



3rd quarter 2013 financial results and main facts

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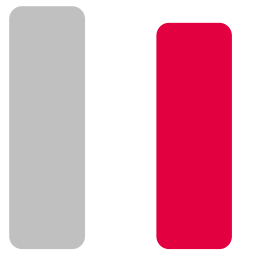
ARKEMA
INNOVATIVE CHEMISTRY



Solid performance in less favorable market conditions

Sales (€m)

1,606 1,495

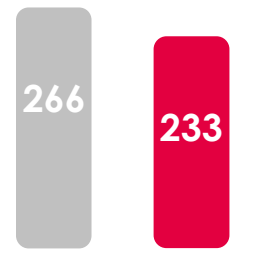


- 3Q'13 sales close to 3Q'12 sales at constant scope of business and exchange rates
- Positive YoY volume effect (+1%)
- Prices -2% YoY

3Q'12 3Q'13

EBITDA (€m) and EBITDA margin (%)

16.6% 15.6%

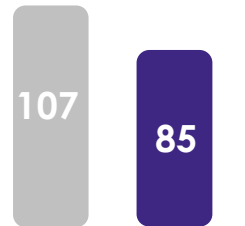


- Solid EBITDA margin level
- Variation of EBITDA vs 3Q'12 concentrated on 3 elements:
 - Strengthening of the euro
 - Fluorogases
 - Oil and gas (High Performance Materials)

3Q'12 3Q'13

EBITDA (€m) and EBITDA margin (%) by segment

19.5% 18.8%

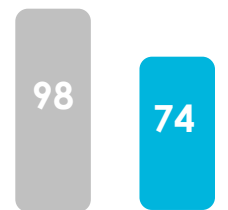


- Strong base of comparison in 3Q'12
- Gradual improvements vs 2Q'13 in oil & gas and photovoltaic

3Q'12 3Q'13

High Performance Materials

19.8% 16.1%

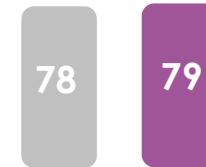


- Good performance in Thiochemicals and H₂O₂
- Weakness in fluorogases and in PMMA in Europe

3Q'12 3Q'13

Industrial Specialties

14.0% 13.8%



- Strong resilience
- Volume growth offset impact of higher raw material cost

3Q'12 3Q'13

Coating Solutions



Key drivers of Arkema 3Q'13 performance

- **Solid EBITDA margin in a more challenging environment than last year**
- **Contrasted market conditions in the continuity of 2Q'13**
 - Stabilization in Europe at a low point which might be a base for slow recovery next year
 - Market conditions remain solid in North America
 - Limited signs of improvement in Asia
- **As expected, EBITDA lower than in 3Q'12**
 - Most businesses resilient compared to last year
 - High Performance Materials impacted by lower demand in oil & gas and photovoltaic
 - Temporary weakness in fluorogases
 - Negative impact of foreign exchange rates
- **Strict control of fixed costs and working capital**



Highlights since July 1st, 2013

Growth projects

- Announcement of the construction of a new organic peroxide plant in Middle East in partnership with Watan Industrial Investment (financial partner)
- Announcement of the construction of production capacities for new refrigerant fluorinated gas 1234yf
- Inauguration of new Sumitomo Seika superabsorbent plant on the Arkema Carling acrylic monomer site

Innovation

- Inauguration of the first R&D center in China (Changshu)
- Arkema awarded several times for the quality of its R&D
 - 2013 Pierre Potier prize with Rilsan® HT, a high temperature biosourced polymer
 - 3rd year in a row in the Thomson Reuters 2013 Top 100 global innovators

Shareholding structure

- 6% stake in Arkema's share capital taken by Fonds Stratégique de Participation

Two new industrial projects

New Organic Peroxide plant in Middle East

- Very first organic peroxide plant built in Middle East
- Location: Al Jubail industrial platform (Saudi Arabia)
- Capex: ~\$30m
- Start-up expected early 2015
- JV Arkema / Watan Industrial Investment (financial partner)
 - Arkema: majority share
 - Operated by Arkema



