

Q3'21 INVESTOR AND ANALYST FACTSHEET

KEY FINANCIAL DATA

<i>in millions of euros</i>	Q3'21	Q3'20	Change	9m'21	9m'20	Change
Sales	2,398	1,909	+25.6%	7,019	5,899	+19.0%
Prices	+23.8%			+15.1%		
Volumes	+5.3%			+10.0%		
Currency	+1.1%			-2.5%		
Scope	-4.6%			-3.6%		
EBITDA	474	307	+54.4%	1,310	893	+46.7%
Specialty Materials ⁽¹⁾	421	268	+57.1%	1,144	757	+51.1%
Intermediates	74	55	+34.5%	236	189	+24.9%
Corporate	-21	-16		-70	-53	
EBITDA margin	19.8%	16.1%		18.7%	15.1%	
Specialty Materials	20.1%	16.9%		19.3%	15.8%	
Intermediates	24.7%	17.5%		22.1%	17.3%	
Recurring depreciation and amortization	-131	-136		-399	-418	
Recurring EBIT	343	171	+100.6%	911	475	+91.8%
REBIT margin	14.3%	9.0%		13.0%	8.1%	
PPA depreciation and amortization	-17	-14		-51	-43	
Non-recurring items	1	-9		709	84	
Equity in income of affiliates	-1	0		0	-1	
Financial result	-15	-23		-43	-68	
Income taxes	-64	-32		-327	-156	
Net income - Group share	247	92	+168.5%	1,197	289	+314.2%
Adjusted net income	258	109	+136.7%	684	299	+128.8%
Adjusted EPS (€)	3.44	1.42	+142.3%	9.02	3.91	+130.7%
Recurring capital expenditure	-111	-105	+5.7%	-276	-262	+5.3%
Exceptional capital expenditure	-64	-33	+93.9%	-181	-90	+101.1%
Recurring cash flow ⁽²⁾	236	311	-24.1%	534	582	-8.2%
Free cash flow	74	285	-74.0%	371	535	-30.7%
Net debt incl hybrid bonds	1,255	1,869		1,255	1,869	

(1) Specialty Materials include the three following segments: Adhesive Solutions, Advanced Materials and Coating Solutions

(2) Recurring cash flow corresponds to the free cash flow before exceptional items. It excludes non-recurring items and exceptional capital expenditure

SIMPLIFIED CASH FLOW

<i>in millions of euros</i>	Q3'21	Q3'20	Change	9m'21	9m'20	Change
EBITDA	474	307	+54.4%	1,310	893	+46.7%
Current taxes	-60	-31	+93.5%	-177	-86	+105.8%
Cost of debt	-13	-19	-31.6%	-40	-61	-34.4%
Change in working capital and fixed asset	-80	160	-	-320	82	-
Recurring capital expenditure	-111	-105	+5.7%	-276	-262	+5.3%
Others	26	-1	-	37	16	-
Recurring cash flow	236	311	-24.1%	534	582	-8.2%
Exceptional capital expenditure	-64	-33	+93.9%	-181	-90	+101.1%
Non-recurring items	-98	7	-	18	43	-
Free cash flow	74	285	-74.0%	371	535	-30.7%
Impact of portfolio management	-10	-5	-	886	142	-
Net cash flow	64	280	-77.1%	1,257	677	+85.7%

(*) Excluding non-recurring items and impact of portfolio management

PERFORMANCE BY SEGMENT

<i>in millions of euros</i>	Q3'21	Q3'20	Change	9m'21	9m'20	Change
Sales	2,398	1,909	+25.6%	7,019	5,899	+19.0%
Specialty Materials	2,091	1,588	+31.7%	5,932	4,789	+23.9%
Adhesive Solutions	568	516	+10.1%	1,698	1,484	+14.4%
Advanced Materials	781	603	+29.5%	2,213	1,883	+17.5%
Coating Solutions	742	469	+58.2%	2,021	1,422	+42.1%
Intermediates	300	315	-4.8%	1,066	1,091	-2.3%
EBITDA	474	307	+54.4%	1,310	893	+46.7%
Specialty Materials	421	268	+57.1%	1,144	757	+51.1%
Adhesive Solutions	79	73	+8.2%	247	192	+28.6%
Advanced Materials	174	127	+37.0%	494	373	+32.4%
Coating Solutions	168	68	+147.1%	403	192	+109.9%
Intermediates	74	55	+34.5%	236	189	+24.9%
Corporate	-21	-16		-70	-53	
EBITDA margin	19.8%	16.1%		18.7%	15.1%	
Specialty Materials	20.1%	16.9%		19.3%	15.8%	
Adhesive Solutions	13.9%	14.1%		14.5%	12.9%	
Advanced Materials	22.3%	21.1%		22.3%	19.8%	
Coating Solutions	22.6%	14.5%		19.9%	13.5%	
Intermediates	24.7%	17.5%		22.1%	17.3%	
Recurring EBIT	343	171	+100.6%	911	475	+91.8%
Specialty Materials	312	162	+92.6%	822	437	+88.1%
Adhesive Solutions	63	57	+10.5%	199	146	+36.3%
Advanced Materials	111	66	+68.2%	308	188	+63.8%
Coating Solutions	138	39	+253.8%	315	103	+205.8%
Intermediates	53	27	+96.3%	164	97	+69.1%
Corporate	-22	-18		-75	-59	

