Colombes, 14 November 2014

Arkema quarterly information : 3rd quarter 2014 results

- **€1,478 million sales**
  - Stable compared to 3Q'13 at constant business scope and exchange rate
  - +3.0% organic volume growth[1]
- **€203 million EBITDA (€233 million in 3Q'13)**
  - Good resilience of **EBITDA margin** at **13.7%** in a rather challenging macro-economic environment
  - Significant improvement in **High Performance Materials** segment (16.4% EBITDA margin) compared to 2Q'14 which was impacted by temporarily unfavourable factors
  - Solid performance of **Industrial Specialties** segment with EBITDA slightly up compared to 3Q'13, confirming the stabilization of fluorogases
  - **Coating Solutions** performance down, with conditions close to low cycle in acrylic monomers
- **€63 million adjusted net income**
- **Strict control of net debt with gearing of around 40%**
- **2014 outlook confirmed**

The Board of Directors of Arkema met on 13th November 2014 to review the Group's consolidated accounts for 3rd quarter 2014. At the end of the meeting, Thierry Le Hénaff, Chairman and CEO of Arkema, stated:

"In 3rd quarter, the Group delivered a solid performance with an EBITDA margin close to 14%, demonstrating good resilience in overall contrasted market conditions. The High Performance Materials and Industrial Specialties segments, with 16% EBITDA margins, benefit from good volumes in the United States. The Coating Solutions segment was affected by lower acrylic margins which are currently close to low cycle.

With the announcement of the project to acquire[2] Bostik, the finalization of the construction of the Thiochemicals platform in Malaysia, and the acquisition from Jurong of a 160,000 tonnes acrylic acid production line, Arkema is completing a major investment phase. 2015 and subsequent years will benefit from these various projects. The Group thus enters a new phase of profitable growth with strong and regular cash generation."

[1] Excluding impact of shutdown of activities in Chauny, France
[2] Project subject to the legal information and consultation procedure involving the work councils of Arkema, Bostik and Total, as well as to the approval of the relevant antitrust authorities in the countries concerned.

ARKEMA
420, rue d'Estienne d'Orves – F-92705 COLOMBES Cedex – France
Standard : +33 (0)1 49 00 80 80 – Fax : +33 (0)1 49 00 83 96
Société anonyme au capital de 636 968 620 euros – 445 074 685 RCS

3RD QUARTER 2014 KEY FIGURES

(In millions of euros)	3Q 2013	3Q 2014	Variation
Sales	**1,495**	**1,478**	**-1.1%**
EBITDA	**233**	**203**	**-12.9%**
EBITDA margin	**15.6%**	**13.7%**	
High Performance Materials	*18.8%*	*16.4%*	
Industrial Specialties	*16.1%*	*16.0%*	
Coating Solutions	*13.8%*	*11.5%*	
Recurring operating income	154	116	-24.7%
Non-recurring items	(37)	(43)	n.a.
Adjusted net income	**101**	**63**	**-37.6%**
Net income – Group share	65	20	-69.2%
Adjusted net income per share (€)	1.61	0.99	-38.5%

3RD QUARTER 2014 PERFORMANCE

Sales stood at **€1,478 million** against €1,495 million in 3rd quarter 2013, stable at constant business scope and exchange rates. In an environment of moderate global growth, volumes grew by 1.6% (+3.0% excluding the impact of the shutdown of activities in Chauny, France, effective 1st quarter 2014), mainly supported by Industrial Specialties and solid volumes in High Performance Materials. The Group continued to benefit from its strong position in the United States (36% of the Group's sales). The -1.7% price effect essentially corresponds to lower prices in Coating Solutions. The -1.1% scope effect reflects the deconsolidation of coating resins companies in South Africa divested in August and a change in consolidation method used for certain joint ventures. The currency exchange effect was negligible.

At **€203 million** against €233 million in 3rd quarter 2013, the **EBITDA** decrease mainly reflects market conditions now close to low cycle in acrylic monomers and the high basis of comparison in 2013 in polyamide 12. As announced, the performance in fluorogases was stable compared to last year. The other product lines achieved a good performance overall.

