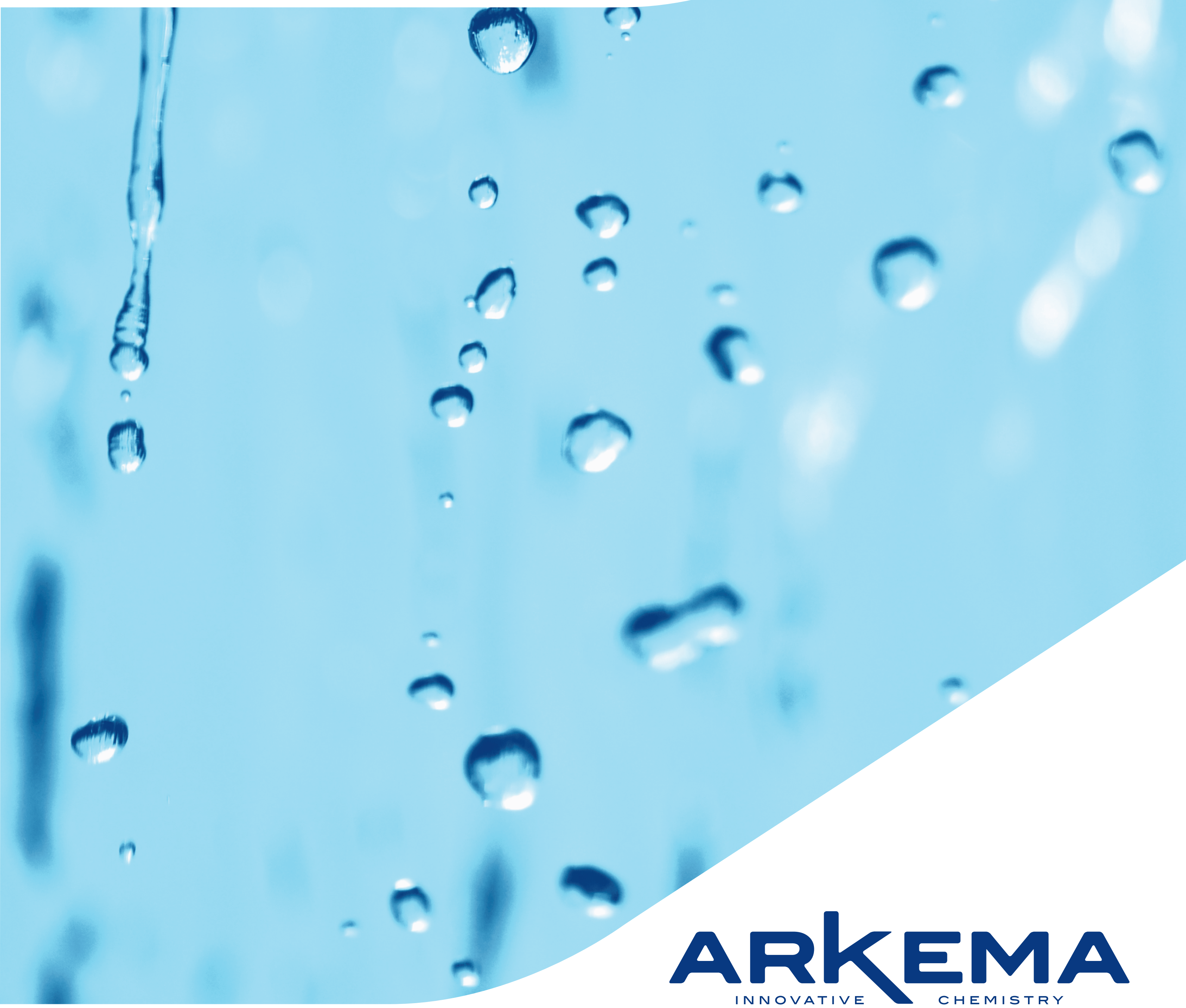
Notice of Meeting 2013

Combined Annual General Meeting

TUESDAY 4 JUNE 2013 AT 3.00 PM

Palais des Congrès de Paris
2, place de la Porte Maillot – 75017 Paris, France



ARKEMA
INNOVATIVE CHEMISTRY

You are invited to Arkema's Combined Annual General Meeting to be held on

TUESDAY 4 JUNE 2013 AT 3.00 PM (PARIS TIME)

at the Palais des Congrès de Paris
2, place de la Porte Maillot – 75017 Paris, France

If you wish to attend the Meeting, you are invited to come from 2.00 pm Paris time with your admission card or with your certificate of participation.

