Dear Shareholders,

2012 was a year of excellent financial performance and of acceleration of our Group’s transformation. EBITDA, exceeding the symbolic €1 billion threshold, has been multiplied by 3 since 2006. This improvement demonstrates the progress achieved by Arkema since its spin-off. Over this period, Arkema has undergone a real change of scale, in terms of both profitability and market capitalization, and now stands as one of the world’s top specialty chemical players.

In 2011, the Group’s profile saw an in-depth transformation with the completion of major acquisitions in specialty activities such as photocure resins and biosourced specialty polyamides, accounting for additional sales of €1 billion. The Group also announced a project to divest its Vinyl Products activities. Hence Arkema continued its repositioning in higher added value activities.

For 2012, while remaining attentive to the macro-economic environment, Arkema is confident in its very strong assets, and will continue to combine rigorous management of the Company with a targeted growth policy. Asia in particular will remain at the heart of its priorities with the startup of new plants in China and the construction of its world-scale Biochemicals platform in Malaysia.

On the strength of its performances and the Group’s confidence in its outlook, the Board of Directors has decided to propose to the Annual Shareholders Meeting a dividend of €1.30 per share, 30% up versus previous year. This increase enables us to ensure that you continue being part of the progress made, and is in line with the Group’s dividend policy which consists in paying every year a stable to reasonably rising dividend.

Thank you for your loyalty and for your confidence in our Group. I look forward to seeing you again at our next annual general meeting on Wednesday May 23rd, 10.30 am, at the Palais des Congrès in Paris.

THIERRY LE HÉNAFF, Chairman and Chief Executive Officer

MARKET PERFORMANCE since spin-off

Share price as of March 31st 2012

Performance since December 31st 2010

- Code ISIN FR0010313833
- Market capitalization €4.3 bn
- Number of shares 61,954,725
- Indices: SBF 120, CAC Next 20, Euro STOXX Chemicals, MSCI

FINANCIAL CALENDAR

May 10th 2012 1st quarter 2012 results
May 23rd 2012 Annual General Meeting
August 1st 2012 1st half 2012 results

THE World is our inspiration

Arkema – Investor Relations Department – 420 rue d’Estienne d’Orves – 92705 Colombes Cedex – France
2011 full year results

Sales* grew by 21% to €5,900 million. The +14% price effect reflects Arkema’s ability to pass on increases in raw materials onto its sales prices, and the repositioning of its portfolio on higher added value products. Volumes were stable, and the +9% scope of business effect mostly reflects the integration of specialty resins acquired from Total on July 1st 2011.

At €1,034 million, EBITDA* for the first time exceeded the symbolic €1 billion threshold in globally favorable market conditions. All Industrial Chemicals and Performance Products business lines contributed to this excellent result. At 17.5%, the EBITDA margin grew further (16.6% in 2010), on a par with the best chemicals players.

Net income* from continuing operations stood at €572 million (+33% over 2010).

Net debt amounted to €603 million at 31st December 2011 compared to €94 million end 2010, and includes the impact of acquisitions and divestments totaling €568 million in 2011. Gearing remained moderate at 27%.

The dividend being proposed for the approval of the Shareholders General Meeting is €1.30 per share, 30% up versus previous year. This increase enables our shareholders to benefit from the progress made, while reflecting confidence in the Group’s prospects.

Upward revision of long-term objectives

Taking into account its 2011 performance and its portfolio repositioning, the Group has revised upward its long-term targets, and aims to achieve by 2016:

• €8 billion sales
• €1,250 million EBITDA
• while maintaining its gearing at around 40%.

These targets have been defined in a normalized environment.

* In accordance with IFRS 5 rules, the 2010 and 2011 results do not include the contribution of the Vinyl Products activities concerned by a divestment project underway at the close of the year.
In 2011, Arkema pursued its growth momentum, and conducted several major operations that bolstered its positioning in specialty chemicals. Various targeted acquisitions representing additional sales of €1 billion were completed, thereby finalizing at the beginning of 2012 the acquisition program initially planned for the 2011-2015 period. The Group also announced a project for the divestment of its Vinyl Products activities.

**Major acquisitions**

Integration of Total’s resins activities
The specialty resins acquired from Total (Coating Resins and Photocure Resins) on July 1st 2011 reported sales of €408 million in 2nd half 2011. With this acquisition, Arkema is establishing itself as a world leader in materials for coatings and paints, while consolidating its downstream acrylic activities.

