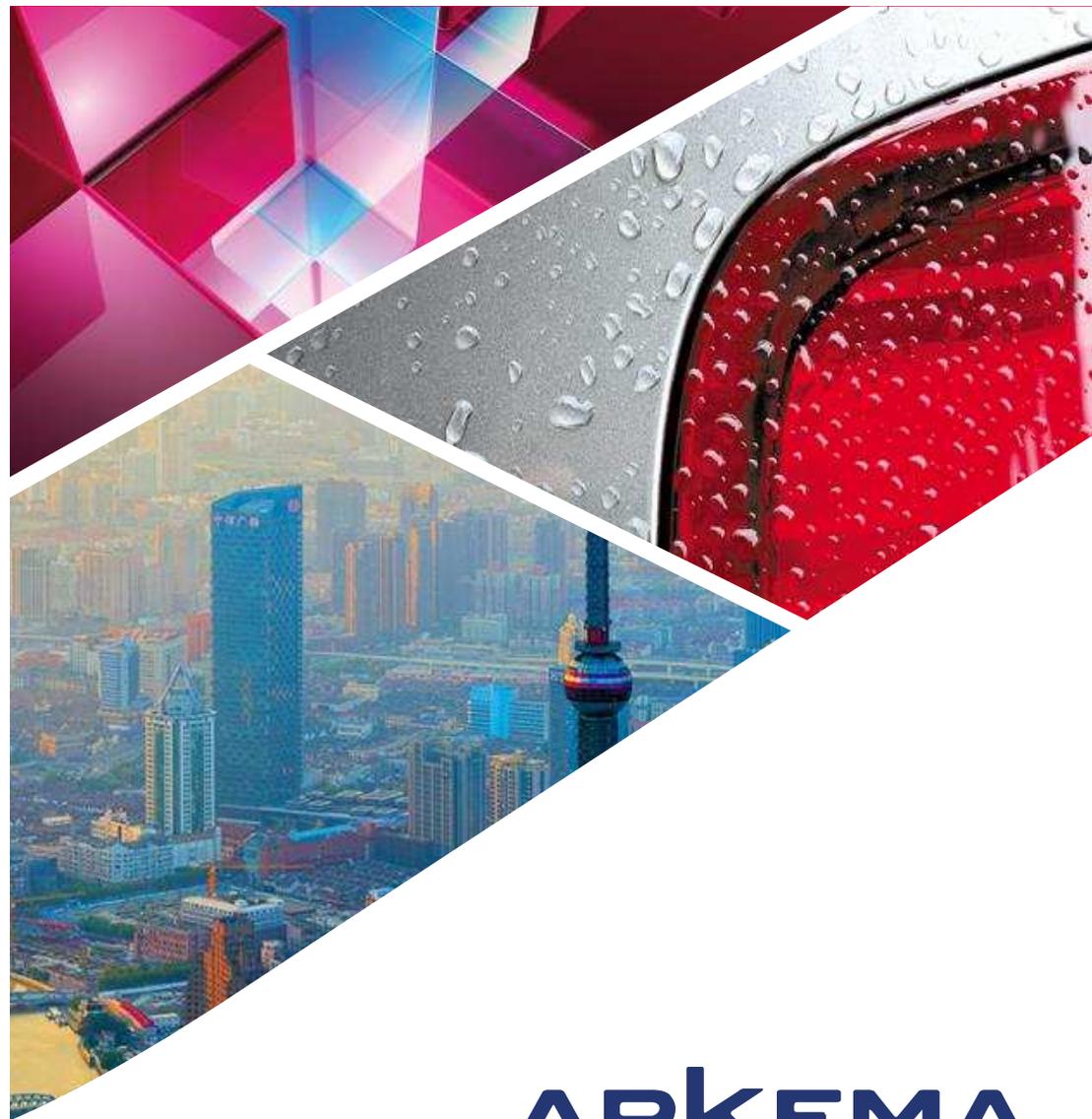


FIRST QUARTER 2020 RESULTS

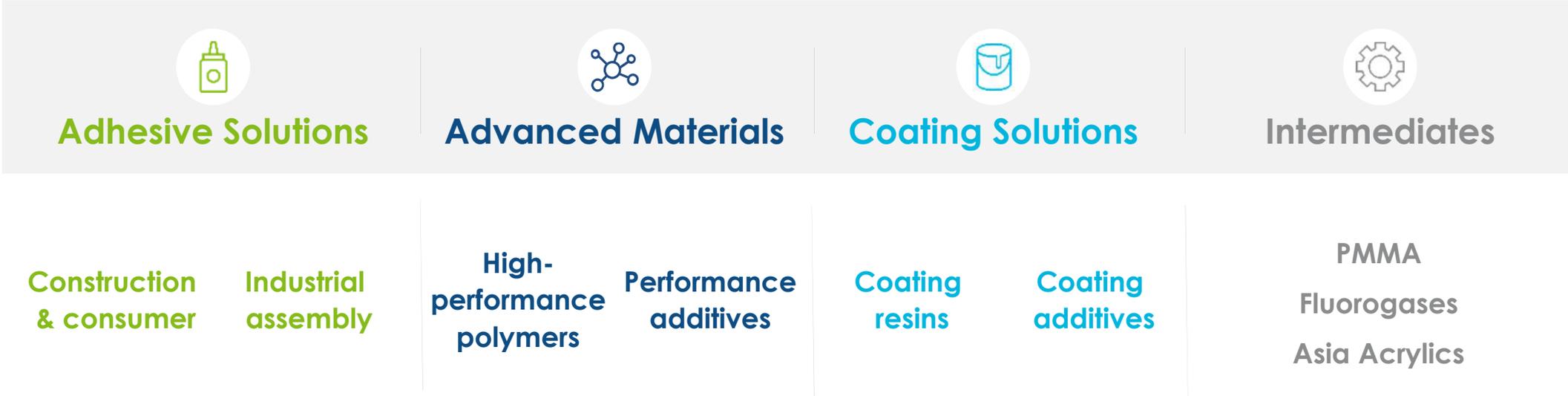
6 MAY 2020



ARKEMA
INNOVATIVE CHEMISTRY

A NEW REPORTING STRUCTURE ALIGNED WITH THE AMBITION OF BECOMING A PURE SPECIALTY MATERIALS PLAYER IN 2024

Specialty Materials



Presented during the Strategy Update of 2 April 2020

1Q'20 FINANCIAL HIGHLIGHTS

€2,088m sales

- ✦ - **5.7%** YoY, marked by the impact of Covid-19
- ✦ **Specialty Materials**¹ accounting for **81%** of total Group sales (vs 79% in 1Q'19)

€300m EBITDA

- ✦ ~ **€45m** impact from the effects of Covid-19
- ✦ **EBITDA stable in Specialty Materials**¹, excluding the impact of Covid-19
- ✦ **Adhesive Solutions** EBITDA up **+11%** YoY
- ✦ Intermediates mainly impacted by Covid-19 and Fluorogases

14.4% EBITDA margin

- ✦ Down by around 2 percentage points in the context of emerging Covid-19 outbreak

€100m adj. net income

- ✦ **€1.31** adjusted EPS

€2,481m net debt
(incl. €1bn hybrid bonds)

- ✦ Up €150m vs December 2019, of which over 50% relating to the acquisition of LIP
- ✦ Close-to-balance free cash flow, reflecting working capital seasonal increase

€1.5bn liquidity

- ✦ Confirming the Group's financial solidity
- ✦ In 2020, reduction in capex by **€100m** vs initial plan and fixed costs by **€50m** vs 2019

1. Specialty Materials includes the three following segments: Adhesive Solutions, Advanced Materials and Coating Solutions

MAIN ANNOUNCEMENTS SINCE 1 JANUARY 2020



LIP

Bolt-on acquisition in Adhesive Solutions

Danish leader in tile adhesives, water proofing systems and floor preparation solutions