Press releases and all other information useful to shareholders, including documents related to this Annual General Meeting, can be found on **www.finance.arkema.com**.

For further information, please contact Arkema's Investor Relations department on: **+ 33 (0)1 49 00 74 63**

This document is a free translation in English of the "A vis de convocation" and is provided solely for the information and convenience of English-speaking readers.

WELCOME TO ARKEMA'S ANNUAL GENERAL MEETING

"By voting at the Annual General Meeting, you actively take part to important decisions on Arkema's future."

Ladies and Gentlemen, Dear Shareholders,

I am pleased to invite you to Arkema's Annual General Meeting to be held on **Tuesday 4 June 2013.**

The Annual General Meeting remains a valuable opportunity to inform you and discuss with you, and, by voting, you can play an active role in making the important decisions for our Group.

Our Annual General Meeting will be the opportunity to review the Group's transformation, our targeted growth strategy, and our ambition to become a world leader in specialty chemicals and advanced materials by 2016, which we set out at an Investor Day held in Paris in September 2012.

You will find in this document information on how to participate in this General Meeting, together with the agenda and a presentation of the resolutions that will be submitted to your approval.

In particular you will be asked to approve the distribution of a dividend of €1.80 per share, representing a payout ratio of 25% of the 2012 adjusted net income of continuing operations, consistent with the Group's objective to eventually distribute around 30% of its adjusted net income.

You will also be invited to approve the renewal for a four-year period of the term of office as director of Messrs Bernard Kasriel, Thierry Morin, Marc Pandraud and Philippe Vassor, who will continue to make us benefit from their long-standing experience of various sectors and of their wide competencies acquired in many different areas. We will also ask that you ratify the appointment by cooptation of Mrs Victoire de Margerie as a director of the Company. Her experience acquired both in several positions held in industry in France and abroad and as a director of several listed companies in France and abroad, will represent real assets for our Board of Directors.

Finally, you will also find in this notice of meeting a reminder of the Group's 2012 results, its outlook, and the composition of our Board of Directors.

I do sincerely hope that you will be able to attend the meeting, and I would like to thank you for your confidence and loyalty.

Thierry Le Hénaff

Chairman and Chief Executive Officer

HOW TO TAKE PART IN THE GENERAL MEETING ?

The Combined General Meeting* will take place **at 3.00 pm on Tuesday 4 June 2013** at the Palais des Congrès, Amphithéâtre bleu, 2, place de la Porte Maillot, 75017 Paris – France. The registration desk will open at 2.00 pm.

The Annual General Meeting is only open to Arkema's shareholders, regardless of the number of shares they hold.

To take part in the General Meeting, you are therefore required to provide evidence of your status as a shareholder of Arkema three business days before the date of the Meeting, *i.e.* **by 0.00 am (Paris time) on 30 May 2013.**

HOW TO PROVIDE EVIDENCE OF YOUR STATUS AS A SHAREHOLDER OF ARKEMA?

IF YOUR SHARES ARE REGISTERED

The evidence of your status as a shareholder is provided simply by having your shares registered in your name in the registered account at 0.00 am on 30 May 2013. You do not need to do anything further.

IF YOU HOLD BEARER SHARES

The evidence of your status as a shareholder is provided by a **certificate of participation** *("attestation de participation")* issued by your **financial intermediary** (bank, stockbroker or any other party who manages the share account in which your Arkema shares are held). Your financial intermediary is **your only contact** for these matters.

He will send the certificate of participation along with your request for an admission card or your proxy form to the registrar appointed by Arkema:

BNP Paribas Securities Services
CTS Émetteurs – Service des Assemblées
Les Grands Moulins de Pantin
9, rue du Débarcadère
93761 Pantin Cedex – France

HOW TO VOTE?

IF YOU WISH TO ATTEND THE GENERAL MEETING

You must request an admission card. Simply tick box A on the form, date and sign it, fill in your name, first name and address, or make sure they are correct if already mentioned.

Your request for an admission card must be received before 30 May 2013. If not, you can still attend the Meeting, but if your shares are bearer shares, you must bring a certificate of participation with you, as issued by your financial intermediary from 30 May 2013.

