



COATING SOLUTIONS

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Executive Vice-President

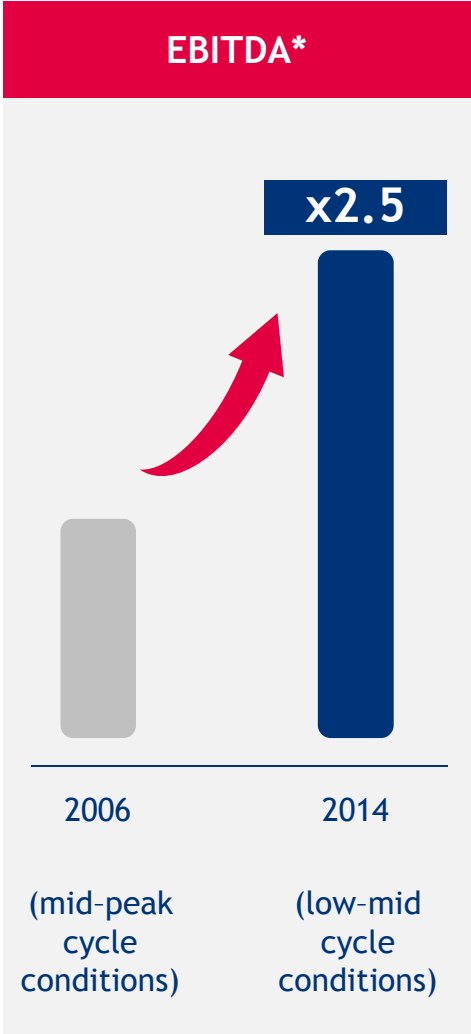
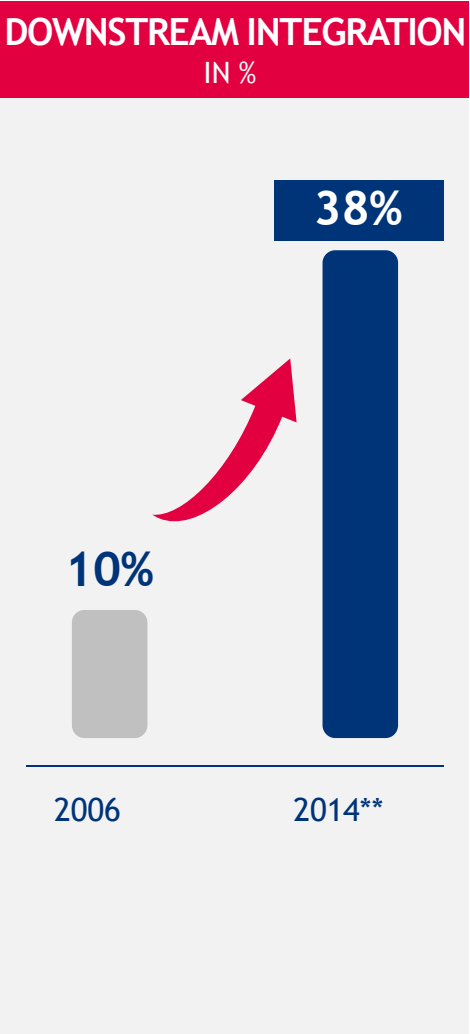
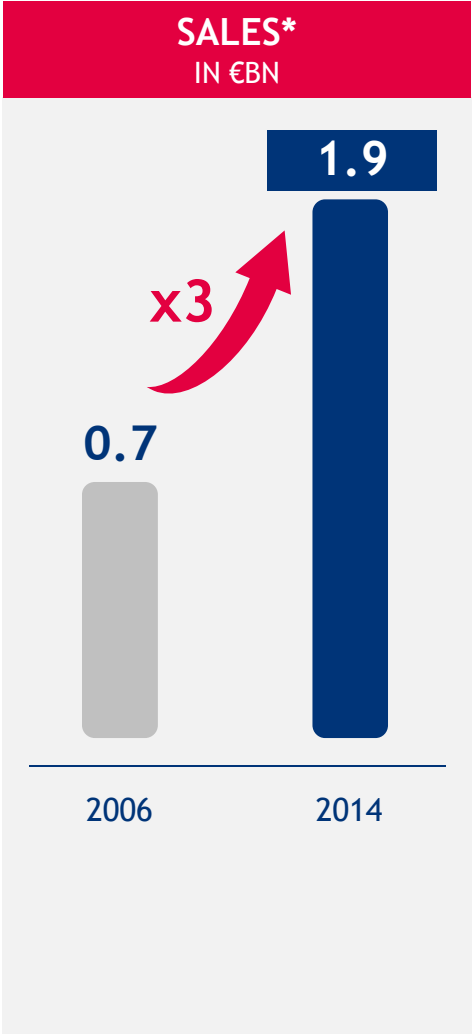
Industrial Specialties and Coating Solutions