Sales ~€30m per year

Finalized on 3 January 2020



Climate & Environment

New ambitious objectives * by 2030

CLIMATE



-38%
vs 2015

AIR



-65%
vs 2012

WATER



-60%
vs 2012

ENERGY



-20%
vs 2012



KERTEH 2

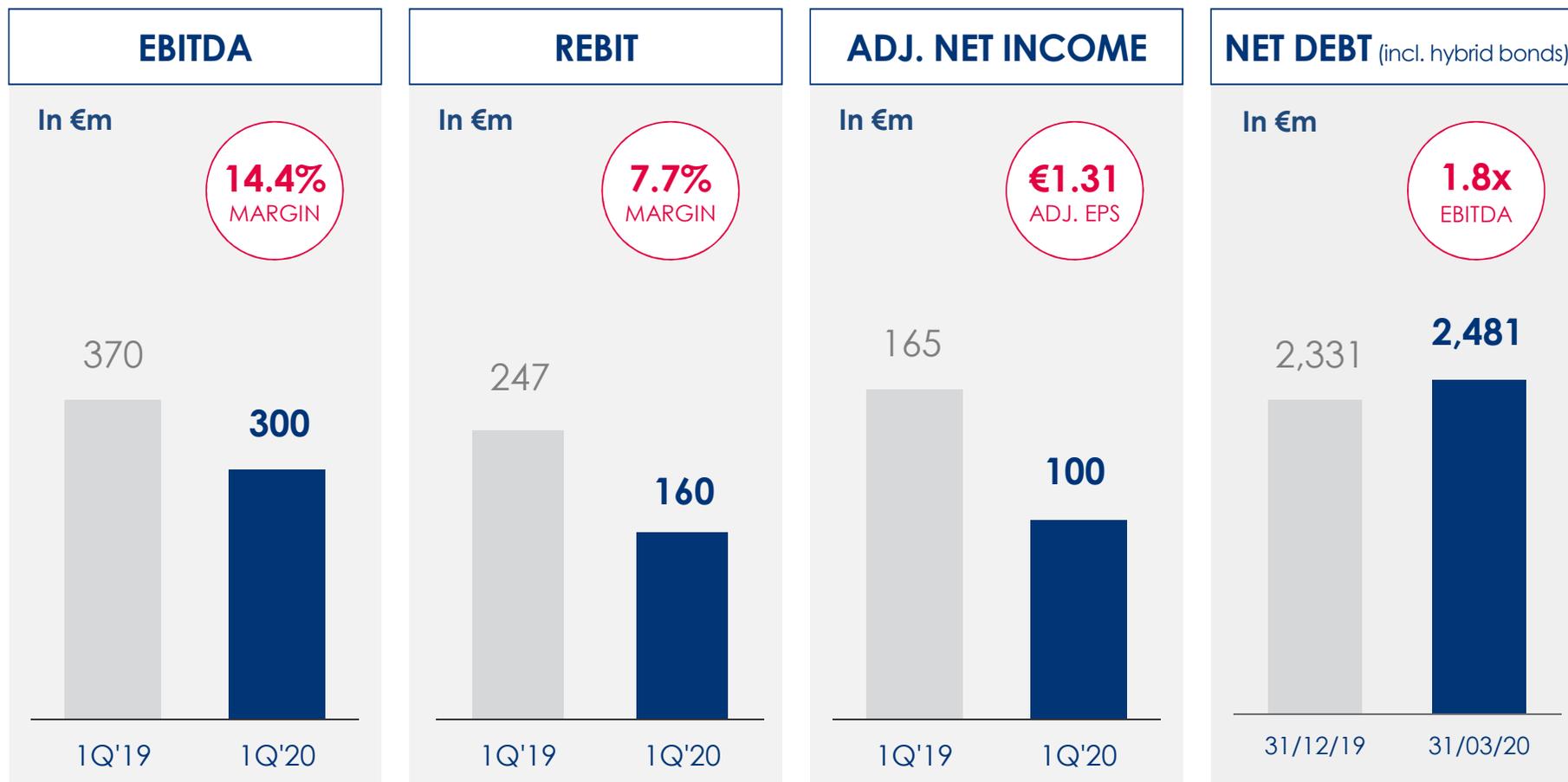
Attractive growth capex in Advanced Materials