IF YOU DO NOT WISH TO ATTEND THE GENERAL MEETING

You may choose one of three options to vote. Date and sign the form, fill in your name, first name and address or make sure they are correct if already mentioned, and return the form after selecting one of the following three options:

- **vote by post:** tick box 1 "I vote by post" and complete your vote for each resolution. Once you have done this, you may not attend the Meeting or give a proxy to someone else;
- **give your proxy to the Chairman of the Meeting:** tick box 2 "I give my proxy to the Chairman of the General Meeting". In this case, the Chairman will vote in favour of the proposed resolutions agreed by the Board of Directors;
- **appoint another shareholder of Arkema, your spouse, a partner with whom you have entered into a civil partnership or any other person of your choice as your proxy,** in the conditions provided for in Articles L.225-106 of the French Commercial Code *(Code de commerce)*: tick box 3 "I appoint as my proxy" and fill in the name, first name and address of the person who will attend the Meeting on your behalf.

You can also appoint or remove a proxy **electronically** by sending an email to **paris.bp2s.france.cts.mandats@bnpparibas.com.** This email must contain the name of the company concerned, the date of the General Meeting, your name, first name and address, and the name, first name and, if possible, address of the proxy. If you are a **direct registered shareholder,** this email must contain your registered account number, and, if you are a **bearer shareholder** or an **administered registered shareholder,** your bank references.

If you are a **direct registered shareholder,** you must confirm your request on the website PlanetShares/My Shares or PlanetShares/My Plans on the page "My shareholder space – My general meetings", "Designate/Revoke a proxy".

If you are a **bearer shareholder or an administered registered shareholder**, you must ask your financial intermediary to send confirmation in writing to BNP Paribas Securities Services – CTS Émetteurs – Service des Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France.

To be duly taken into account, confirmation of appointment or removal of a proxy sent electronically must be received at the latest by 3.00 pm (Paris time) the day before the General Meeting. Appointments or removals of proxy confirmed by mail must be received at the latest 3 calendar days before the date of the General Meeting.

In all cases, you must complete the enclosed form and send it to your financial intermediary if you hold bearer shares, or to BNP Paribas Securities Services using the reply-paid envelope provided if your shares are registered.

* *As required by Article R.225-73 of the French Commercial Code, the Notice of Meeting was published in the "Bulletin des Annonces Légales et Obligatoires" on 3 April 2013.*

Whichever option you choose, **will be taken into account only those shares held in the registered or recorded share account** no later than three business days prior to the Annual General Meeting, **30 May 2013 at 0.00 am** (Paris time).

If shares are sold or transferred after this record date, the certificate of participation will remain valid and votes cast or proxies granted by the seller will be taken into account.

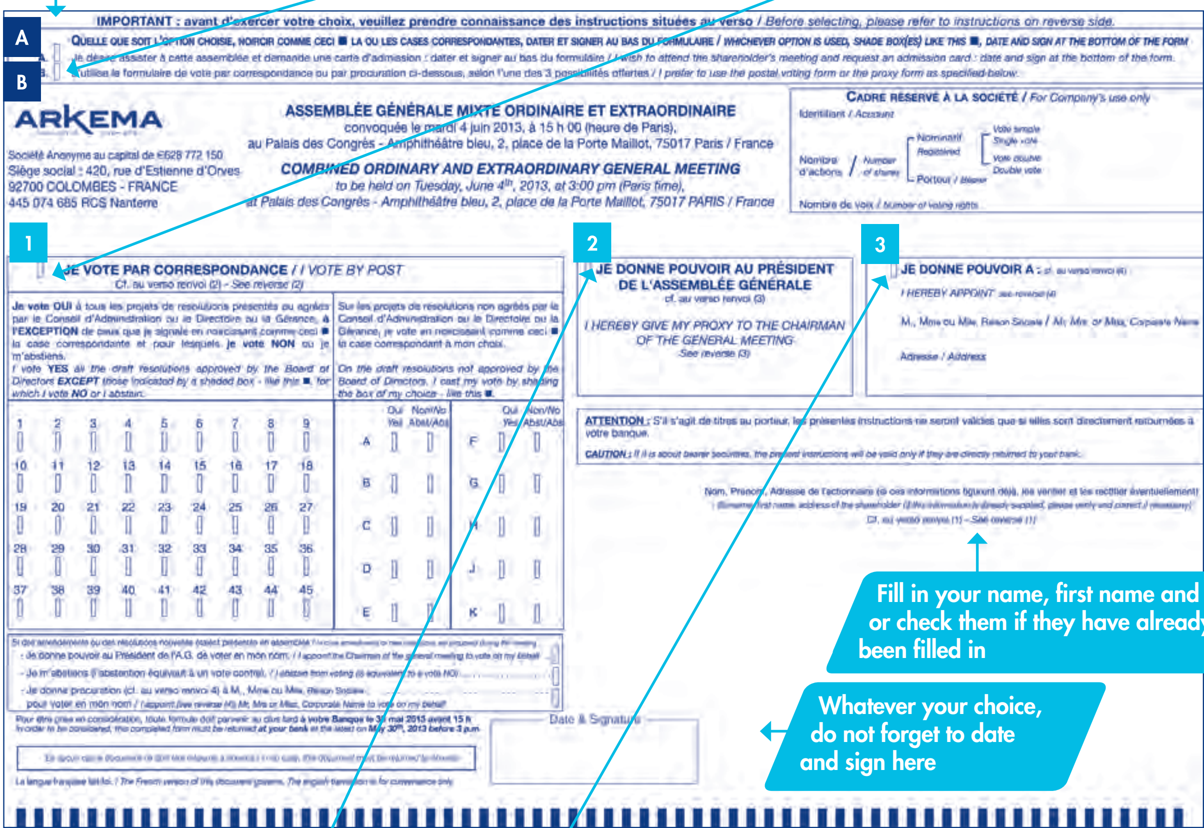
Shareholders who have cast a postal vote, given a proxy to another person, or requested an admission card will not have the rig ht to participate in the General Meeting in another way.

