

- ADAME™ for water treatment (2Q'12)

➤ **Long term thoughts in Asia to establish a world-scale industrial footprint**

➤ **New process development and operational improvements**

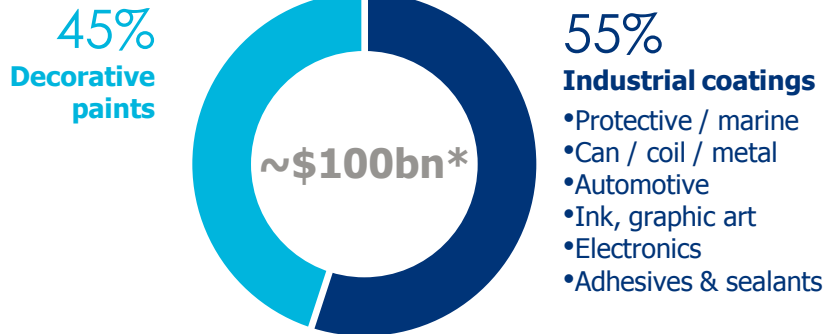
- Ensure top quartile manufacturing performance (potential of improvement on variable costs)
- Bio-based process development: acrylic acid from glycerol

Acrylic monomers
in Clear Lake / Bayport



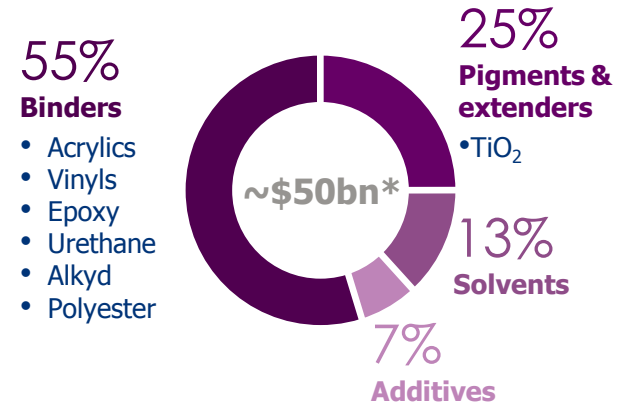
Coating materials businesses

Coatings market

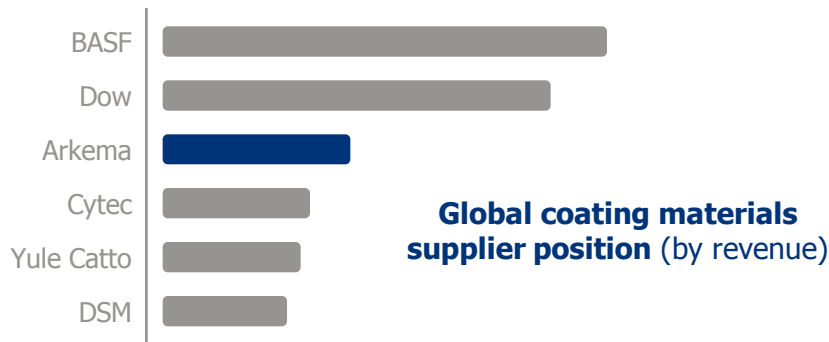


* Industry sources

Coating materials market



- Arkema: #3 worldwide
- Coating materials market size ~ \$50bn
- Main competitors



Expected growth

Coating resins
3% /year

UV- curing
6% /year

A comprehensive offer of coating materials to cover all market segments

ARKEMA'S TECHNOLOGIES	DECORATIVE PAINTS		INDUSTRIAL COATINGS				
	PROTECTIVE / MARINE	CAN / COIL / METAL	AUTOMOTIVE	INK / GRAPHIC ARTS	OPTO-ELECTRONICS	ADHESIVES & SEALANTS	
Emulsions	●			●	●		●
Alkyd resins	●	●		●	●		
Acrylic resins		●	●	●	●		
Polyester resins		●	●	●	●		●
Powder resins		●	●	●			
UV-curing resins		●			●	●	●
Additives	●	●	●	●	●		●

Well positioned to serve key coating players

Arkema is now a top tier supplier to the global coating market

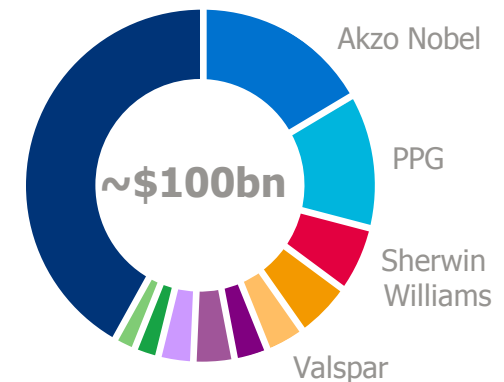
Coating producers profile

- Top 10 customers represent 60% market share today
- Big customers are getting bigger