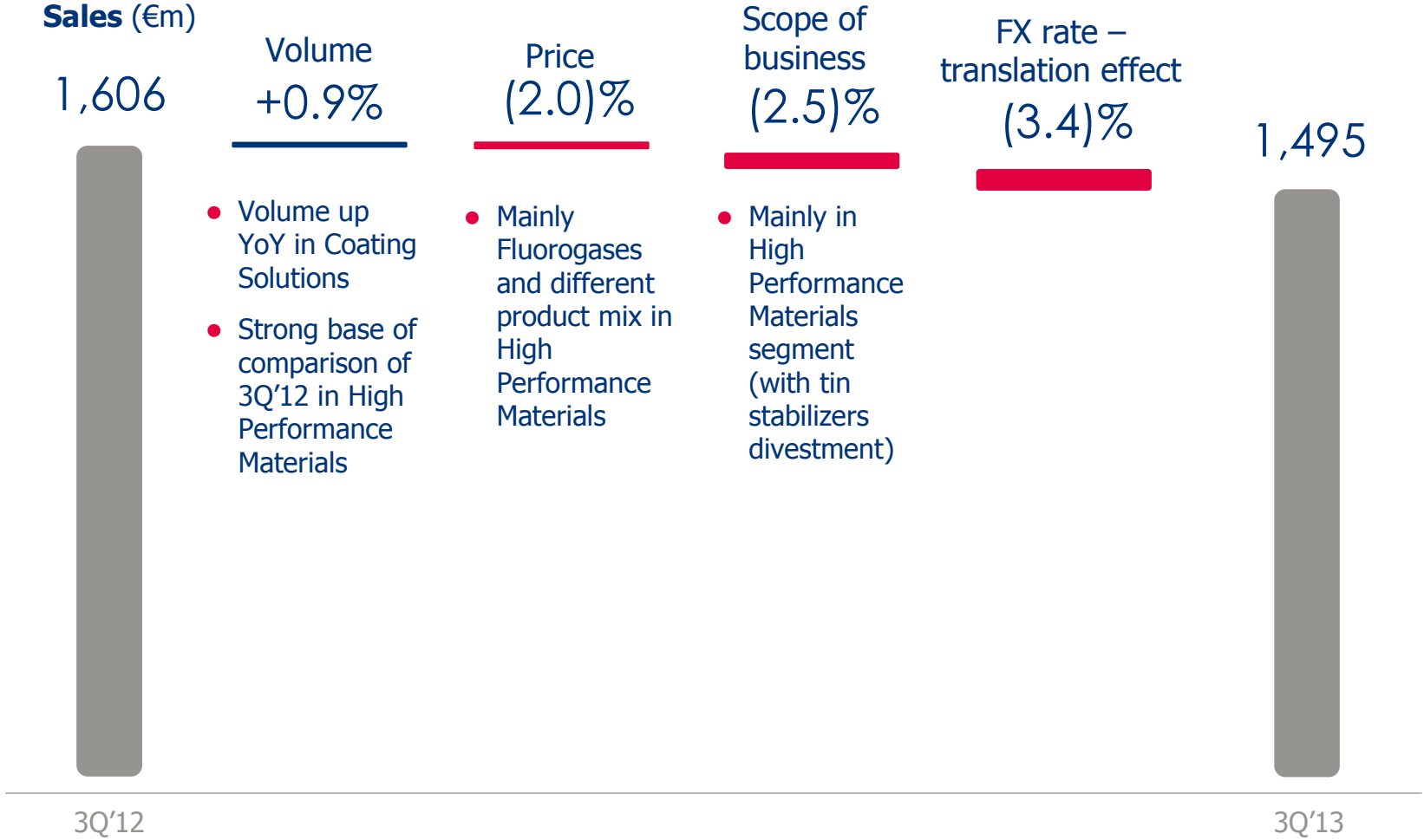
Production capacities for new refrigerant fluorinated gas 1234yf

- EU directive imposing LGWP* refrigerant gas on new vehicles sold in Europe as of January 2017
- 1234yf: new standard LGWP* refrigerant gas chosen by the automotive industry for mobile air conditioning
- 2 stage industrial project:
 - 1st stage in Asia (start-up expected in 2016)
 - 2nd stage in Europe (after 2017)