Doubling of the methyl mercaptan production capacity at Kerteh site in Malaysia

Markets: nutrition, oil & gas, refining

Start-up in Q1 2020

1Q'20 PERFORMANCE MARKED BY THE CORONAVIRUS OUTBREAK



1Q'20 KEY FIGURES

In €m (except EPS)	1Q'19	1Q'20	Change
Sales	2,215	2,088	(5.7)%
EBITDA	370	300	(18.9)%
Specialty Materials ¹	292	256	(12.3)%
Intermediates	103	68	(34.0)%
Corporate	(25)	(24)	
EBITDA margin	16.7%	14.4%	
Recurring operating income (REBIT)	247	160	(35.2)%
REBIT margin	11.2%	7.7%	
Adjusted net income	165	100	(39.4)%
Net debt (incl hybrid bonds)	2,331	2,481	

1. Specialty Materials includes the three following segments: Adhesive Solutions, Advanced Materials and Coating Solutions

1Q'20 SALES BRIDGE

In €m



ADHESIVE SOLUTIONS (25% OF GROUP SALES)



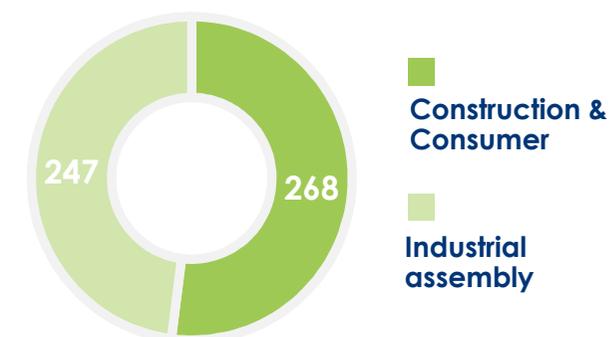
1Q'20 KEY FIGURES

In €m	1Q'19	1Q'20	Change
Sales	513	515	+0.4%
EBITDA	62	69	+11.3%
EBITDA margin	12.1%	13.4%	
Rec. operating income	48	54	+12.5%

1Q'20 SALES DEVELOPMENT

Volumes	(3.2)%
Prices	+0.4%
Currency	+0.2%
Scope	+3.0%

1Q'20 SALES BY BUSINESS LINE



1Q'20 HIGHLIGHTS

✦ €515m sales, up 0.4% YoY

- +3.0% scope effect, on consolidation of Prochimir and LIP
- 3.2% volumes drop
 - despite increased demand in packaging and strong performance in construction in the US and Southeast Asia
 - slowdown in transportation, in certain industrial segments and initial impacts of lockdowns on construction in Western Europe

✦ €69m EBITDA and 13.4% EBITDA margin

- EBITDA up 11.3% YoY, validating strategy of bolt-on acquisitions and product mix optimization towards higher value-added applications
- Estimated Covid-19 impact of approximately €5m

ADVANCED MATERIALS (31% OF GROUP SALES)



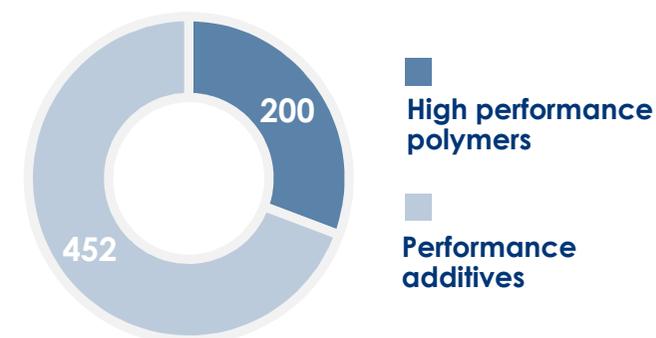
1Q'20 KEY FIGURES

In €m	1Q'19	1Q'20	Change
Sales	672	652	(3.0)%
EBITDA	151	122	(19.2)%
EBITDA margin	22.5%	18.7%	
Rec. operating income	97	61	(37.1)%