Acquisition of Seppic’s alkoxylates
On 31st December 2011, Arkema finalized the acquisition of specialty chemicals for industrial markets from Seppic, a subsidiary of the Air Liquide group, which includes a site near Antwerp, Belgium (50 employees and €53 million sales in 2011). This activity will complement our range of specialty surfactants for niche markets such as warm mix asphalt for road construction, and industrial detergents. Alkoxylates are key components for the manufacture of certain rheology additives (dispersants and thickeners), and will help sustain the growth of products developed by our subsidiary Coatex, based near Lyon, France.

**Acquisition in biosourced polyamides**
Arkema announced in November 2011 the acquisition of Chinese companies Hipro Polymers, a producer of biosourced specialty polyamide 10,10, and Casda Biomaterials, the world leader in sebacic acid derived from castor oil. The acquisition was finalized on February 1st 2012. Both companies achieved aggregate sales of US$230 million in 2011, and employ 750 people on 2 sites in China. The world’s sole producer of polyamide 11 from castor oil, Arkema expands its expertise in green chemistry with this new product line also derived from castor oil. By acquiring Hipro Polymers’ polyamide 10,10, the Group completes its range of specialty polyamides, and becomes the only producer of long chain polyamides that include polyamides 10, 11 and 12. The main markets for polyamide 10,10 are electronics, automotive, oil and gas, and photovoltaics.

**Project for the divestment of the Vinyl Products segment**
In November 2011, the Group announced the project to divest its Vinyl Products activities to the Klesch group. This activity concerns 2,630 employees around the world, and accounted for sales of around €1 billion in 2011.

“This project stems from our firm belief that our specialty and our commodity activities now require differentiated strategies. Grouped within an independent structure headed by Otto Takken, current Vice President of Arkema’s Vinyl Products business segment, the chlorochemicals, PVC and downstream activities would then develop within a new structure based on a clear industrial project, a dedicated strategy, and a strong balance sheet.” Thierry Le Hénaff, Arkema Chairman and Chief Executive Officer.

The business base being divested comprises the entire integrated product chain, from salt electrolysis to PVC converting (chlorine, caustic soda, PVC, profiles and compounds). The project will help create a European leader in PVC while maintaining the industrial base.

This operation is subject to the information / consultation process involving the workers councils, and is expected to be finalized by mid-2012.
The next Combined Ordinary and Extraordinary General Meeting of Arkéma’s shareholders will be held on Wednesday May 23rd 2012, 10.30 am, at the Palais des Congrès in Paris.

If you own registered shares or more than 500 bearer shares, the Notice of Meeting will have been sent to you automatically.

If you do not fulfill these conditions, your Notice of Meeting is available from your financial intermediary. Your financial intermediary will then carry out the necessary formalities for you to receive an admission card or a postal vote form.

The full agenda, together with all practical information and the documentation relating to the Annual General Meeting, are available on the Group’s website www.finance.arkema.com

You will be asked to vote on the following resolutions in particular:

- Payment of dividend (4th resolution)
  The payment of a dividend of €1.30 per share for 2011, 30% up versus previous year, will be submitted to your approval. It will be paid on June 1st 2012.
- Renewal of directors mandate (7th and 8th resolutions)
  The Board of Directors recommends that you renew, for a four-year period, the terms of office of the following 2 directors:
  Thierry Le Hénaff (Chairman of the Board of Directors since 2006)
  Jean-Pierre Serres (Independent director, Chairman of the Strategy Committee, and a member of the Audit and Accounts Committee)
- Authorization to increase the share capital with or without the preferential subscription right (12th and 13th resolutions)
  You will be requested to renew the delegation of authority granted to the Board of Directors by the Combined General Meeting of June 1st 2010 to increase the share capital, up to a nominal amount of 4,300 million (i.e. 48.5% of the share capital) with the preferential subscription right, and up to 15% of the share capital for a share capital increase without shareholders’ preferential subscription right.
- Authorizations to proceed with share capital increases reserved for employees (10th resolution)
  You will be requested to renew the authorization granted to the Board of Directors to proceed with share capital increases reserved for employees, these operations playing a role in boosting their motivation and in enhancing their feeling of belonging to the Group.

The Arkéma Shareholders Club invites its members to a number of events enabling them to find out about the Group and the world of Chemistry.

The participants had the opportunity to attend an event sponsored by Arkéma devoted to the secret bonds of molecules, a revolutionary innovation enabling materials to self-heal.

As part of its partnership with the French Red Cross, Arkéma is offering first-aid training on May 31st.

On June 11th, Arkéma is organizing a visit to the dyeing workshops of Manufacture des Gobelins as well as a tour of the Gobelins district.