FORANE[®]
REFRIGERANTS
BY **ARKEMA**



Sales bridge





3Q'13 key figures

<i>In €m (except EPS)</i>	3Q'12	3Q'13	variation
Sales	1,606	1,495	-6.9 %
EBITDA	266	233	-12.4 %
EBITDA margin	16.6%	15.6%	
Recurring operating income	189	154	-18.5 %
Adjusted net income	123	101	-15.1 %
Non recurring items	-	(37)	-
Net income (group share)	116	65	-44.0 %
Adjusted EPS (diluted)	1.95	1.59	-18.5%



High Performance Materials

<i>In €m</i>	3Q'12	3Q'13	variation
Sales	548	451	-17.7 %
EBITDA	107	85	-20.6 %
EBITDA margin	19.5%	18.8%	
Recurring operating income	80	59	-26.3 %

- **High EBITDA margin in less favorable market conditions**
- **Sales down -6% at constant scope of business and exchange rate**
 - Divestment of tin stabilizers represents half of the sales decrease
 - Lower demand in O&G and PV markets impacts volumes and prices (less favorable product mix)
- **€85m EBITDA, as expected below high comparison base of 3Q'12 (record high in a 3rd quarter)**
- **Stronger demand confirmed in oil and gas market in 4Q'13, notably in Filtration and Adsorption**



Industrial Specialties

<i>In €m</i>	3Q'12	3Q'13	variation
Sales	496	461	-7.1 %
EBITDA	98	74	-24.5 %
EBITDA margin	19.8%	16.1%	
Recurring operating income	70	45	-35.7 %

- **Good performance of Thiochemicals and H₂O₂**
- **Weakness in fluorogases impacting segment's performance**
 - Performance of 3Q'13 in the continuity of 2Q'13
 - 2014 expected to show improvements
- **PMMA: good in the US but difficult in Europe on challenging automotive and construction markets**
- **Thiochemicals: transformational projects progressing well**
 - Lacq (France): 8-week turnaround started in September
 - Malaysia: mechanical completion expected in spring 2014



Coating Solutions

In €m	3Q'12	3Q'13	variation
Sales	557	574	+3.1 %
EBITDA	78	79	+1.3 %
EBITDA margin	14.0%	13.8%	
Recurring operating income	57	55	-3.5 %

➤ **+3% sales at €574m**

- Strong volume growth supported both by acrylic monomers and coating resins

➤ **Resilient performance with 14% EBITDA margin**

- Despite negative impact of higher propylene cost
- Consistent with objective to reach 15% EBITDA margin in 2016

➤ **Strong newsflow in acrylic chain**

- Clear Lake (US, TX): successful ramp-up of acrylic acid capacity expansion and methyl acrylate unit expected to come on stream in coming months
- Changshu (China): finalization of new coating resins unit construction. Start-up expected end 2013
- Carling (France): inauguration of new Sumitomo Seika SAP plant on the Arkema Carling site

➤ **Project to close the phthalate production site of Chauny in France***

- €30m non recurring charge booked in 3Q'13 (including €9m write-off)

Cash flow and net debt end of September

+€132m free cash flow* and +€117m net cash flow** in 3Q'13

- +€77m cash inflow related to working capital decrease
 - Usual seasonality on working capital
 - Strict control of working capital on sales ratio (slightly below level of last year at end September)
 - Working capital on sales ratio target at year-end confirmed at ~15%
- - €97m capex
 - €68m recurring capex
 - €29m non-recurring capex mainly related to Thiochemicals (Lacq, Malaysia) and H₂O₂ (Jarrie)

Working capital / sales (%)

17.7% 17.4%



30/09/12

30/09/13

Net debt at €1,033m (€1,150m end of June 2013)

- 44% gearing end of September 2013 (43% end of September 2012)
- Gearing target at year-end confirmed at ~40%



Outlook

- **Traditional year-end seasonality**
- **By regions, macro environment of 4Q'13 expected to be in the continuity of previous quarters**
- **High Performance Materials EBITDA of 4Q'13 expected to be above 4Q'12 supported by stronger demand in oil & gas market, notably for Filtration and Adsorption business**
- **Impact of exchange rate on Group's performance**
- **Arkema targets FY'13 EBITDA around €920m taking into account the strengthening of the euro**
- **Mid-long term, Arkema confirms for 2016 its ambition to achieve €8 billion sales and 16% EBITDA margin while maintaining its gearing below 40% and for 2020 its vision to achieve €10 billion sales and 17% EBITDA margin with a gearing maintained below 40%**



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Financial information for 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