ARKEMA
INNOVATIVE CHEMISTRY

A FULL GLOBAL AND INTEGRATED ACRYLIC VALUE CHAIN BUILT OVER THE PAST 10 YEARS



KEY ACHIEVEMENTS IN COATING SOLUTIONS



* Sales and EBITDA using new reporting
 ** Including Sunke for one 160 kt / year line of acrylic acid

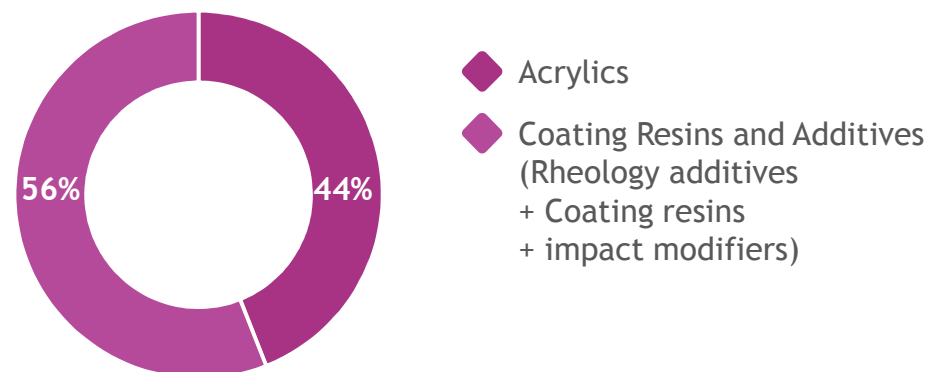
COATING SOLUTIONS AT A GLANCE

2014 KEY FIGURES*

IN €M

Sales	1,930
EBITDA	203
EBITDA margin	10.5%
EBIT	111
Capex	86

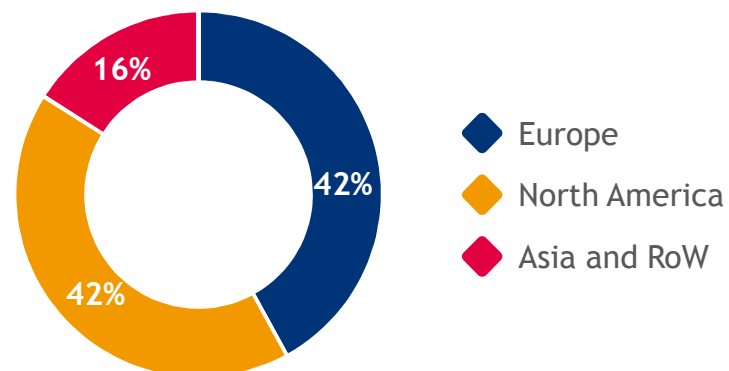
2014 SALES BY BUSINESS UNIT*



KEY SUCCESS FACTORS

- ▶ Leading positions (#3 in monomers, #3 in coating resins)
- ▶ Proprietary technology developed over years
- ▶ Global footprint
- ▶ Competitive world-scale units in acrylic monomers
- ▶ Solid downstream integration
- ▶ Comprehensive product range for the coating markets

