

## Arkema announces ambitious objectives and several major projects for 2023

**Presenting its long-term growth strategy at its Capital Markets Day on 11 July, Arkema affirms its determination to speed up its development in specialties, which should account for more than 80% of the Group's sales by 2023. Confident to achieve its 1.3 billion euro EBITDA target in 2017 and in line with its objectives set out for 2020, Arkema announces ambitious financial objectives for 2023 supported by the announcement of several major investment projects in Asia, its innovation drive to address main societal challenges, and its bolt-on acquisition strategy in adhesives.**

Engaged for over 10 years in a transformation journey, Arkema has successfully managed to reposition its business portfolio toward specialty chemicals and to rebalance geographic footprint and is now perfectly positioned to speed up its growth. Over the coming years, the Group will pursue its growth strategy based on innovation, bolt-on acquisitions and expansion in higher growth regions, by strongly focusing on specialties, which should represent more than 80% of the Group's sales by 2023.

Arkema aims in particular to participate in the consolidation of the attractive, still-fragmented adhesives market, and will invest significantly in advanced materials (Technical Polymers and Performance Additives) that offers broad development and innovation opportunities in material lightweighting, bio-based polymers and design of consumer goods.

Today's announcement of a major investment project in the bio-based polyamide 11 chain in Asia, of a 30% production capacity increase at Sartomer in China, and of the doubling of production capacity for Thiochemicals in Malaysia, illustrate this strategy.

Confident in the execution of its strategy, and building on these projects and the current momentum in its results which favorably position the Group for the future, Arkema announces ambitious financial objectives for 2023 with a REBIT margin of 11.5% to 12.5%, significantly up on 2016, and an EBITDA to free cash conversion rate maintained at 35%. These objectives will be achieved over time while keeping a net debt over EBITDA ratio below 2, a return on capital employed of at least 10%, and a solid investment grade rating by financial rating agencies.

"2023 represents a new strategic horizon for the Group. Arkema is stepping up the development of its specialty activities, in particular around the three growth pillars of Adhesives, Advanced Materials, and Thiochemicals. Innovation addressing the major societal challenges, bolt-on acquisitions, and the strengthening of our positions in higher growth countries will underpin this ambition. Finally, digital transformation will stand at the core of this new chapter for Arkema" commented Thierry Le Hénaff, Chairman and Chief Executive Officer.

Details of the above may be found in the "Arkema Capital Markets Day 2017" presentations which will be made available on the Company's website: [www.finance.arkema.com](http://www.finance.arkema.com).

*A designer of materials and innovative solutions, **Arkema** shapes materials and creates new uses that accelerate customer performance. Our balanced business portfolio spans high-performance materials, industrial specialties and coating solutions. Our globally recognized brands are ranked among the leaders in the markets we serve. Reporting annual sales of €7.5 billion in 2016, we employ approximately 20,000 people worldwide and operate in close to 50 countries. We are committed to active engagement with all our stakeholders. Our research centers in North America, France and Asia concentrate on advances in bio-based products, new energies, water management, electronic solutions, lightweight materials and design, home efficiency and insulation. [www.arkema.com](http://www.arkema.com)*

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