Coating producers needs

- Suppliers who can reduce complexity and risk and can innovate will be preferred

Coating market
(industry source)



Arkema can efficiently address customer's complexity

- Deliver a solution globally from local production sites in main regions
- Offer a sustainable solution
- Innovate through a wide range of ingredients

Strategic lines of the Coating Solutions segment

➤ Further strengthen downstream integration of acrylic monomers

- Greater earning stability
- From 40% in 2012 to 45% by 2016 and 50% by 2020

➤ Improve profitability

- Operational efficiencies: simplify and optimize organization
- Improve mix of products and end-markets

➤ Accelerate business development

- Long term partnerships with industry leaders
- Geographic expansion in growing economies
- Innovation in eco-friendly solutions

➤ Take advantage of expected decorative paint market recovery

Improve profitability

Operational efficiencies: simplify and optimize organization

- Complete organizational synergies identified during acquisition process (manufacturing, SG & A)
- Gain efficiency by streamlining product line
- Capture growth synergies
 - cross-selling of products and between regions
 - improved innovation

Improve mix of products and end-markets: develop high value applications adjacent to traditional core end-markets

- Pressure sensitive adhesives
- Roof coatings
- Construction (mortar, skim coats, etc)
- Cosmetic (Coatex)
- Jet technologies, sealants (Sartomer)

15% EBITDA margin for Coating Solutions segment by 2016

Geographic expansion in growing economies

Organic growth

Sartomer

China (2008)



Coatex

China (2011)



Coating resins

Malaysia (1Q'12)



Coating resins

China (end 2012)

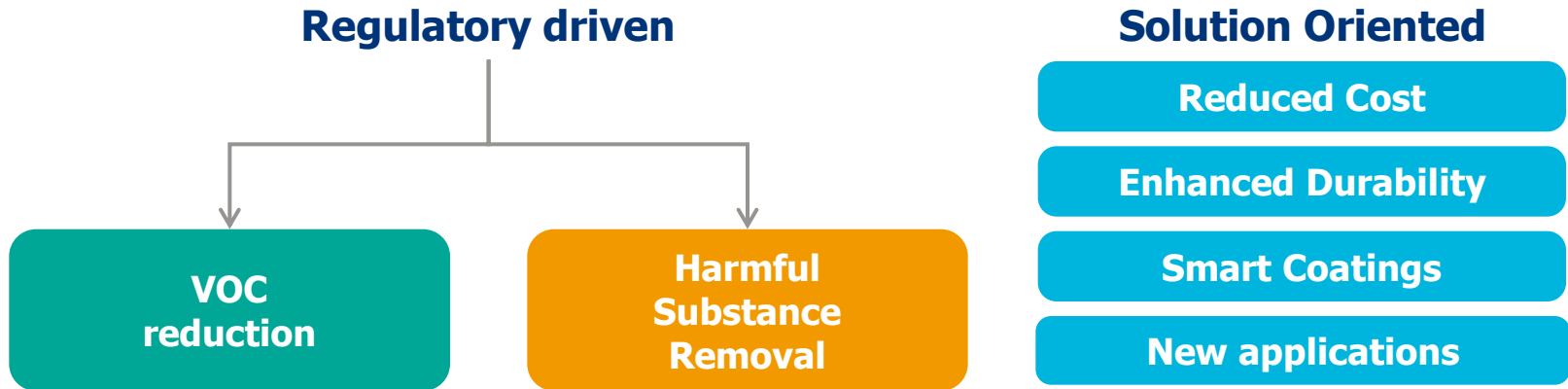


Bolt on acquisitions

- Acrylic specialties (Coatex, acrylic emulsions):
 - Acquisition of one production site in Brasil from Resicryl (emulsions and additives)

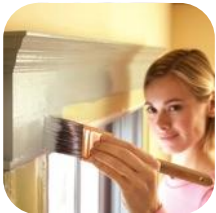
Bring innovative eco-friendly solutions to customers