1Q'20 SALES DEVELOPMENT

Volumes	(9.9)%
Prices	(1.7)%
Currency	+0.9%
Scope	+7.7%

1Q'20 SALES BY BUSINESS LINE



1Q'20 HIGHLIGHTS

➤ €652m sales, slightly down 3.0% YoY

- 7.7% positive scope effect relating to ArrMaz consolidation
- Volumes down 9.9% on
 - challenging macro-economic environment in a few end markets, strikes in France in January and Covid-19 health crisis
 - decline in transport, electronics and oil & gas markets, overshadowing relative strength of nutrition, new developments in sports and innovation

➤ €122m EBITDA and 18.7% EBITDA margin

- EBITDA down YoY, essentially due to Covid-19 (~€15m) and strikes (~€10m) impacts
- EBITDA margin at solid level

COATING SOLUTIONS (25% OF GROUP SALES)



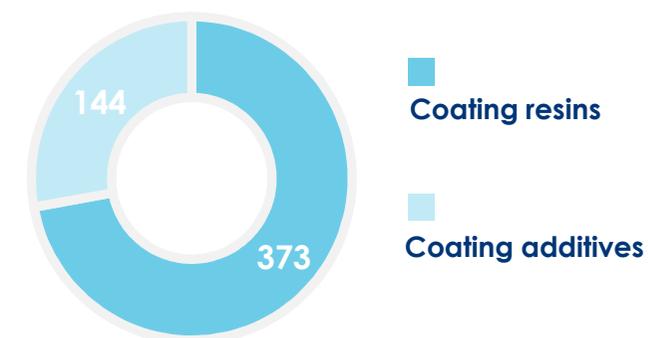
1Q'20 KEY FIGURES

In €m	1Q'19	1Q'20	Change
Sales	564	517	(8.3)%
EBITDA	79	65	(17.7)%
EBITDA margin	14.0%	12.6%	
Rec. operating income	54	36	(33.3)%

1Q'20 SALES DEVELOPMENT

Volumes	(2.7)%
Prices	(8.3)%
Currency	+1.1%
Scope	+1.6%

1Q'20 SALES BY BUSINESS LINE



1Q'20 HIGHLIGHTS

✦ €517m sales, down 8.3% YoY

- -8.3% price effect, primarily due to lower propylene prices
- Volumes down 2.7%, representing a resilient performance, thanks to
 - ramp-up of the Clear Lake reactor in the United States
 - good performance of decorative paints, hygiene and water treatment markets

✦ €65m EBITDA and 12.6% EBITDA margin

- EBITDA down 17.7% compared to the very high level in 1Q'19
- Covid-19 impact of around €10m, and more marginal impact from French strikes

INTERMEDIATES (19% OF GROUP SALES)



1Q'20 KEY FIGURES

In €m	1Q'19	1Q'20	Change
Sales	459	397	(13.5)%
EBITDA	103	68	(34.0)%
EBITDA margin	22.4%	17.1%	
Rec. operating income	75	35	(53.3)%

1Q'20 SALES DEVELOPMENT

Volumes	(2.2)%
Prices	(12.1)%
Currency	+0.8%
Scope	-

1Q'20 HIGHLIGHTS

✦ €397m sales, down 13.5% YoY

- -12.1% price effect, on challenging market conditions in Fluorogases and lower propylene prices
- Volumes slightly down 2.2%, mainly reflecting impact of Covid-19 and decline of the automotive market

✦ €68m EBITDA and 17.1% EBITDA margin

- Much lower Fluorogases earnings on illegal HFC gas imports into Europe
- Estimated Covid-19 impact, especially on acrylics in China, at around €10m
- Moderate impact from normalization of market conditions in MMA/PMMA