EBITDA margin held up well in a challenging economic environment and stood at **13.7%**, stable compared to 2nd quarter 2014 despite the usual seasonality of July and August and lower acrylics margins.

Recurring operating income stood at **€116 million** against €154 million in 3rd quarter 2013. It reflects the variation of EBITDA and higher depreciation and amortization due primarily to the start-ups of new production plants.

Non-recurring items stood at **-€43 million** and mainly included restructuring charges, including those booked in relation to the project to shutdown fluorogas production on the Zaramillo site in Spain[3] as well as costs related to acquisitions and divestments. In 3rd quarter 2013, non-recurring items mostly corresponded to restructuring and depreciation charges booked following the announcement of the project to shutdown of activities on the Chauny site in France effective early 2014.

Financial result stood at **-€15 million** against -€13 million in 3rd quarter 2013.

[3] Project subject to the legal information and consultation procedure involving the personnel representative bodies of Arkema in Spain.

Income taxes amounted to **€37 million**, i.e. 31.9% of recurring operating income. It reflected the share of the Group's income achieved in the United States.

Net income Group share stood at **€20 million** against €65 million in 3rd quarter 2013.

SEGMENT PERFORMANCE IN 3RD QUARTER 2014

HIGH PERFORMANCE MATERIALS

Despite the usual seasonality of the summer months, **High Performance Materials** results improved significantly compared to 2nd quarter 2014 which had been impacted by a number of specific and temporarily unfavourable elements such as the maintenance turnaround in Mont, France. They confirm the stabilization of market conditions in polyamide 12 compared to the previous quarter. Nevertheless, performance remained down on the 3rd quarter 2013 high basis of comparison. Fluoropolymers achieved a strong performance supported by innovation. Organic Peroxides benefited from good volume growth. Finally, the product mix was temporarily less favourable in the Filtration and Adsorption business.

Sales reached **€457 million**, 1.5% up on the previous year at constant business scope and exchange rate. Volumes grew by +2.5% supported by the growth in the activities in the United States. The -1.0% price effect essentially reflects lower prices than last year in polyamide 12. The translation effect was limited, at -0.2%.

EBITDA stood at **€75 million** against €85 million in 3rd quarter 2013 (€67 million in 2nd quarter 2014). **EBITDA margin** reached a solid **16.4%** despite more challenging market conditions.

INDUSTRIAL SPECIALTIES

For the first time since 1st quarter 2013, EBITDA in **Industrial Specialties** increased over last year's figure. This slight improvement reflects, as anticipated, stabilization in market conditions in fluorogases, which are similar to those of last year, and good performance in Thiochemicals. Market conditions were positive in PMMA in North America and in Europe, and the situation remained mixed in Hydrogen Peroxide, in particular in Europe.

At constant business scope and exchange rate, **sales** grew by 4.0% to **€476 million** compared to 3rd quarter 2013. Volumes increased by +4.5%, supported by fluorogases and Thiochemicals. The price effect was limited overall, at -0.5%, with price increases in PMMA offsetting the decrease in fluorogases. The -0.9% scope effect corresponds to a change in the consolidation method used for certain joint ventures.

EBITDA grew by 2.7% to **€76 million** compared to 3rd quarter 2013 (€74 million). **EBITDA margin** stood at 16%, stable compared to last year and up on the first two quarters of the year despite the seasonality of the summer months.

COATING SOLUTIONS

The performance of the **Coating Solutions** segment reflects, as expected, lower unit margins in acrylic monomers following the start-up of new production capacities in China. Market conditions in this activity were now close to their cycle low and should remain at this level through the end of the year. The performance of the other product lines was stable overall.

Sales stood at **€540 million** against €574 million in 3rd quarter 2013, down 3.9% at constant business scope and exchange rate. The volume effect was limited, at -0.7%. Excluding the impact of the shutdown of activities in Chauny, France, effective in 1st quarter 2014, it was positive at +2.9%. Volumes grew in Asia in Acrylics to prepare for the integration of Jurong's acrylics assets. However, demand remained moderate in paints in Europe. Acrylic monomer prices decreased in 3rd quarter with a -3.2% price effect. The -2.2% scope effect results from the deconsolidation of coating resins companies in South Africa, which were divested in August. The translation effect was very limited, at +0.2%.