2014 SALES BY REGION*



* Sales using new reporting

COATING SOLUTIONS STRATEGY

INCREASE THE RESILIENCE OF OUR ACRYLICS VALUE CHAIN

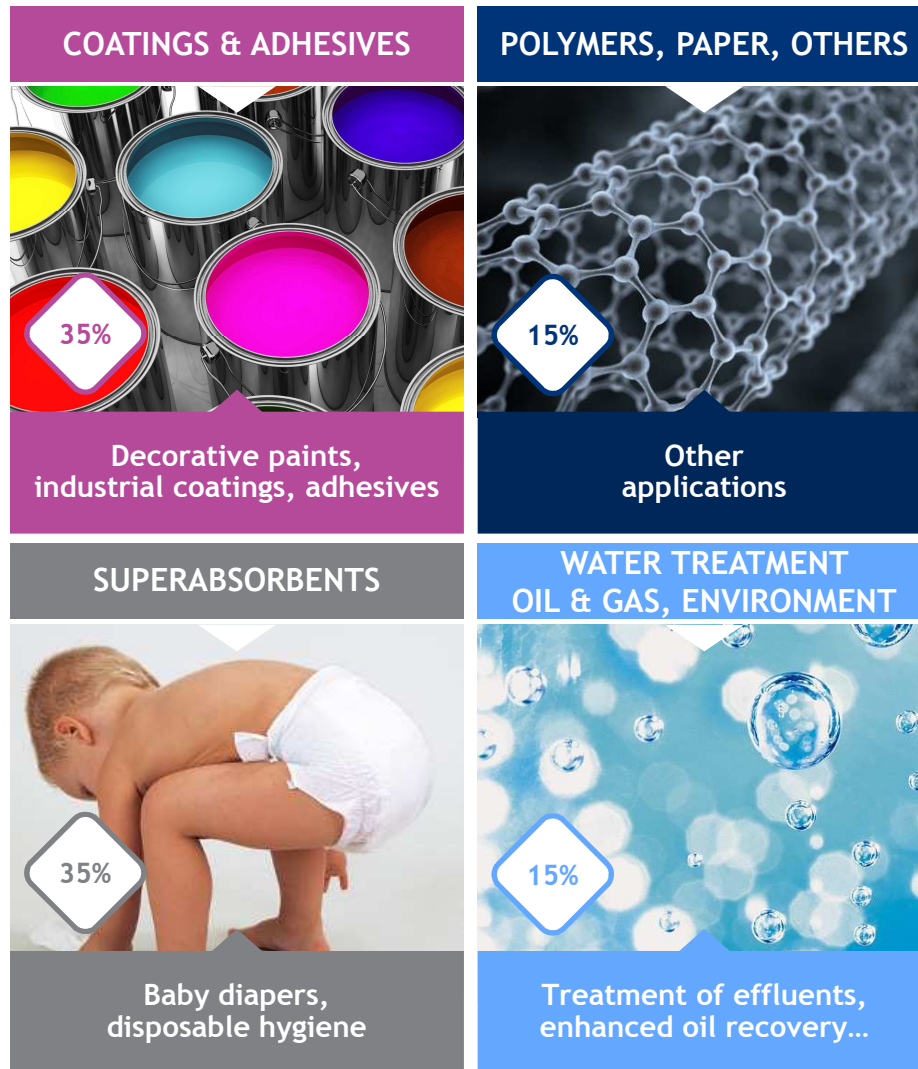
**Very competitive
monomer base
through**

Technology leadership
Operational excellence
Successful integration
of Sunke's assets