1Q'20 CASH FLOW

RECONCILIATION OF EBITDA TO NET CASH FLOW

In €m	1Q'19	1Q'20
EBITDA	370	300
Current taxes	(47)	(26)
Cost of debt	(24)	(25)
Change in working capital and fixed assets payables ¹	(126)	(181)
Recurring capital expenditure	(86)	(79)
Exceptional capital expenditure	(18)	(13)
Others (including non-recurring items)	4	(14)
FREE CASH FLOW	73	(38)
Impact of portfolio management	(1)	(95)
NET CASH FLOW	72	(133)

1. Excluding non-recurring items and impact of portfolio management

1Q'20 HIGHLIGHTS

- ✦ **Tax rate: 21% of REBIT** (excl. exceptional items)
 - 2020e tax rate: ~21% of REBIT
- ✦ **Working capital seasonal increase**
 - 16.5% working capital on annualized sales (15.1% end of March 2019)
- ✦ **Portfolio management mainly linked to LIP acquisition**

1Q'20 NET DEBT BRIDGE (INCLUDING HYBRID BONDS)



2020 OUTLOOK

- ❖ **Global demand** expected to **slow significantly in the second quarter** of the year due to the lockdown measures enforced across the different regions of the world. Construction in Europe and US is a market that will be more affected in the second quarter.
- ❖ The Group anticipates a **gradual improvement in global demand from mid-year onwards** but at this stage, the way the pandemic will evolve is still **too uncertain to make sufficiently reliable estimates as to the impact of the crisis on Arkema's full-year 2020 results**.
- ❖ While remaining attentive as to how the situation develops, the Group will draw on its strengths to best manage the current situation and mitigate the impacts of the crisis. In particular, Arkema intends to **reduce its capital expenditure by €100 million in 2020**, compared to the level originally planned, and to **reduce its fixed costs by €50 million compared to 2019**. It should also benefit from the diversity of its end markets, as well as its balanced geographical footprint.
- ❖ Thanks to those initiatives, the positioning of its product lines, its moderate indebtedness and strong liquidity level, Arkema confirms its confidence in its ability to deal with this unprecedented crisis and to be well positioned when the recovery materializes.
- ❖ Finally, the Group will continue to work on its ambition presented during the 2 April 2020 Strategy Update to **become a pure Specialty Materials player by 2024**.

DISCLAIMER

The information disclosed in this document may contain forward-looking statements with respect to the financial condition, results of operations, business and strategy of Arkema.

In the current context, where the Covid-19 epidemic continues to rapidly spread across the world, and the evolution of the situation as well as the magnitude of its impacts on the global economy are highly uncertain, the retained assumptions and forward looking statements could ultimately prove inaccurate.

Such statements are based on management's current views and assumptions that could ultimately prove inaccurate and are subject to material risk factors such as among others, changes in raw material prices, currency fluctuations, implementation pace of cost-reduction projects, developments in the Covid-19 situation, and changes in general economic and business conditions. These risk factors are further developed in the 2019 Universal Registration Document.

Arkema does not assume any liability to update such forward-looking statements whether as a result of any new information or any unexpected event or otherwise.

Further information on factors which could affect Arkema's financial results is provided in the documents filed with the French *Autorité des marchés financiers*.

Financial information since 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 main performance indicators used by the Group are defined in the 2019 Universal Registration Document. As part of the analysis of its results or to define its objectives, the Group uses in particular the following indicators:

EBITDA margin: corresponds to EBITDA as a percentage of sales, EBITDA equaling recurring operating income (REBIT) plus recurring depreciation and amortization of tangible and intangible assets

REBIT margin: corresponds to the recurring operating income (REBIT) as a percentage of sales

Free cash flow: corresponds to cash flow from operations and investments excluding the impact of portfolio management

EBITDA to cash conversion rate: corresponds to the free cash flow excluding exceptional capital expenditure divided by EBITDA

Return on average capital employed (ROACE): corresponds to the REBIT divided by the average of capital employed at the end of years Y and Y-1.