EBITDA stood at **€62 million** (€79 million in 3rd quarter 2013), with **EBITDA** margin at **11.5%**.

Cash flow and net debt at 30th September 2014

In 3rd quarter 2014, Arkema generated +**€61 million free cash flow**[4]. This included a +€56 million variation in working capital, -€19 million non-recurring items mostly corresponding to restructuring charges, and €107 million capital expenditures. The working capital to sales ratio[5] stood at 18.0%. Capital expenditures included €23 million non-recurring capital expenditures mainly relating to the construction of the Thiochemicals platform in Malaysia. Capital expenditures should amount to around €470 million for full year 2014.

Net debt stood at **€1,054 million** at 30 September 2014 against €923 million at 31 December 2013, i.e. 42% gearing, below the 30 September 2013 figure (44%). It included the payment in May of a €1.85 dividend per share, totalling €117 million. It also included the share capital increase reserved for employees totalling €32 million. However, it took no account of the impact of the first stage of the acquisition of acrylics assets in China finalized on 20 October 2014 with a US$240 million payment, and the impact of building the working capital that will be needed to run the activity.

3rd quarter 2014 highlights

Acquisition project of Bostik[6]

On 19 September 2014, Arkema announced the intended acquisition of Bostik, number 3 worldwide in adhesives. This project is a key milestone in Arkema's transformation into a world leader in specialty chemicals and advanced materials. This acquisition in the low cyclical and low capital intensive adhesives sector will enable Arkema to strengthen the quality of its business profile and its resilience to changes in the economic environment, and to continue developing its High Performance Materials segment, which should account for 42% of total sales[7] following the acquisition of Bostik.

With sales of €1.53 billion[8] and 4,900 employees, Bostik holds leading positions in most of its markets, has internationally recognized brands and technologies, fosters close partnerships with its customers, and is particularly well-placed to take advantage of the momentum of the adhesives market currently enjoying annual growth above global GDP.

Bostik's current pace of development together with the synergies identified between the two groups will contribute to improve Bostik's EBITDA margin, with the long-term objective to achieve an EBITDA margin of 14 to 15%, in line with peers' average. In the medium term, Arkema aims to increase Bostik's EBITDA by 30% over the next three years. This objective is based on accelerating the implementation of the strategy recently launched at Bostik, together with the implementation of cost synergies.

This project would also entail increasing the divestment program of non-core activities representing some €500 million additional sales.

The offer is made on the basis of a €1.74 billion enterprise value and will be financed through a share capital increase with preferential subscription rights for existing shareholders of around €350 million, a €700 million issuance of perpetual hybrid bonds completed on 23 October 2014, and a senior bond issuance for the balance, i.e. between €500 and €600 million. This financing structure has been defined in order to protect the Group's balance sheet and credit rating. The target is to go back to a gearing close to 40% in 2017.

Organic growth projects

End of July Arkema finalized its US$110 million investment plan intended to strengthen the Group's position in the US acrylics market, with the start-up on its Clear Lake site of its new 45,000 tonnes plant for the production of methyl acrylate used in the manufacture of polymers for water treatment, elastomers and engineering polymers.

---

[4] Cash flow from operations and investments excluding the impact of portfolio management

[5] Working capital at 30 September divided by 4 times the 3rd quarter sales

[6] Project subject to the legal information and consultation procedure involving the work councils of Arkema, Bostik and Total, as well as to the approval of the relevant antitrust authorities in the countries concerned.

[7] Based on 2013 pro forma sales including the contribution of Bostik and acrylics assets acquired or which could be acquired in China (project for the acquisition in two stages of 320,000 t/year total production capacity).

[8] Estimated figures for 2014 based on information made available to Arkema by the Total group as part of the acquisition process.

Proposed shutdown of fluorogas production in Zaramillo, Spain

Arkema announced in September 2014 a project for the closure of fluorogas production at its Zaramillo site, Spain, subject to the legal information and consultation process involving Arkema's personnel representative bodies in Spain.