**Reinforce
acrylic monomers
downstream
through**

Partnerships
Geographic expansions
Innovation
Bolt-on acquisitions

ATTRACTIVE END-MARKETS SUPPORTED BY STRUCTURAL LONG-TERM GROWTH DRIVERS



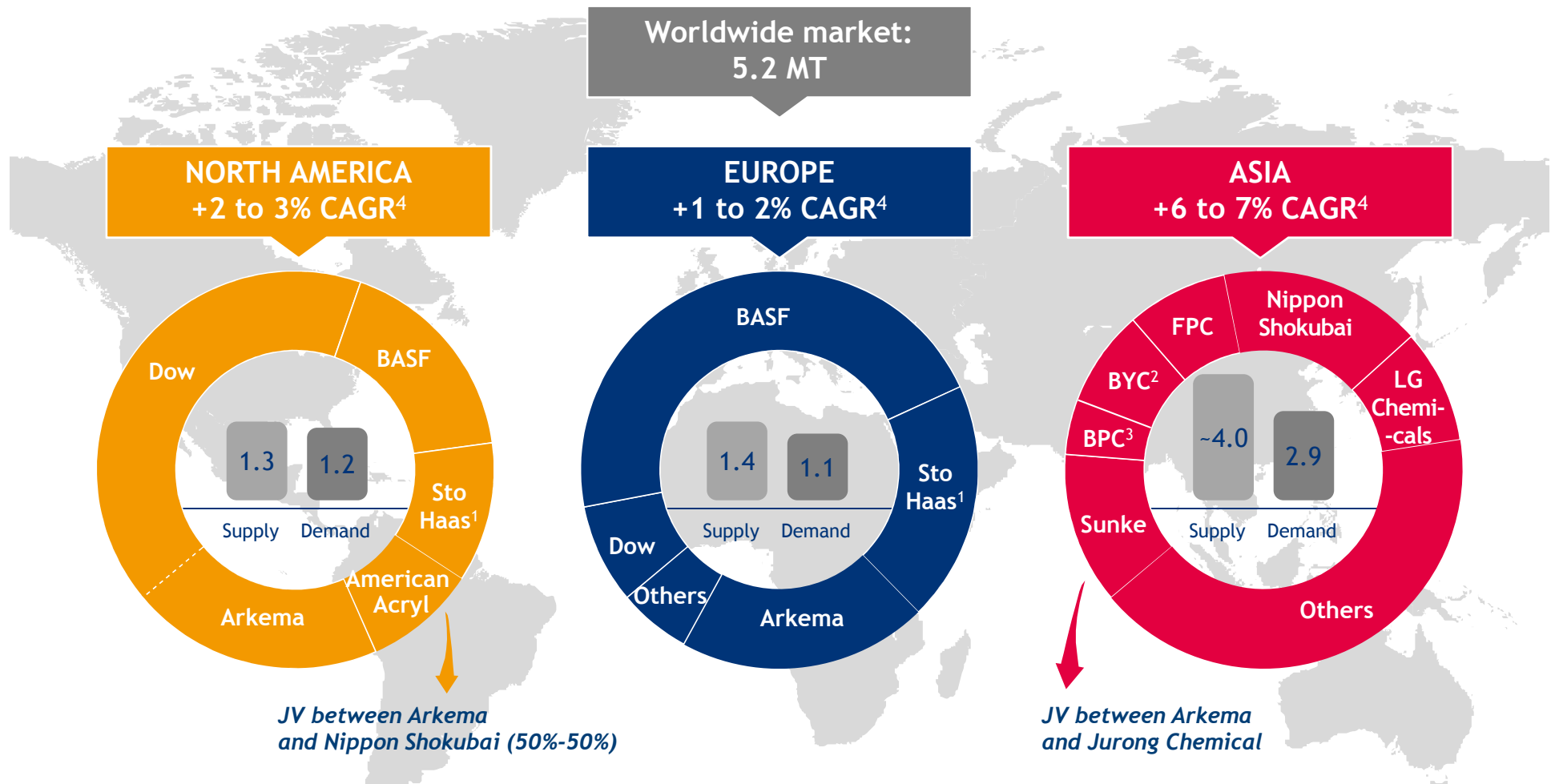
 % of global demand for acrylic monomers

Major growth drivers

- ▶ Increasing standards of living, notably in Asia
- ▶ Industrialization (water treatment, adhesives...)
- ▶ Natural resource constraints
- ▶ Emergence of Asia as an industrial leader with superior growth
- ▶ Increasing need for high performance solutions (low VOC products, engineering polymers...)