HOW TO FILL OUT THE FORM?

You will attend the Meeting in person:
fill in box **A** to receive your admission card.

You will not attend the Meeting:
fill in box **B** to appoint a proxy or vote by mail.

You will not attend the Meeting and want to cast a postal vote:
fill in box **1** and follow the instructions.


IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / *Before selecting, please refer to instructions on reverse side.*

A B

ARKEMA

ASSEMBLÉE GÉNÉRALE MIXTE ORDINAIRE ET EXTRAORDINAIRE
convoquée le mardi 4 juin 2013, à 15 h 00 (heure de Paris),
au Palais des Congrès - Amphithéâtre bleu, 2, place de la Porte Maillot, 75017 Paris / France

COMBINED ORDINARY AND EXTRAORDINARY GENERAL MEETING
to be held on Tuesday, June 4th, 2013, at 3:00 pm (Paris time),
at Palais des Congrès - Amphithéâtre bleu, 2, place de la Porte Maillot, 75017 PARIS / France

Société Anonyme au capital de €628 772 150
Siège social : 420, rue d'Estienne d'Orves
92700 COLOMBES - FRANCE
445 074 685 RCS Nanterre

CADRE RÉSERVÉ À LA SOCIÉTÉ / *For Company's use only*

1 JE VOTE PAR CORRESPONDANCE / *I VOTE BY POST*

2 JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING

3 JE DONNE POUVOIR A :
I HEREBY APPOINT

Date & Signature

Fill in your name, first name and address or check them if they have already been filled in

Whatever your choice, do not forget to date and sign here

You will not attend the Meeting and want to give your proxy to the Chairman of the Meeting:
fill in box **2**.

You will not attend the Meeting and want to appoint as your proxy a person of your choice who will be attending the Meeting:
fill in box **3** and fill in the name and address of this person.

NB : If you hold bearer shares, please do not send the fom directly to Arkema or to BNP Paribas Securities Sevices as it must be accompanied by a certificate of participation. Your financial intermediary (bank or stockbroker) will issue the required certificate and send it with your voting for m before 30 May 2013 to: BNP Paribas Securities Ser vices – CTS Émetteurs – Service des Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France.

ARKEMA IN 2012

2012 KEY FIGURES

The information mentioned below is provided on a consolidated basis and in accordance with Arkema's new organization into three business segments (High Performance Materials, Industrial Specialties, Coating Solutions).

For 2010, 2011 and 2012, the accounts have been restated in accordance with standard IFRS 5 and exclude the vinyl activities divested early July 2012 for the 2012, 2011 and 2010 income statement items and for the 2012 and 2011 balance sheet items.

13,925 employees

91 production sites

Presence in **40** countries

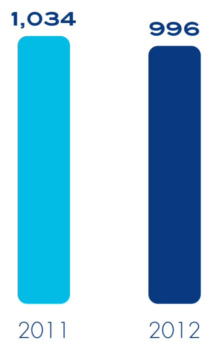
10 R&D centers

SALES

(in millions of euros)

EBITDA

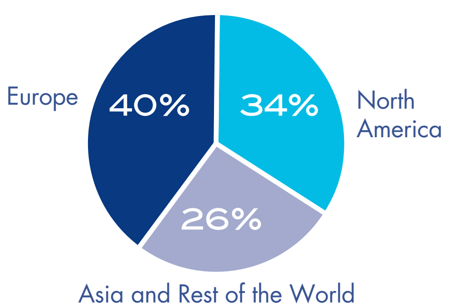
(in millions of euros)