Other highlights

As part of its procurement policy for its strategic raw materials, Arkema has reached an agreement for the supply of propylene in the United States with Enterprise Products L.P., a leading American midstream energy company. This contract will account for a significant part of Arkema's propylene feedstock, and will strengthen the competitiveness of the Coating Solutions segment.

POST BALANCE SHEET EVENTS

Acquisitions

Arkema has finalized the first stage of its acrylics assets acquisition project in Taixing, China, and now has access to a modern and competitive 160,000 t/year acrylic acid production capacity in Asia for an amount of US$ 240 million. This investment will enable the Group to serve its customers in China and in Asia in growing markets such as superabsorbents, paints, adhesives and water treatment.

Financing

On 23 October 2014, Arkema successfully completed the first stage of the financing of its project to acquire[9] Bostik, with the issuance of perpetual hybrid bonds for €700 million. The bonds will include a first call on 29 October 2020 and will carry an annual coupon of 4.75% until that date. The coupon will then be reset every 5 years. The bonds will be recognized in equity in accordance with IFRS rules.

On 29 October 2014, Arkema renewed its multi-currency credit facility from €700 million previously to €900 million. This credit facility is for an initial period of 5 years and may be extended for a further one or two years at the banks' option. It entails a covenant to maintain at 3.5 maximum the ratio of consolidated net debt to consolidated EBITDA, tested twice a year.

OUTLOOK

The macro-economic environment is expected to remain globally challenging up until the end of the year with contrasting trends depending on product lines and regions and a continuing volatility in foreign exchange rates and oil prices. Market conditions in fluorogases and polyamide 12 should remain stable and in line with those of the 3rd quarter. Unit margins in acrylic monomers should remain near low cycle. Finally, the 4th quarter should reflect the traditional year-end seasonality.

In the current environment, Arkema maintains a strict control of fixed and variable costs. The Group also continues its targeted growth strategy with the integration of the acrylics assets acquired in China, the start-up of the Thiochemicals platform in Malaysia, the gradual implementation of its plan to improve fluorogas profitability, and the progress of its project to acquire[10] Bostik including its financing.

In this context and while remaining cautious given the volatility of the macro-economic environment, Arkema confirms its 2014 target of an EBITDA close to €800 million. The Group also confirms its 2017 target, adjusted in September 2014 to take account of the project to acquire Bostik, to achieve €1,310 million EBITDA, as well as its long-term targets.

An Investor Day will be planned in 1st half 2015 following the closing of the acquisition of Bostik and the first few months of the ramping-up of the new 160,000 t/year acrylic acid production line in China and of the Thiochemicals platform in Malaysia.

---

[9] Project subject to the legal information and consultation procedure involving the works councils of Arkema, Bostik and Total, as well as to the approval of the relevant antitrust authorities in the countries concerned.

[10] Project subject to the legal information and consultation procedure involving the work councils of Arkema, Bostik and Total, as well as to the approval of the relevant antitrust authorities in the countries concerned.

The 3Q 2014 results are detailed in the presentation "Third quarter 2014 results" available on the website: www.finance.arkema.com.

FINANCIAL CALENDAR

5 March 2015 Publication of 2014 Annual Results

*A global chemical company and France's leading chemicals producer, **Arkema** is building the future of the chemical industry every day. Deploying a responsible, innovation-based approach, we produce state-of-the-art specialty chemicals that provide customers with practical solutions to such challenges as climate change, access to drinking water, the future of energy, fossil fuel preservation and the need for lighter materials. With operations in more than 40 countries, some 14,000 employees and 10 research centers, Arkema generates annual revenue of €6.1 billion, and holds leadership positions in all its markets with a portfolio of internationally recognized brands.*

Investor Relations:

Sophie Fouillat	Tel.: +33 1 49 00 86 37	E-mail: sophie.fouillat@arkema.com
François Ruas	Tel.: +33 1 49 00 72 07	E-mail: francois.ruas@arkema.com

Press Relations:

Gilles Galinier	Tel.: +33 1 49 00 70 07	E-mail : gilles.galinier@arkema.com
Sophie Suc	Tel.:+33 6 22 02 24 64	E-mail : sophie.suc@arkema.com

Balance sheet, income statement, cash flow statement, statement of changes in shareholders' equity and information by business segment included in this press release are extracted from the consolidated financial statements at 30 September 2014 closed by the Board of Directors of Arkema SA on 13 November 2014.