Expected growth: 4 to 5% CAGR

ACRYLIC MONOMERS: A WORLDWIDE MARKET WITH REGIONAL SUPPLY DEMAND BALANCE



CURRENT: LOW-CYCLE CONDITIONS CONFIRM EXPECTATION OF MID-CYCLE CONDITIONS IN 2017

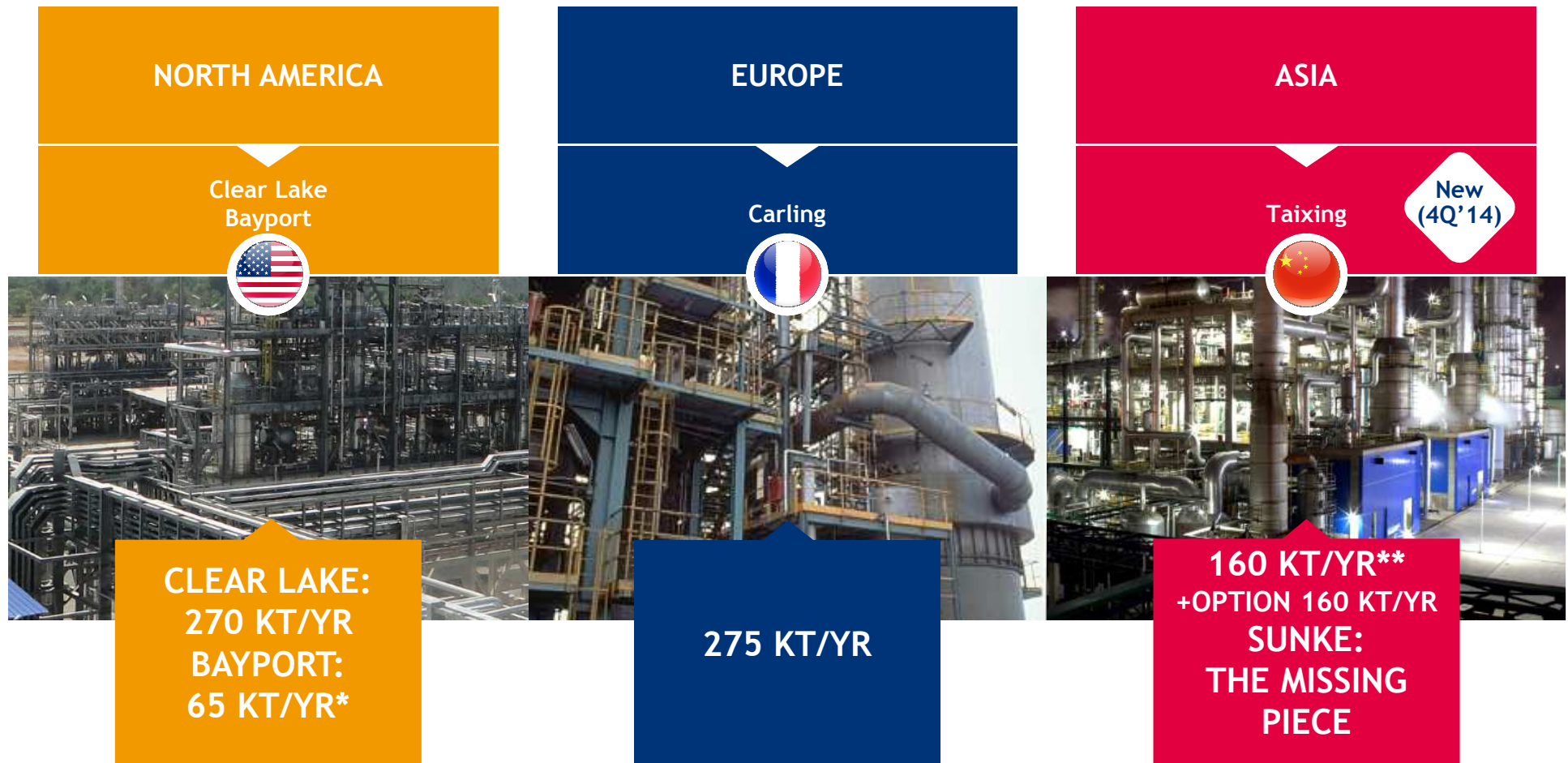
¹ JV 50/50 Evonik / Dow

² JV 50/50 BASF / Sinopec

³ JV 60/40 BASF / Petronas

⁴ Source: CMAI, IHS and company data, 2015 estimates

A GLOBAL COMPETITIVE FOOTPRINT NOW WELL IN PLACE



* American Acryl: 50%-50% JV between Nippon Shokubai and Arkema with a total 130k t/yr production capacity