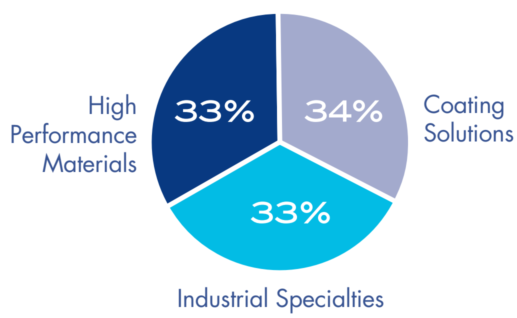
CAPITAL EXPENDITURE

(in millions of euros)

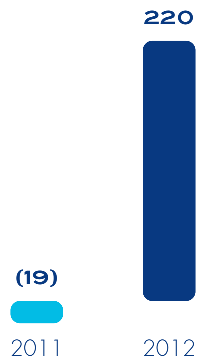
SALES BY REGION



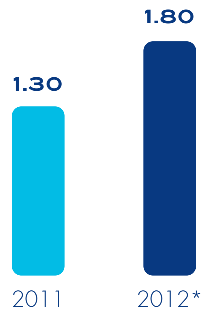
SALES BY BUSINESS SEGMENT



NET INCOME – GROUP SHARE
(in millions of euros)



DIVIDEND
(in euro per share)



(In millions of euros unless otherwise stated)	**2012**	**2011**
Sales	**6,395**	**5,900**
EBITDA	**996**	**1,034**
EBITDA margin (EBITDA as % of sales)	**15.6%**	**17.5%**
Recurring operating income	678	762
Other income and expenses	(27)	(45)
Operating income	651	717
Net income of continuing activities	421	572
Net income of discontinued activities	(200)	(587)
Net income – Group share	220	(19)
Dividend per share (in euros)*	**1.80**	**1.30**
Shareholders' equity	2,311	2,217
Net debt	900	603
Gearing	39%	27%
Capital employed	4,039	3,653
Cash flow from operating activities	499	543
Cash flow from investing activities	(754)	(942)
Cash flow from financing activities	355	131
Free cash flow from continuing activities**	**206**	**377**
Capital expenditure (excluding vinyl activities)	**438**	**365**

* *In 2012, amount of dividend proposed to the General Meeting of 4 June 2013.*
** *Cash flow from operating and investing activities including non-recurring cash items like restructuring expenses and excluding the impact of acquisitions and divestments.*

GROUP'S HIGHLIGHTS

A TRANSFORMED GROUP REFOCUSED ON ITS SPECIALTY ACTIVITIES

With the acquisition early 2012 of the Chinese companies Hipro Polymers and Casda Biomaterials in bio-sourced specialty polyamides and the divestment of its vinyl activities beginning of July 2012, Arkema entered a new phase of its development with the ambition to become a world leader in specialty chemicals and advanced materials. In this context, Arkema adopted a new corporate image and a new signature "Innovative Chemistry" to better reflect its strong positions in high value niches and its high quality innovation. Furthermore, the Group is now organized with three new business segments: High Performance Materials, Industrial Specialties and Coating Solutions.

In 2012, the Group's geographic presence, which is now more evenly balanced, has been further reinforced with several significant investments in Asia and North America such as:

- the 50% production capacity increase of the fluorinated polymer Kynar® PVDF unit in Changshu (China) started in July 2012, in order to meet the growing demand for emerging applications in new energies and water filtration;
- the 30% production capacity increase of HFC-125 fluorogas unit located also in Changshu in 2013;
- the US $110 million investment plan on the acrylic monomer units in North America which should be completed end 2013. Those investments are made to (i) increase production capacity of Clear Lake (TX) acrylic acid site by 30,000 tons, (ii) convert a butyl acrylate line at Bayport (TX) site into a line of 2-ethyl hexyl acrylate, used in particular in pressure sensitive adhesives and (iii) start a new 45,000 tons line of methyl acrylate mainly used in water treatment and in the production of certain technical polymers;
- the beginning of the construction, in Malaysia, of the first thiochemicals platform of Arkema in Asia and of the first world-scale bio-methionine unit in partnership with CJ CheilJedang, a South Korean company. The bio-methionine unit for animal nutrition market will be operated by CJ CheilJedang. Arkema will supply to CJ CheilJedang a key sulphur-based raw material for bio-methionine production and will operate the thiochemicals units for the oil and gas and petrochemicals markets. The project, which represents a total of US $450 million capex, evenly split between the two partners, is due to come on stream beginning of 2014.