Quarterly financial information is not audited.

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

The main performance indicators used are as follows:

- ***Operating income**: this includes all income and expenses of continuing operations other than financial result, equity in income of affiliates and income taxes;*
- ***Other income and expenses**: these correspond to a limited number of well-identified non-recurring items of income and expense of a particularly material nature that the Group presents separately in its income statement in order to facilitate understanding of its recurring operational performance. These items of income and expense notably include:*
  - *Impairment losses in respect of property, plant and equipment and intangible assets,*
  - *Gains or losses on sale of assets, acquisition expenses, badwills and stock valuation adjustments between the fair value on the acquisition date and the replacement value,*
  - *Certain large restructuring and environmental expenses which would hamper the interpretation of recurring operating income (including substantial modifications to employee benefit plans and the effect of onerous contracts),*
  - *Certain expenses related to litigation and claims or major damages, whose nature is not directly related to ordinary operations;*
- ***Recurring operating income**: this is calculated as the difference between operating income and other income and expenses as previously defined;*
- ***Adjusted net income**: this corresponds to "Net income – Group share" adjusted for the "Group share" of the following items:*
  - *Other income and expenses, after taking account of the tax impact of these items,*
  - *Income and expenses from taxation of an exceptional nature, the amount of which is deemed significant,*
  - *Net income of discontinued operations;*
- ***EBITDA**: this corresponds to recurring operating income increased by depreciation and amortization;*
- ***Working capital**: this corresponds to the difference between inventories, accounts receivable, other receivables and prepaid expenses, income tax receivables and other current financial assets on the one hand and accounts payable, other creditors and*

accrued liabilities, income tax liabilities and other current financial liabilities on the other hand. These items are classified in current assets and liabilities in the consolidated balance sheet;

- ***Capital employed**: this is calculated by aggregating the net carrying amounts of intangible assets, property, plant and equipment, equity affiliate investments and loans, other investments, other non-current assets (excluding deferred tax assets) and working capital;*
- ***Recurring capital expenditures**: these correspond to tangible and intangible investments, but exclude a limited number of investments of an exceptional nature which the Group presents separately in order to facilitate analysis of cash flow generation in its financial communication. Such investments characterized by their size or their nature are presented either as non-recurring capital expenditures or in acquisitions and divestments;*
- ***Net debt**: this is the difference between current and non-current debt and cash and cash equivalents.*

No communication or information relating to this transaction may be distributed to the public in any jurisdiction in which registration or approval is required. No action has been (or will be) undertaken in any jurisdiction outside of France where such steps would be required. The subscription for or purchase of securities of Arkema may be subject to legal or statutory restrictions in certain jurisdictions. Arkema assumes no responsibility for any violation of such restrictions by any person. The distribution of this press release in certain jurisdictions may be restricted by law. This press release does not constitute an offer for sale of securities.

*This press release does not constitute a prospectus within the meaning of Directive 2003/71/EC as amended by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State of the European Economic Area (the "**Prospectus Directive**").*

*The rights issue will be open to the public in France pursuant to a prospectus having received the visa of the French Autorité des marchés financiers (the "**AMF**") and prepared in accordance with the Prospectus Directive.*

*With respect to each Member State of the European Economic Area other than France which has implemented the Prospectus Directive (the "**Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring a publication of a prospectus in any Member State. As a result, the new shares of Arkema may only be offered in relevant member States (i) to qualified investors, as defined by the Prospectus Directive; or (ii) in any other circumstances, not requiring the Company to publish a prospectus as provided under Article 3(2) of the Prospectus Directive.*

The distribution of this press release is directed only at (i) persons outside the United Kingdom, subject to applicable laws, or (ii) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "Order") or (iii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) (a) to (d) of the Order. Any investment or investment activity to which this communication relates is available only to and will be engaged in only with such persons. Persons within the United Kingdom who receive this communication (other than persons falling within (ii) and (iii) above) should not rely on or act upon this communication.