** JV between Arkema and Jurong Chemical

MAINTAIN STRONG EMPHASIS ON OPERATIONAL EXCELLENCE



TOP QUARTILE MANUFACTURING BASE IN MONOMERS

- ▶ Competitive upgrade of assets
 - Clear Lake (US): US\$110 m investment plan finalized mid-2014 with some capacity expansions (acrylic acid, methyl acrylate, 2EHA) and implementation of manufacturing best practices (process efficiency, yields and logistics)
 - Carling (Fr): transformation of the site after the shutdown of MMA operations and in anticipation of Total's cracker shutdown
- ▶ Competitive access to raw materials
 - LT agreement for the supply of propylene from PDH signed in the US with Enterprise Products Partners L.P. with expected benefits from mid-2016
- ▶ Implementation of best practices and enhanced process technologies
 - Permanent cost optimization: new catalysts, energy reduction programs, process optimization ...
 - New process to be step by step implemented in units

OPTIMIZED COST STRUCTURE IN COATING RESINS

- ▶ Several cost optimization initiatives in Europe and in the US
 - Shutdown of Stallingborough (UK), Villers-Saint-Paul (Fr)

SUCCESSFULLY INTEGRATE AND RAMP UP SUNKE'S ASSETS



A COMPETITIVE COST BASE

- ▶ Good quality of assets:
 - In line with our expectations
 - Limited additional capex required over coming years
 - ▶ Very good cost position
 - One of the largest site worldwide: 480 kt/year
 - Positive benchmark of the site in terms of yields
 - ▶ Good ramp-up of volumes in line with our plans
 - Positive feedback from customers
- A very solid base to further build on