Furthermore in 2012, the Group has finalized several acquisitions and divestments perfectly in line with its strategy to reinforce its specialty businesses, increase its presence in high-growth countries and strengthen its downstream integration of acrylic monomers. Thus, the Group completed:

- the acquisition on 1st February 2012 of the Chinese companies Hipro Polymers, a producer of bio-sourced specialty polyamide 10, and Casda Biomaterials, the world leader in sebacic acid derived from castor oil and used in particular in the production of this polyamide 10. These acquisitions are perfectly complementing the Group's polyamides 11 and 12 range and are fully consistent with its growth strategy in green chemistry and in higher-growth countries;
- the divestment early July 2012 of the vinyl business representing sales of around one billion euros;
- the acquisition on 1st October 2012, by its Coatex subsidiary, of an acrylic additives and emulsions production site in Brazil which will enable it to expand its presence in Latin America and to further reinforce its downstream integration of acrylic monomers;
- the divestment on 1st October 2012 of its tin stabilizer business (plastic additives used in PVC production) representing €180 million sales.

THE GROUP'S PERFORMANCE IN 2012

Sales

Sales reached **€6.4 billion, +8.4% up** on 2011. This growth includes a +9.4% change in the scope of business effect reflecting the contribution of acquisitions (specialty resins acquired on 1st July 2011 (Cray Valley and Sartomer), Chinese companies Hipro Polymers and Casda Biomaterials, alkoxylates, and an acrylic additives and emulsions site in Brazil) and the impact of the divestment of the tin stabilizer business finalized on 1st October 2012. Volumes decreased slightly (-2.0%) compared to 2011 which represented, over the first six months of the year, a high basis of comparison marked by restocking and exceptional growth in Asia. Towards the end of the year, volumes in certain product lines were affected by weak demand in Europe and destocking in some sectors. The evolution of prices (-2.6% compared to 2011) essentially reflects the decrease expected in acrylic monomers and some fluorogases. The translation effect, primarily related to the strengthening of the US dollar against the euro, was positive (+3.6%).

EBITDA and recurring operating income

In a less favorable and more volatile economic environment than in 2011, EBITDA stood at **€996 million**, close to last year's record level (€1,034 million) and fully in line with the Group's objective to generate in 2012 an EBITDA close to €1 billion. The solid results of its activities in North America where the Group has developed a significant presence (34% of the Group's total sales), the net contribution of acquisitions and divestments, the optimization of the product mix in High Performance Materials, and the positive impact of the translation effect have helped partially offset the slight decrease in volumes, a return to mid-cycle conditions in acrylic monomers, and noticeably lower unit margins for some fluorogases. At 15.6%, the EBITDA margin remained among the highest in the chemical industry.

Recurring operating income stood at **€678 million** against €762 million in 2011, after deduction of €318 million depreciation and amortization up by €46 million due primarily to acquisitions and the translation effect related to the strengthening of the US dollar against the euro.

Net result group share

Net income Group share stood at **€220 million** compared to a -€19 million loss in 2011.

It includes **non-recurring items** amounting to **-€27 million,** and corresponding primarily to the impact of the shortage in the supply of CDT, the raw material of polyamide 12, following an incident on the Marl site of Evonik in Germany, accounting for -€17 million, and to various expenses related to the divestment and acquisition operations.

It also includes the **financial result of -€54 million** and **income taxes of €186 million** reflecting the geographic breakdown of the results with a significant part of the Group's results generated in North America and a smaller part in Europe.

Finally, it includes the **net result of discontinued operations** which stood at **-€200 million** and included the net result from operations amounting to -€73 million and other income and expenses totalling -€127 million. These expenses include the impact of the implementation of the warranties negotiated during the workers' council's information/consultation process, the cost of establishing the business into a stand-alone structure (information systems, legal and accounting costs related to the transfer of activities, etc.) and post-closing adjustments.

Net income Group share of continuing operations stood at **€420 million,** *i.e.* €6.75 per share and 6.6% of the Group's total sales.

Dividend

Taking into account the Group's confidence in its mid-term prospects and in the strength of its balance sheet, and willing to continue to share with its shareholders the success of its targeted growth strategy, the Board of Directors has decided to increase the dividend proposed to the next Annual General Meeting, raising it to **€1.80 per share** (versus €1.30 per share in 2011) representing a 25% payout ratio on the adjusted net income of continuing operations for the year. This decision is fully consistent with the new dividend policy announced by the Group at the Investor Day held in September 2012, to eventually target a payout ratio of 30% of its adjusted net income and with its intention to significantly increase its dividend for 2012.