*This press release does not constitute an offer or invitation to sell or purchase, or any solicitation of any offer to purchase or subscribe for, any preferential subscription rights or new shares of Arkema in the United States of America. Securities may not be offered, subscribed or sold in the United States of America absent registration under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements thereof. The shares of Arkema and rights in respect thereof have not been and will not be registered under the U.S. Securities Act and Arkema does not intend to make a public offer of its securities in the United States of America.*

This press release and the information contained herein do not constitute either an offer to sell or purchase or the solicitation of an offer to sell or purchase the Arkema shares or preferential subscription rights

ARKEMA Financial Statements

Consolidated financial statements - At the end of September 2014

CONSOLIDATED INCOME STATEMENT

(In millions of euros)	3rd quarter 2014 (non audited)	End of September 2014 (non audited)	3rd quarter 2013 (non audited)	End of September 2013 (non audited)
Sales	1 478	4 521	1 495	4 687
Operating expenses	(1 218)	(3 713)	(1 205)	(3 754)
Research and development expenses	(38)	(115)	(35)	(111)
Selling and administrative expenses	(106)	(316)	(101)	(315)
Recurring operating income	**116**	**377**	**154**	**507**
Other income and expenses	(43)	(75)	(37)	(177)
Operating income	**73**	**302**	**117**	**330**
Equity in income of affiliates	-	-	2	5
Financial result	(15)	(44)	(13)	(40)
Income taxes	(37)	(112)	(40)	(146)
Net income	**21**	**146**	**66**	**149**
Of which non-controlling interests	1	2	1	2
Net income - Group share	**20**	**144**	**65**	**147**
Earnings per share (amount in euros)	*0,31*	*2,27*	*1,04*	*2,35*
Diluted earnings per share (amount in euros)	*0,31*	*2,26*	*1,03*	*2,32*
Depreciation and amortization	(87)	(245)	(79)	(233)
EBITDA	**203**	**622**	**233**	**740**
Adjusted net income	**63**	**219**	**101**	**322**
Adjusted net income per share (amount in euros)	*0,99*	*3,46*	*1,61*	*5,14*
Diluted adjusted net income per share (amount in euros)	*0,98*	*3,43*	*1,59*	*5,08*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(In millions of euros)	3rd quarter 2014 *(non audited)*	End of September 2014 *(non audited)*	3rd quarter 2013 *(non audited)*	End of September 2013 *(non audited)*
Net income	**21**	**146**	**66**	**149**
Hedging adjustments	16	13	-	(2)
Other items	(4)	(4)	-	-
Deffered taxes on hedging adjustments and other items	-	-	-	-
Change in translation adjustments	123	135	(50)	(49)
Other recyclable comprehensive income	**135**	**144**	**(50)**	**(51)**
Actuarial gains and losses	2	(39)	(1)	40
Deffered taxes on actuarial gains and losses	-	7	-	(16)
Other non-recyclable comprehensive income	**2**	**(32)**	**(1)**	**24**
Other comprehensive income	**137**	**112**	**(51)**	**(27)**
Total income and expenses recognized directly in equity	**137**	**112**	**(51)**	**(27)**
Comprehensive income	**158**	**258**	**15**	**122**
Of which: non-controlling interest	4	5	(1)	-
Comprehensive income - Group share	**154**	**253**	**16**	**122**