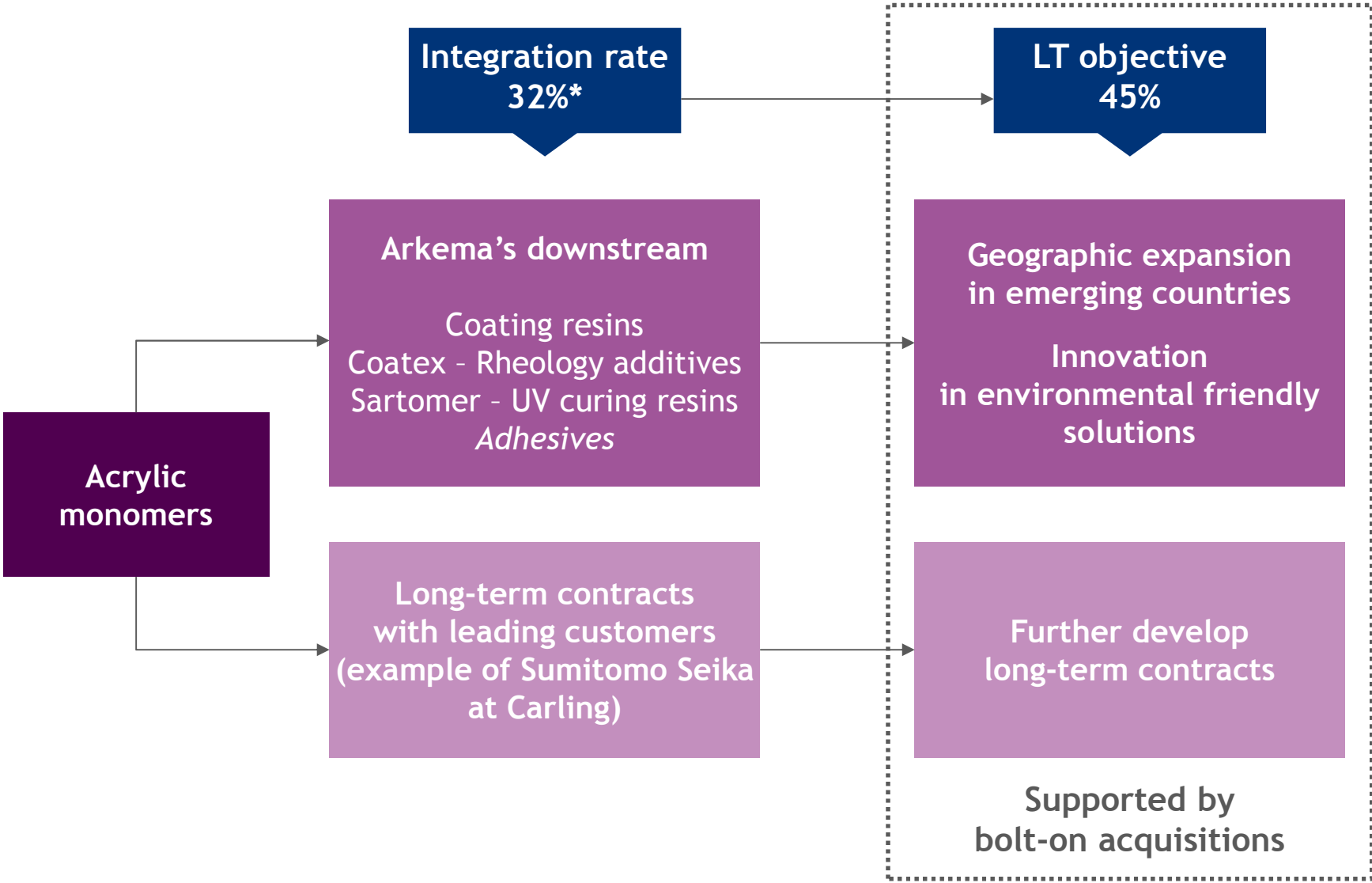
ESTABLISHING A SOLID CUSTOMER BASE

- ▶ Leverage Arkema's expertise of the acrylics merchant market to develop commercial longer-term partnerships in the region
- ▶ Mitigate cyclicalities

OPTION TO ACQUIRE ADDITIONAL 160 KT / YEAR

- ▶ Base case: exercise the option by January 2016
- ▶ Regular review of global and regional supply and demand balance

