

## Investor and analyst factsheet

	<b>3Q'13</b> <i>in €m</i>	<b>3Q'12</b> <i>in €m</i>	<b>3Q'13/ 3Q'12</b>	<b>9m'13</b> <i>in €m</i>	<b>9m'12</b> <i>in €m</i>	<b>9m'13/ 9m'12</b>
<b>Sales</b>	<b>1,495</b>	<b>1,606</b>	<b>-6.9%</b>	<b>4,687</b>	<b>4,948</b>	<b>-5.3%</b>
<i>High Performance Materials</i>	451	548	-17.7%	1,376	1,654	-16.8%
<i>Industrial Specialties</i>	461	496	-7.1%	1,540	1,594	-3.4%
<i>Coating Solutions</i>	574	557	3.1%	1,738	1,683	3.3%
<i>Corporate</i>	9	5		33	17	
<b>EBITDA</b>	<b>233</b>	<b>266</b>	<b>-12.4%</b>	<b>740</b>	<b>825</b>	<b>-10.3%</b>
<i>High Performance Materials</i>	85	107	-20.6%	248	318	-22.0%
<i>Industrial Specialties</i>	74	98	-24.5%	292	320	-8.8%
<i>Coating Solutions</i>	79	78	1.3%	240	234	2.6%
<i>Corporate</i>	(5)	(17)		(40)	(47)	
<b>EBITDA margin</b>	<b>15.6%</b>	<b>16.6%</b>		<b>15.8%</b>	<b>16.7%</b>	
<i>High Performance Materials</i>	18.8%	19.5%		18.0%	19.2%	
<i>Industrial Specialties</i>	16.1%	19.8%		19.0%	20.1%	
<i>Coating Solutions</i>	13.8%	14.0%		13.8%	13.9%	
<b>Depreciation and amortization</b>	<b>(79)</b>	<b>(77)</b>		<b>(233)</b>	<b>(227)</b>	
<b>Recurring EBIT</b>	<b>154</b>	<b>189</b>	<b>-18.5%</b>	<b>507</b>	<b>598</b>	<b>-15.2%</b>
<i>High Performance Materials</i>	59	80	-26.3%	171	238	-28.2%
<i>Industrial Specialties</i>	45	70	-35.7%	206	236	-12.7%
<i>Coating Solutions</i>	55	57	-3.5%	171	173	-1.2%
<i>Corporate</i>	(5)	(18)		(41)	(49)	
<b>NR items</b>	<b>(37)</b>	<b>-</b>		<b>(177)</b>	<b>(25)</b>	
<i>Equity in income of affiliates</i>	2	2		5	8	
<i>Financial results</i>	(13)	(14)		(40)	(39)	
<i>Income taxes</i>	(40)	(54)		(146)	(166)	
<b>Net income – Group share</b>	<b>65</b>	<b>116</b>	<b>-44.0%</b>	<b>147</b>	<b>204</b>	<b>-27.9%</b>
<b>Adjusted net income<sup>1</sup></b>	<b>101</b>	<b>123</b>	<b>-17.9%</b>	<b>322</b>	<b>397</b>	<b>-18.9%</b>
<i>Adjusted EPS (diluted)<sup>1</sup></i>	1.59	1.95	-18.5%	5.08	6.32	-19.6%
<b>Capital expenditures</b>	<b>97</b>	<b>102</b>	<b>-4.9%</b>	<b>271</b>	<b>282</b>	<b>-3.9%</b>
<i>High Performance Materials</i>	18	24		49	73	
<i>Industrial Specialties</i>	50	38		135	101	
<i>Coating Solutions</i>	23	33		68	93	
<i>Corporate</i>	6	7		19	15	
<b>Free cash flow<sup>2</sup></b>	<b>132</b>	<b>148</b>	<b>-10.8%</b>	<b>116</b>	<b>124</b>	<b>-6.5%</b>
<i>Working capital (vs. 12/31/12)</i>				<b>1,042</b>	<b>971</b>	<b>7.3%</b>
<b>WC as % of sales<sup>3</sup> (vs. 12/31/12)</b>				<b>17.4%</b>	<b>15.2%</b>	
<b>Net debt (12/31/12)</b>				<b>1,033</b>	<b>900</b>	<b>14.8%</b>
<b>Gearing<sup>4</sup> (12/31/12)</b>				<b>44.3%</b>	<b>39.0%</b>	

<sup>1</sup> For 3Q'12 and 9m'12, adjusted net income of continuing operations (excluding impact of the vinyl activities divested beginning of July 2012).

<sup>2</sup> Cash flow including non-recurring items and excluding impact from M&A.

<sup>3</sup> At September 30<sup>th</sup> calculated as working capital end of period divided by 4 times quarterly sales.

At Dec. 31<sup>st</sup>, 2012: Working Capital divided by 2012 annual sales.

<sup>4</sup> Calculated as net financial debt divided by shareholders' equity.

**THIRD QUARTER 2013 PERFORMANCE**

Solid performance in a less favorable environment than last year

**-6.9% SALES AT €1,495M VERSUS €1,606M IN 3Q'12**

- +0.9% volume
  - Volume up YoY in Coating Solutions
  - Strong base of comparison of 3Q'12 in High Performance Materials
- -2.0% price
  - Mainly Fluorogases and different product mix in High Performance Materials
- -2.5% scope of business
  - Mainly in High Performance Materials (with tin stabilizers divestment)
- -3.4% FX rate – translation effect

**€233M EBITDA**

- Solid EBITDA margin level (15.6%)
- Variation of EBITDA vs 3Q'12 (€266m) concentrated on 3 elements:
  - Strengthening of the euro
  - Fluorogases
  - Oil and gas (High Performance Materials)

**€101M ADJUSTED NET INCOME**

- 6.8% of sales

**€65M NET INCOME GROUP SHARE**

- Including -€37m non-recurring items

**HIGH PERFORMANCE MATERIALS**

- 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 3<sup>rd</sup> quarter)
- Stronger demand confirmed in oil and gas market in 4Q'13, notably in Filtration and Adsorption

**INDUSTRIAL SPECIALTIES**

- Good performance of Thiochemicals and H<sub>2</sub>O<sub>2</sub>
- 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

- +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<sup>5</sup>
  - €30m non recurring charge booked in 3Q'13 (including €9m write-off)

### CASH FLOW AND NET DEBT AT END OF SEPTEMBER 2013

- +€132m free cash flow<sup>6</sup> and +€117m net cash flow<sup>7</sup> 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 H<sub>2</sub>O<sub>2</sub> (Jarrie)
- 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%

<sup>5</sup> The implementation of the project is subject to the legal information and consultation process involving the staff representatives.

<sup>6</sup> Cash flow from operations and investments excluding the impact of portfolio management.

<sup>7</sup> After impact of cash outflow related to Kem One.

**HIGHLIGHTS SINCE JULY 1<sup>ST</sup>, 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<sup>®</sup> HT, a high temperature biosourced polymer
    - 3<sup>rd</sup> 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