Address megatrends in coating market



Innovation examples

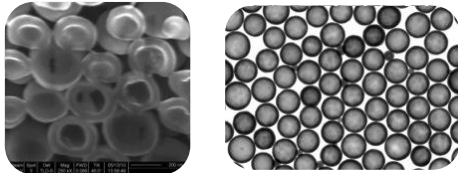
SNAP
BY ARKEMA



Ultra low VOC coating

BUMPERTechnology
BY ARKEMA

CELOCOR
BY ARKEMA



Optimize TiO₂ use for lower system cost

SARTOMER
ARKEMA GROUP

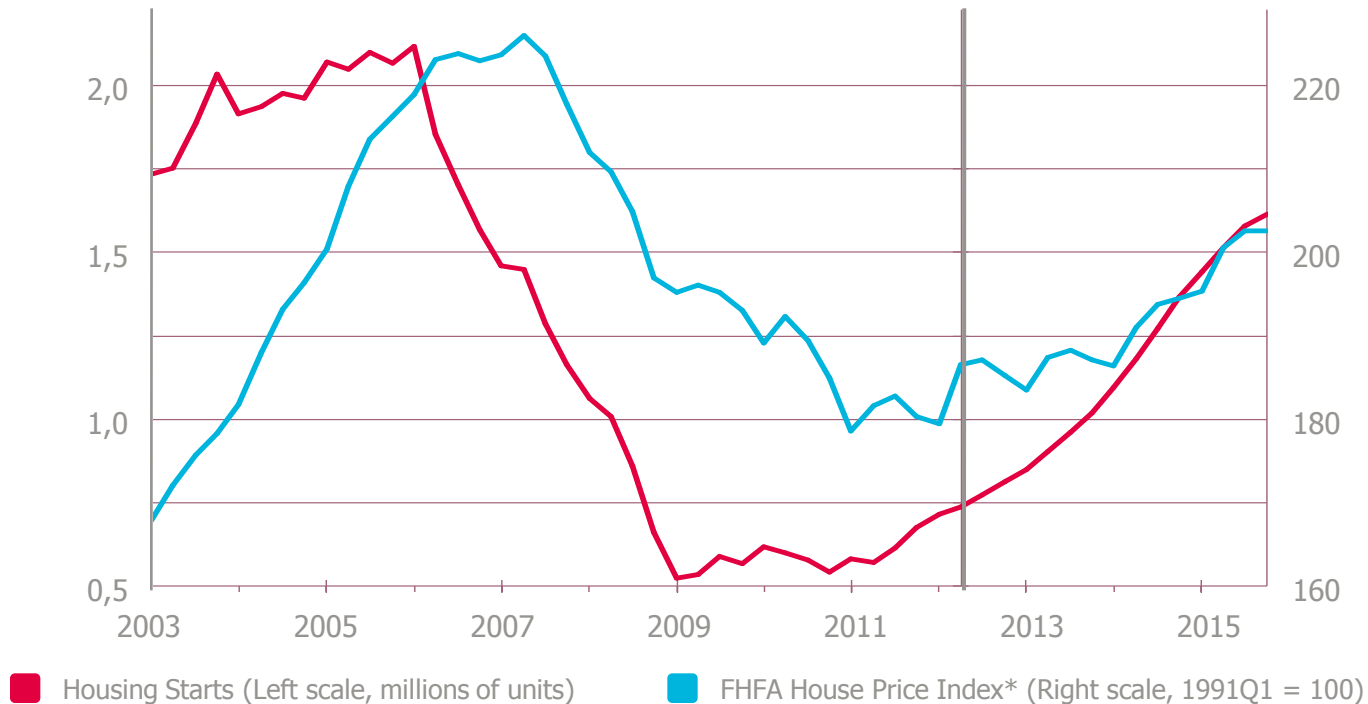
Ink jet printing



New applications

Take advantage of expected market recovery in decorative paints in North America

Assumption for housing market development



Well positioned to capture expected growth

- #2 in North America

Source: Ihs inc.

Coating Solutions key take-aways

- Strong base of acrylic monomers, major “building block” for coating materials and other growth applications
- Comprehensive offer of solutions for decorative paints and industrial coatings
- Ability to manage complexity of the coating industry with global presence, broad-range of technologies and strong green innovation
- Growth driven by long-term global trends in the coating markets, expected mid-term recovery of decorative paints and niche acrylic applications
- Strong focus on specialties for high-value applications
- Generate cash in mature markets and invest in growing economies

#3



Decorative
paints



Industrial
coatings



Super
absorbent



Water
treatment



Oil & gas
recovery

+3.5%

CAGR 2012-2016

Disclaimer

The information disclosed in this document may contain forward-looking statements with respect to the financial condition, results of operations, business and strategy of Arkema. Such statements are based on management's current views and assumptions that could ultimately prove inaccurate and are subject to risk factors such as among others, changes in raw material prices, currency fluctuations, implementation pace of cost-reduction projects and changes in general economic and business conditions.

Arkema does not assume any liability to update such forward-looking statements whether as a result of any new information or any unexpected event or otherwise. Further information on factors which could affect Arkema's financial results is provided in the documents filed with the French Autorité des Marchés Financiers.

Financial information for 2011, 2010, 2009, 2008, 2007, 2006 and 2005 is extracted from the consolidated financial statements of Arkema. Quarterly financial information is not audited.

The business segment information is presented in accordance with Arkema's internal reporting system used by the management.

The definition of the main performance indicators used can be found in the reference document filed with the French Autorité des Marchés Financiers and available on www.finance.arkema.com