REINFORCE DOWNSTREAM INTEGRATION



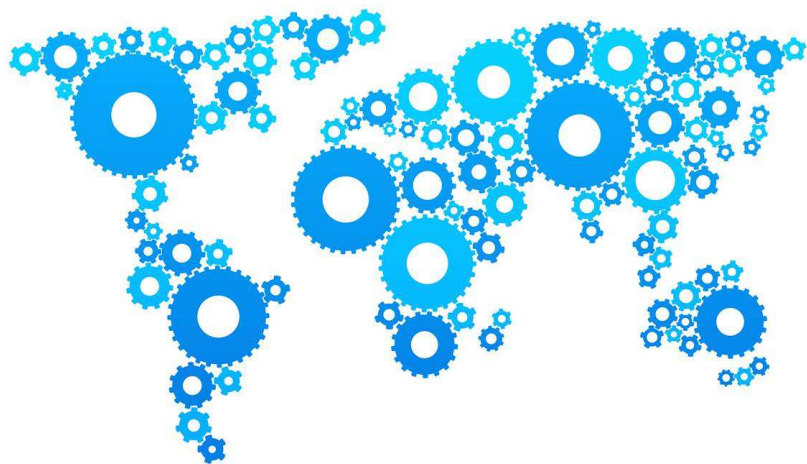
* Proforma 2014 with 2 lines in China

DEVELOPMENTS IN ACRYLICS DOWNSTREAM



ENVIRONMENTAL FRIENDLY SOLUTIONS

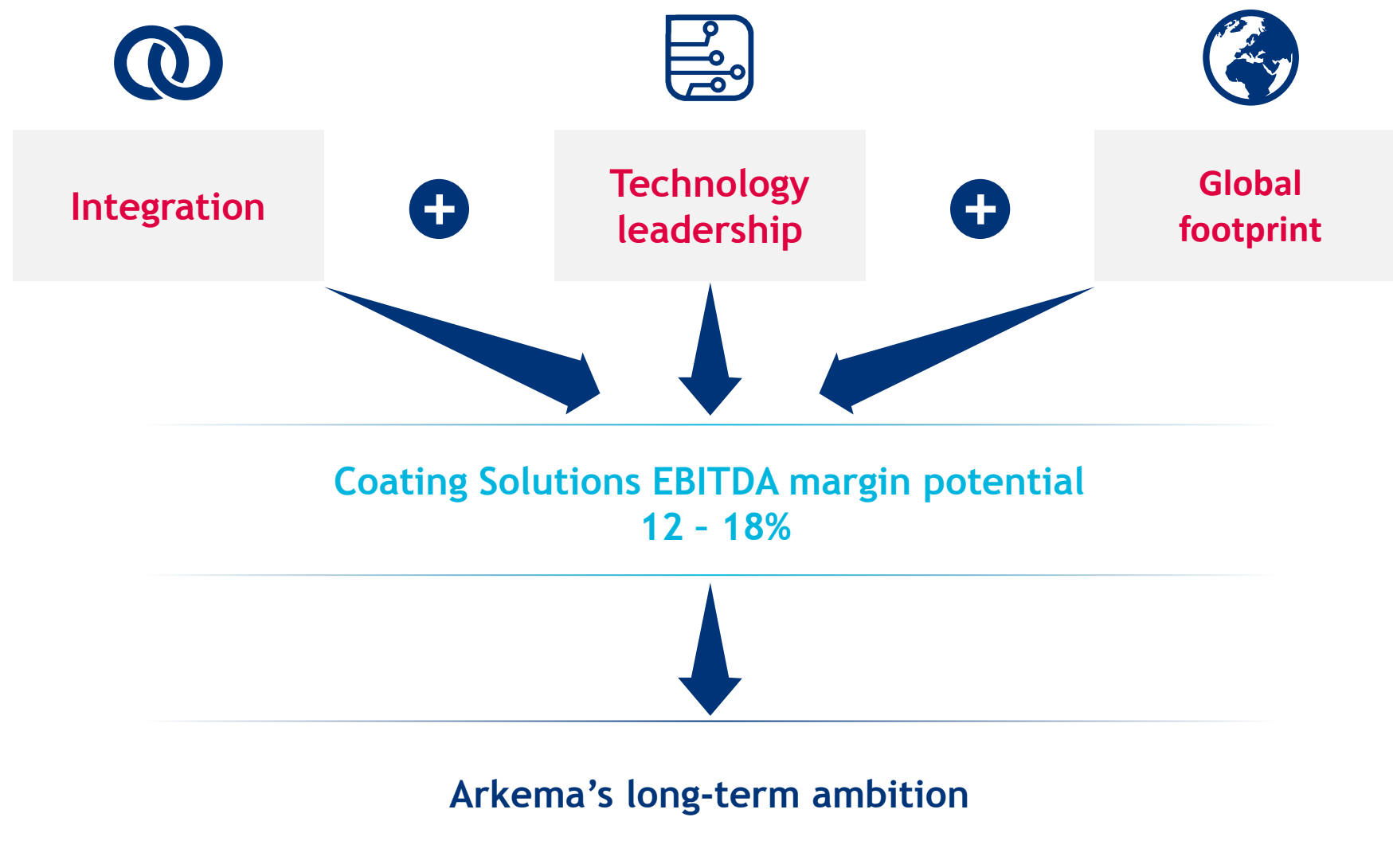
- ▶ Solutions to increasing regulations for VOC reduction
 - SNAP™: Ultra low VOC coatings
 - Powder resins
 - Sartomer's 100% dry content resins
- ▶ Solutions for a safer environment
 - Sartomer's BPA-free oligomers for food packaging inks and coatings



GEOGRAPHIC EXPANSION

- ▶ Start-up of a new resins reactor in Brazil (2015): a much wider product range for the region
- ▶ Opening of a new technical center in Brazil (2014)
- ▶ Start-up of a new acrylics emulsion plant in China (2013)
- ▶ Acquisition of an acrylic additives and emulsions production site in Brazil (2012)

WELL POSITIONED TO SUPPORT GROUP'S LONG TERM AMBITIONS



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 material 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. These risk factors are further developed in the reference document.

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 2015, 2014, 2013, 2012, 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