HIGH PERFORMANCE MATERIALS SEGMENT

The High Performance Materials segment is made of businesses providing the various niche markets concerned with innovative and high added value technical solutions adapted to the needs of their customers. The Group holds leading positions in most of the product lines of this business segment.

The traditional application areas of this business segment are automotive, oil and gas, coatings, consumer goods (cosmetics, packaging, sport, etc.). The solutions to sustainable development developed by the Group's R&D in areas such as bio-plastics, lightweight materials, photovoltaic and lithium-ion batteries, offer new high-potential outlets for the segment's activities.

In 2012, the Group strengthened its position in high added value market niches with the integration of the industrial alkoxylates business of Seppic, the acquisition of Chinese companies Hipro Polymers and Casda Biomaterials in bio-sourced specialty polyamides and the 50% capacity expansion of the Kynar® fluorinated polymer production plant on its Changshu site in China targeting the high performance coatings, solar photovoltaic, and lithium-ion batteries markets.

(In millions of euros)	**2012**	**2011**
Sales	**2,101**	**1,952**
EBITDA	361	337
EBITDA margin (% of sales)	17.2%	17.3%

High Performance Materials sales reached €2,101 million versus €1,952 million in 2011. This +7.6% increase reflects the contribution of portfolio management (acquisitions of Hipro Polymers and Casda Biomaterials in China and of alkoxylates, and divestment of the tin stabilizer business), the optimization of the product mix, and the positive effect of the strengthening of the US dollar against the euro. Volumes decreased compared to 2011 (-3%), reflecting weak demand in Europe and, in the 4th quarter, destocking in photovoltaic and automotive, as well as the postponement of a few projects in the oil and gas sector.

EBITDA rose by 7% to €361 million, while EBITDA margin stayed at historically high levels, above 17%. Despite a slowdown towards the end of the year mostly in Europe, Technical Polymers recorded an excellent performance which reflects their successful positioning in high added value niche markets (oil and gas, biosourced polymers, lightweight materials designed for saving energy in transport), the benefit of a unique product range in specialty polyamides (PA 10, 11 and 12), and an evenly balanced geographic presence between each region. Organic peroxides continued to improve their result while optimizing their product portfolio with the divestment of the tin stabilizer business finalized on 1st October. The Filtration and Adsorption activity benefited in particular from the integration of alkoxylates, and once again recorded a very solid result.

INDUSTRIAL SPECIALTIES SEGMENT

The Industrial Specialties segment comprises a number of activities with common characteristics, among which are the use of complex manufacturing processes, the existence of world markets that offer the prospects of strong growth, particularly in Asia and positions among the world leading companies.

Its main markets include in particular oil & gas, petrochemicals, animal feed, refrigeration, paper bleaching, and automotive.

In 2012, the segment continued its development launching several major projects with, in particular, the construction in Malaysia of a thiochemical platform and a bio-methionine plant in partnership with South Korean company CJ CheilJedang, the conversion of a mercury electrolysis in Jarrie (France) into a membrane electrolysis and the inauguration of "Lacq 2014" project aiming at extending over the next thirty years the supply of sulphur raw material to the Lacq industrial platform.

(In millions of euros)	**2012**	**2011**
Sales	**2,096**	**2,114**
EBITDA	399	441
EBITDA margin (% of sales)	19.0%	20.9%

Industrial Specialties sales stood at €2,096 million against €2,114 million in 2011. The positive translation effect related to the strengthening of the US dollar against the euro virtually offset (i) the very slight decline in volumes compared to 2011, which represented a particularly high basis of comparison in the first six months marked by restocking and exceptional growth in Asia, and (ii) an anticipated decrease in the price of some fluorogases.

Industrial Specialties maintained very high performance levels with €399 million EBITDA and a 19% EBITDA margin, reflecting the Group's world leading positions in this segment's activities. All of this segment's business units benefited from the very solid performance of their activities in North America (thiochemicals for animal feed, PMMA supported by strong growth in the automotive market, fluorogases in air-conditioning and refrigeration, and hydrogen peroxide), which helped partially offset the expected decrease in the margins of several fluorogases, particularly HFC-125 in China, as well as the slowdown in demand for PMMA in electronics (LED TV).