CONSOLIDATED BALANCE SHEET

(In millions of euros)	30 September 2014 *(non audited)*	31 December 2013 *(audited)*
ASSETS		
Intangible assets, net	1 003	973
Property, plant and equipment, net	2 072	1 943
Equity affiliates : investments and loans	18	17
Other investments	34	52
Deferred tax assets	66	66
Other non-current assets	207	177
TOTAL NON-CURRENT ASSETS	**3 400**	**3 228**
Inventories	975	896
Accounts receivable	910	824
Other receivables and prepaid expenses	124	125
Income taxes recoverable	27	24
Other current financial assets	6	2
Cash and cash equivalents	360	377
TOTAL CURRENT ASSETS	**2 402**	**2 248**
TOTAL ASSETS	**5 802**	**5 476**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	637	630
Paid-in surplus and retained earnings	1 718	1 687
Treasury shares	(1)	(12)
Translation adjustments	139	7
SHAREHOLDERS' EQUITY - GROUP SHARE	**2 493**	**2 312**
Non-controlling interests	39	37
TOTAL SHAREHOLDERS' EQUITY	**2 532**	**2 349**
Deferred tax liabilities	64	64
Provisions for pensions and other employee benefits	406	361
Other provisions and non-current liabilities	411	439
Non-current debt	1 202	1 207
TOTAL NON-CURRENT LIABILITIES	**2 083**	**2 071**
Accounts payable	648	687
Other creditors and accrued liabilities	278	256
Income taxes payable	43	19
Other current financial liabilities	6	1
Current debt	212	93
TOTAL CURRENT LIABILITIES	**1 187**	**1 056**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**5 802**	**5 476**

CONSOLIDATED CASH FLOW STATEMENT

(In millions of euros)	End of September 2014	End of September 2013
	(non audited)	*(non audited)*
Cash flow - operating activities		
Net income	146	149
Depreciation, amortization and impairment of assets	258	243
Provisions, valuation allowances and deferred taxes	(36)	(27)
(Gains)/losses on sales of assets	5	(5)
Undistributed affiliate equity earnings	5	4
Change in working capital	(40)	(78)
Other changes	7	6
Cash flow from operating activities	**345**	**292**
Cash flow - investing activities		
Intangible assets and property, plant, and equipment additions	(310)	(271)
Change in fixed asset payables	(64)	(35)
Acquisitions of operations, net of cash acquired	(1)	(11)
Increase in long-term loans	(37)	(24)
Total expenditures	**(412)**	**(341)**
Proceeds from sale of intangible assets and property, plant and equipment	6	6
Change in fixed asset receivables	-	-
Proceeds from sale of operations, net of cash sold	-	1
Proceeds from sale of unconsolidated investments	15	-
Repayment of long-term loans	9	17
Total divestitures	**30**	**24**
Cash flow from investing activities	**(382)**	**(317)**
Cash flow - financing activities		
Issuance (repayment) of shares and other equity	38	9
Purchase of treasury shares	-	-
Dividends paid to parent company shareholders	(117)	(113)
Dividends paid to minority shareholders	(3)	-
Increase/ decrease in long-term debt	(3)	(7)
Increase/ decrease in short-term borrowings and bank overdrafts	106	229
Cash flow from financing activities	**21**	**118**
Net increase/(decrease) in cash and cash equivalents	(16)	93
Effect of exchange rates and changes in scope	(1)	(3)
Cash and cash equivalents at beginning of period	377	360
Cash and cash equivalents at end of period	**360**	**450**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(non audited)

(In millions of euros)	Shares issued					Treasury shares		Shareholders' equity - Group share	Non-controlling interests	Shareholders' equity
	Number	**Amount**	**Paid-in surplus**	**Retained earnings**	**Translation adjustments**	**Number**	**Amount**			
At January 1, 2014	**63 029 692**	**630**	**868**	**819**	**7**	**(226 974)**	**(12)**	**2 312**	**37**	**2 349**
Cash dividend	-	-	(55)	(62)	-	-	-	(117)	(3)	(120)
Issuance of share capital	667 170	7	31	-	-	-	-	38	-	38
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-
Cancellation of purchased treasury shares	-	-	-	-	-	-	-	-	-	-
Grants of treasury shares to employees	-	-	14	(25)	-	204 603	11	-	-	-
Sale of treasury shares	-	-	-	-	-	-	-	-	-	-
Share-based payments	-	-	(14)	21	-	-	-	7	-	7
Other	-	-	-	-	-	-	-	-	-	-
Transactions with shareholders	**667 170**	**7**	**(24)**	**(66)**	**-**	**204 603**	**11**	**(72)**	**(3)**	**(75)**
Net income	-	-	-	144	-	-	-	144	2	146
Total income and expense recognized directly through equity	-	-	-	(23)	132	-	-	109	3	112
Comprehensive income	**-**	**-**	**-**	**121**	**132**	**-**	**-**	**253**	**5**	**258**
At September 30, 2014	**63 696 862**	**637**	**844**	**874**	**139**	**(22 371)**	**(1)**	**2 493**	**39**	**2 532**