SALES BY BUSINESS LINE

<i>in millions of euros</i>	Q3'21	Q3'20	Change	9m'21	9m'20	Change
Sales Adhesive Solutions	568	516	+10.1%	1,698	1,484	+14.4%
Construction & Consumer	304	294	+3.4%	922	799	+15.4%
Industrial Assembly	264	222	+18.9%	776	685	+13.3%
Sales Advanced Materials	781	603	+29.5%	2,213	1,883	+17.5%
High Performance Polymers	295	178	+65.7%	792	556	+42.4%
Performance Additives	486	425	+14.4%	1,421	1,327	+7.1%
Sales Coating Solutions	742	469	+58.2%	2,021	1,422	+42.1%
Coating Resins	550	352	+56.3%	1,484	1,039	+42.8%
Coating Additives	192	117	+64.1%	537	383	+40.2%
Sales Intermediates	300	315	-4.8%	1,066	1,091	-2.3%

SALES DEVELOPMENT

	Q3'21 SALES				9m'21 SALES			
	Price	Volume	Fx	Scope	Price	Volume	Fx	Scope
Total Group	+23.8%	+5.3%	+1.1%	-4.6%	+15.1%	+10.0%	-2.5%	-3.6%
Specialty Materials	+23.1%	+6.0%	+0.6%	+1.9%	+14.1%	+11.0%	-2.8%	+1.5%
Adhesive Solutions	+6.6%	-2.3%	+1.0%	+4.8%	+3.3%	+8.4%	-1.9%	+4.6%
Advanced Materials	+14.6%	+13.3%	+0.8%	+0.8%	+7.5%	+12.4%	-2.7%	+0.3%
Coating Solutions	+52.4%	+5.8%	-	-	+34.2%	+11.8%	-3.9%	-
Intermediates	+27.6%	+1.6%	+3.5%	-37.5%	+19.7%	+5.4%	-1.6%	-25.8%

DISCLAIMER

Balance sheet, income statement and cash flow statement data, as well as data relating to the statement of changes in shareholders' equity and information by segment included in this press release are extracted from the consolidated financial information at 30 September 2021 reviewed by Arkema's Board of Directors on 9 November 2021. Quarterly financial information is not audited.

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

Details of the main alternative performance indicators used by the Group are provided in the tables appended to this press release. For the purpose of analyzing its results and defining its targets, the Group also uses EBITDA margin, which corresponds to EBITDA expressed as a percentage of sales, EBITDA equaling recurring operating income (REBIT) plus recurring depreciation and amortization of tangible and intangible assets, as well as REBIT margin, which corresponds to recurring operating income (REBIT) expressed as a percentage of sales.

For the purpose of tracking changes in its results, and particularly its sales figures, the Group analyzes the following effects (unaudited analyses):

- **scope effect:** the impact of changes in the Group's scope of consolidation, which arise from acquisitions and divestments of entire businesses or as a result of the first-time consolidation or deconsolidation of entities. Increases or reductions in capacity are not included in the scope effect;
- **currency effect:** the mechanical impact of consolidating accounts denominated in currencies other than the euro at different exchange rates from one period to another. The currency effect is calculated by applying the foreign exchange rates of the prior period to the figures for the period under review;
- **price effect:** the impact of changes in average selling prices is estimated by comparing the weighted average net unit selling price of a range of related products in the period under review with their weighted average net unit selling price in the prior period, multiplied, in both cases, by the volumes sold in the period under review;
- ⇒ **volume effect:** the impact of changes in volumes is estimated by comparing the quantities delivered in the period under review with the quantities delivered in the prior period, multiplied, in both cases, by the weighted average net unit selling price in the prior period.

Building on its unique set of expertise in materials science, **Arkema** offers a portfolio of first-class technologies to address ever-growing demand for new and sustainable materials. With the ambition to become in 2024 a pure player in Specialty Materials, the Group is structured into 3 complementary, resilient and highly innovative segments dedicated to Specialty Materials -Adhesive solutions, Advanced Materials, and Coating Solutions- accounting for some 82% of Group sales in 2020, and a well-positioned and competitive Intermediates segment. Arkema offers cutting-edge technological solutions to meet the challenges of, among other things, new energies, access to water, recycling, urbanization and mobility, and fosters a permanent dialogue with all its stakeholders. The Group reported sales of around €8 billion in 2020, and operates in some 55 countries with 20,600 employees worldwide.

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