

Colombes, January 22<sup>nd</sup> 2008

## Description of the share buy-back program

Shareholders at the Combined General Meeting held on June 5<sup>th</sup> 2007 approved resolution seven authorizing the Board of Directors to implement a share buy-back program.

Arkema's Board of Directors, which met on January 17<sup>th</sup> 2007, decided to implement this program with a maximum purchase price of €50 per share and a maximum number of shares that may be purchased limited to 3% of the share capital.

The purchased shares could in particular be allocated to cover the implementation of any stock option plans and the allotment of free shares to employees or executive officers of the company or its group.

Weekly updates of the transactions carried out under the program will be available on the website [www.finance.arkema.com](http://www.finance.arkema.com).

*A global chemical player, Arkema consists of 3 coherent and related business segments: Vinyl Products, Industrial Chemicals, and Performance Products. Present in over 40 countries with 17,000 employees, Arkema achieves sales of 5.7 billion euros. With its 6 research centers in France, the United States and Japan, and internationally recognized brands, Arkema holds leadership positions in its principal markets.*

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## **Description of the share buy-back program approved by the combined Shareholders General meeting held on June 5<sup>th</sup> 2007**

Paris, January 22<sup>nd</sup> 2008

### **1. Legal framework**

In accordance with provisions of article 241-2 of the *Autorité des marchés financiers* General Regulation and with the EC Regulation n° 2273/2003 dated December 22<sup>nd</sup> 2003, this description details the main objectives and features of Arkema's (the "Company") share buy-back program. The combined Shareholders General Meeting held on June 5<sup>th</sup> 2007 approved this program.

This document is available on the website of the Company: [www.finance.arkema.com](http://www.finance.arkema.com)

### **2. Number of shares and interest held directly or indirectly by the Company**

As of today, the Company does not hold, directly or indirectly, any own shares.

### **3. Breaking-down by objectives of the shares held by the Company**

As of today, the Company does not hold, directly or indirectly, any own shares.

### **4. Objectives of the share buy-back program**

In accordance with the share buy-back program approved by the combined General Meeting held on June 5<sup>th</sup> 2007, Arkema is considering repurchasing its shares or having its shares repurchased for any purpose permitted by the law either now or in the future and notably for the following purposes:

- To implement market practices permitted by the *Autorité des Marchés Financiers* such as (i) purchasing shares to keep and subsequently tender as consideration for acquisitions, mergers, spin-offs or asset transfers up to a maximum of 5% of the share capital at the time of the transaction; (ii) purchasing or selling shares under a liquidity agreement that complies with the code of conduct approved by the *Autorité des Marchés Financiers*, entered into with an investment services provider; and (iii) any market practice that might in the future be permitted by the *Autorité des Marchés Financiers* or by law;

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- To implement and honour obligations and more particularly to allot the shares upon the exercise of rights attached to securities giving immediate or future access to the share capital by whatever means, and to cover the company's (or one of its subsidiary's) existing obligations in connection with such securities, under the conditions permitted by the market authorities and at the times the Board of Directors or its delegated representative deems appropriate;
- To cover stock option plans granted to employees or executive officers of the Company or its group;
- To award stock grants to employees or executive officers of the Company or its group under the conditions set out in articles L. 225-197-1 et seq. of the French Commercial Code;
- To grant shares for no consideration to employees, directly or through an employee share ownership plan, under the conditions set out by law and particularly articles L 443-1 of the Employment Code;
- To reduce the Company's share capital.

**5. Maximum proportion of capital to be repurchased, maximum number of shares that may be acquired and features of the shares**

***Maximum proportion of capital to be repurchased and maximum number of shares that may be acquired under the share buy-back program***

The maximum proportion of capital to be repurchased under the share buy-back program as approved by the combined General Meeting of June 5th 2007 shall be 10% of the total number of shares comprising the share capital (as of today, the total number of shares comprising the share capital amount to 60,453,823).

In accordance with article L.225-210 of the French Commercial Code, the number of share that Arkema can hold shoat any time may not exceed 10% of the shares comprising the Company's share capital on the date in question.

***Maximum unit purchase price authorized***

The maximum unit purchase price may not exceed €60; it being specified that the Board of Directors may adjust the purchase price to take into account the impact on the share price of transactions such as a capitalization of share premiums, reserves or earnings giving rise either to an increase in the par value of the shares or to the issuance and distribution of shares for no consideration, a stock split or reverse stock split, or any other transaction affecting the share capital.

The maximum amount of expenditure incurred on the share buyback program approved by the combined General Meeting may not exceed €200 million.

***Main features of shares and share repurchase***

- Ordinary share listed on Eurolist by Euronext Paris (compartment A)
- Mnemo: AKE
- ISIN code: FR0010313833

As approved by the combined General Meeting of June 5<sup>th</sup> 2007, the shares may be purchased or transferred at any time, including during a public offering provided it is fully settled in cash, under the conditions and within the limits, particularly volume and price, permitted by law on the date of transaction in question. The shares may be purchased by any and all means, including over-the-counter, by way of block trades or by way of derivatives traded on a regulated or over-the-counter market.

**6. Duration of the share buy-back program**

The share buy-back program may be implemented over an eighteen-month period following the date of the combined General Meeting of June 5<sup>th</sup> 2007, i.e. until December 5<sup>th</sup> 2008.

**7. Synthesis of the former share buy-back program – Schedule of transaction updates**

None