INFORMATION BY BUSINESS SEGMENT

(non audited)

(In millions of euros)	3rd quarter 2014				
	High Performance Materials	**Industrial Specialties**	**Coating Solutions**	**Corporate**	**Total**
Non-Group sales	457	476	540	5	**1 478**
Inter segment sales	3	24	18	-	
Total sales	**460**	**500**	**558**	**5**	
EBITDA	**75**	**76**	**62**	**(10)**	**203**
Depreciation and amortization	(27)	(35)	(25)	-	(87)
Recurring operating income	**48**	**41**	**37**	**(10)**	**116**
Other income and expenses	(7)	(32)	3	(7)	(43)
Operating income	**41**	**9**	**40**	**(17)**	**73**
Equity in income of affiliates	-	-	-	-	-
Intangible assets and property, plant and equipment additions	**25**	**56**	**26**	**-**	**107**
Of which recurring capex	25	33	26	-	84

(In millions of euros)	3rd quarter 2013				
	High Performance Materials	**Industrial Specialties**	**Coating Solutions**	**Corporate**	**Total**
Non-Group sales	451	461	574	9	**1 495**
Inter segment sales	3	29	21	-	
Total sales	**454**	**490**	**595**	**9**	
EBITDA	**85**	**74**	**79**	**(5)**	**233**
Depreciation and amortization	(26)	(29)	(24)	-	(79)
Recurring operating income	**59**	**45**	**55**	**(5)**	**154**
Other income and expenses	(1)	-	(31)	(5)	(37)
Operating income	**58**	**45**	**24**	**(10)**	**117**
Equity in income of affiliates	1	-	-	1	2
Intangible assets and property, plant and equipment additions	**18**	**50**	**23**	**6**	**97**
Of which recurring capex	16	24	22	6	68

INFORMATION BY BUSINESS SEGMENT

(non audited)

(In millions of euros)	End of September 2014				
	High Performance Materials	**Industrial Specialties**	**Coating Solutions**	**Corporate**	**Total**
Non-Group sales	1 382	1 481	1 642	16	**4 521**
Inter segment sales	10	82	58		
Total sales	**1 392**	**1 563**	**1 700**	**16**	
EBITDA	**225**	**228**	**206**	**(37)**	**622**
Depreciation and amortization	(79)	(94)	(71)	(1)	(245)
Recurring operating income	**146**	**134**	**135**	**(38)**	**377**
Other income and expenses	(11)	(39)	(11)	(14)	(75)
Operating income	**135**	**95**	**124**	**(52)**	**302**
Equity in income of affiliates	-	-	-	-	-
Intangible assets and property, plant and equipment additions	**68**	**180**	**60**	**2**	**310**
Of which recurring capex	65	85	57	2	209

(In millions of euros)	End of September 2013				
	High Performance Materials	**Industrial Specialties**	**Coating Solutions**	**Corporate**	**Total**
Non-Group sales	1 376	1 540	1 738	33	**4 687**
Inter segment sales	9	81	63	-	
Total sales	**1 385**	**1 621**	**1 801**	**33**	
EBITDA	**248**	**292**	**240**	**(40)**	**740**
Depreciation and amortization	(77)	(86)	(69)	(1)	(233)
Recurring operating income	**171**	**206**	**171**	**(41)**	**507**
Other income and expenses	(8)	-	(36)	(133)	(177)
Operating income	**163**	**206**	**135**	**(174)**	**330**
Equity in income of affiliates	1	-	-	4	5
Intangible assets and property, plant and equipment additions	**49**	**135**	**68**	**19**	**271**
Of which recurring capex	43	59	66	19	187