

INVESTOR AND ANALYST FACTSHEET

	1Q'10 <i>in €m</i>	1Q'09 <i>in €m</i>	1Q'10/ 1Q'09
Sales	1,308	1,092	+19.8%
Vinyl Products	271	257	+5.4%
Industrial Chemicals	661	509	+29.9%
Performance Products	372	323	+15.2%
Corporate			
EBITDA	137	57	x 2.4
Vinyl Products	(8)	2	n.a.
Industrial Chemicals	96	73	+31.5%
Performance Products	54	17	x 3.2
Corporate	(5)	(35)	
EBITDA margin	10.5%	5.2%	
Vinyl Products	(3.0)%	0.8%	
Industrial Chemicals	14.5%	14.3%	
Performance Products	14.5%	5.3%	
Depreciation and amortization	(70)	(69)	+1.4%
Recurring EBIT	67	(12)	n.a.
Vinyl Products	(22)	(10)	n.a.
Industrial Chemicals	62	40	+55.0%
Performance Products	32	(7)	n.a.
Corporate	(5)	(35)	
NR items	(7)	(4)	
Equity in income of affiliates	3	2	
Financial results	(5)	(8)	
Income taxes	(18)	(13)	
Net income - continuing operations	40	(35)	n.a.
Net income - discontinued operations	-	-	
Net income – Group share	40	(35)	n.a.
EPS (diluted)	0.66	(0.58)	n.a.
Adjusted EPS (diluted)	0.68	(0.50)	n.a.
Adjusted net income	41	(30)	n.a.
Capital expenditures (recurring)	50	52	(3.8)%
Vinyl Products	8	12	
Industrial Chemicals	25	22	
Performance Products	17	17	
Net cash flow¹	(51)	65	n.a.
Working capital (vs 12/31)	817	720	+13.5%
WC as % of sales (vs 12/31)	15.6%²	16.2%	
Net debt (vs 12/31)	380	341	+11.4%
Gearing (vs 12/31)	19.8%	18.8%	

¹ Calculated as cash flow from operating activities plus cash flow from investing activities

² Calculated as working capital end of period divided by 4 times quarterly sales

FIRST QUARTER 2010 PERFORMANCE

STRONG RECOVERY IN VOLUMES AND PROFITABILITY

SALES AT € 1,308M VS € 1,092M IN 1Q'09

- +19.6% volumes versus 1Q'09 supported by:
 - Demand recovery in several end-markets
 - Strong demand in Asia
 - Positive trend in North America
 - Steady growth in new energy market
- +5.9% effect of the changes in the scope of business resulting mainly from the integration of the acrylic assets acquired from The Dow Chemical Company on January 25th, 2010.
- Price effect of -4.0% resulting mainly from the impact of caustic soda prices divided by 2 versus 1Q'09 peak.
- Translation effect (FX rate) of -1.7%.

SIGNIFICANT EBITDA GROWTH

- EBITDA x2.4 vs 1Q'09
- Strong recovery in volumes
 - Good demand in several end-markets notably automotive and electronics
 - Sharp increase in demand for high performance polymers especially in Asia
 - Volumes still lower than before the crisis (construction in Europe still weak)
- Overall good resilience of unit margins in Industrial Chemicals and Performance Products
- Positive contribution from acrylic assets purchased from Dow both on monomers and polymers
- Successful developments of new higher-margin products notably in photovoltaic market
- Fixed cost savings in line with FY'10 target of €90m savings (+€40m EBITDA)

VINYL PRODUCTS: SOME IMPROVEMENTS IN OVERALL ADVERSE MARKET CONDITIONS

- Traditional seasonality of the first quarter
 - Adverse weather conditions at the beginning of the year
 - Construction market remaining weak in Europe
- Unit margins at low levels
 - Caustic soda price divided by 2 vs 1Q'09 (slight sequential increase vs 4Q'09)
 - PVC price increases offsetting higher ethylene costs
- Positive contribution from fixed cost savings
- Strong performance of Qatar Vinyl Company supported by Asian demand

INDUSTRIAL CHEMICALS: CONTINUE TO GROW STRONGER

- 14.5% EBITDA margin and +32% EBITDA versus 1Q'09
- +17.5% volumes versus 1Q'09
 - Good momentum in Asia and benefits from growth developments in H₂O₂, fluorogases
 - Improvement in the US
- Successful integration of Dow's acrylic assets
- Acrylic unit margins improving from a low point in 4Q'09
- Strong benefit from Methacrylates restructuring in Europe
- Successful start-up of HFC-125 production unit in Changshu (China) in partnership with Daikin

PERFORMANCE PRODUCTS: BACK TO PRE-CRISIS EBITDA LEVEL

- Record EBITDA margin since spin off at 14.5% despite volumes still below pre-crisis level
- EBITDA x3.2 versus 1Q'09
- Strong rebound in volumes supported by demand in automotive and in Asia
- Increased contribution from innovation (high performance polymers, new energy markets)
- Good resistance of unit margins
- Strong benefit of Geo's organic peroxides acquired early 2009
- Positive impact from fixed cost savings in Technical Polymers and Functional Additives

CASH FLOWS, NET DEBT AND PROVISIONS

- Restructuring outflows : €(18)m
- Recurring capex : €50m in line with FY target of capex below €300m
- Working capital on sales ratio³ at 15.6% at the end of March 2010 in line with FY target of working capital on sales ratio at around 16%
- Net debt at 1x EBITDA⁴

OUTLOOK:

- 2Q'10 outlook
 - 1Q'10 market conditions expected to continue in 2Q'10
 - Stronger seasonality in Coatings, Fluorochemicals and Specialty Chemicals
 - Tightness in acrylic monomers expected to continue in 2Q'10
 - 2Q'10 EBITDA will be above 1Q'10 level
- 2010 outlook
 - Confidence in Arkema's ability to generate in 2010 an EBITDA very significantly above 2009
 - In a still volatile economic environment, continue to focus on cost reductions and cash flow management
 - Maintain priority on growth in Asia, high performance polymers and bolt-on acquisitions

1Q'10 HIGHLIGHTS:

- Closing of the acquisition on January 25th, 2010, and integration of some North American acrylic assets from The Dow Chemical Company.
 - Arkema is now #3 worldwide and #2 in the US acrylic monomer producer. The Clear Lake (Texas) acrylic monomer site is integrated within the Acrylics BU.
 - The UCAR[®] Emulsion Systems specialty latex business forms a new BU called "Emulsion Systems".
 - Comprehensive product offering to the Coating market (Emulsion systems – Coatex - Kynar[®])

POST BALANCE SHEET EVENTS:

- Successful start-up of the fluorogas HFC-125 world-scale production plant built on the Changshu site, China, in partnership with Daikin.
- Share capital increase reserved for Arkema employees achieved in April 2010. 824,424 shares subscribed at a price of 20.63 € per share representing a total amount of €17 million.

³ Calculated as working capital end of period divided by 4 times quarterly sales

⁴ EBITDA over 12 previous months