COATING SOLUTIONS SEGMENT

Coating Solutions segment is an integrated value chain which comprises acrylic monomers in its upstream part where Arkema ranks among the world leading companies, and downstream activities focusing mainly on decorative paints and industrial coatings.

Beyond these two sectors, main markets of this segment are adhesives and sealants, water treatment, oil and gas, and superabsorbents used in diapers.

In 2012, the segment pursued the integration of the specialty resins business (Cray Valley and Sartomer) acquired from Total in 2011 and continued its development with the ongoing US $110 million capex program on acrylic monomer units in North America. At the end of the year, Arkema finalized the acquisition, by its Coatex subsidiary, of an acrylic additives and emulsions production site in Brazil.

(In millions of euros)	2012	2011
Sales	**2,175**	**1,814**
EBITDA	279	284
EBITDA margin (% of sales)	12.8%	15.7%

Coating Solutions sales stood at €2,175 million, 19.9% up on 2011. This increase primarily reflects the impact of the acquisition of specialty resins effective 1st July 2011. At constant scope of business, volumes showed a slight decline compared to 2011, which represented a high basis of comparison in the first six months marked by restocking, and reflect the ongoing weak demand in decorative paints in Europe and North America. The price evolution mostly reflects the expected decrease in the price of acrylic monomers. The translation effect, related to the strengthening of the US dollar versus the euro, was positive, and partly offset the impact of the decrease in volumes and prices.

Coating Solutions delivered €279 million EBITDA in 2012, virtually stable compared to 2011, and a 12.8% EBITDA margin reflecting in particular the dilutive impact, compared to 2011 levels, of the integration over a full year of the resins acquired from Total. In line with the assumptions used for 2012, market conditions in acrylic monomers returned to mid-cycle levels following their peak in 2011. Coating resins benefited from strong demand in industrial coatings, partly offsetting the continuing weak demand in decorative paints. Coatex's rheology additive activities and Sartomer's photocure resin business confirmed their good performance, supported by both innovation and geographic expansion.

Cash flow and net debt at 31 December 2012

In 2012, Arkema generated, for its continuing operations, €206 million free cash flow (1). This cash generation reflects high EBITDA level and a strict control of working capital which represents 15.2% of the Group sales end of December 2012, in line with the Group's target to maintain a working capital on sales ratio of around 15%. This flow also includes investments amounting to €438 million against €365 million in 2011. These investments included €351 million recurring capital expenditure, €75 million non recurring investments related to various industrial projects in the Group (thiochemicals platform in Malaysia, Lacq 2014 project, conversion of mercury electrolysis in Jarrie, France), and a €12 million investment related to a threefold increase in polyamide 10 capacity at Hipro in China, this latter capital expenditure being included in the acquisition flow.

Net debt stood at €900 million at 31 December 2012 against €603 million at 31 December 2011, representing a 39% gearing, in line with the target to maintain it below 40%. In addition to the payment of a €1.30 dividend per share totalling €81 million, net debt includes the impact of acquisitions and divestments with a cash outflow for a net amount of €231 million, primarily corresponding to the acquisition of Hipro Polymers and Casda Biomaterials in China as well as the acquisition of an acrylic additives and emulsions site in Brazil and the divestment of the tin stabilizer business finalized on 1st October.

As part of its long-term financing policy aimed at diversifying its financing resources as well as extending the maturity of its debt, Arkema issued in 2012 bonds for a total amount of €480 million.

Outlook

For 2013, the Group is confident in its ability to achieve once again a strong performance while remaining cautious about the evolution of the macro-economic environment. Market conditions should remain contrasted. They should be globally solid in North America with a gradual recovery in decorative paints, and should remain challenging in Europe. China should progressively return to higher growth levels. Raw material costs and foreign exchange rates in particular for the US dollar against the euro should remain volatile.

In line with its ambition to become a world leader in specialty chemicals and advanced materials, Arkema will focus its efforts on implementing its major organic growth projects such as the construction of its thiochemicals platform in Malaysia, its capital expenditure program in acrylics in North America, and its industrial developments in fluoropolymers and biosourced specialty polyamides in China. In order to support its organic growth, the Group plans to spend some €500 million capex in 2013, and will continue to look for bolt-on acquisitions. The Group will also continue to invest significantly in innovation, as the projects currently underway offer promising prospects in particular in solutions for sustainable development. Finally, the Group will continue to strictly control its costs and its cash.

Beyond, the Group has set itself ambitious targets for 2016 with the aim of achieving, by 2016, €8 billion sales and a 16% EBITDA

(1) Cash flow from operations and investments excluding the impact of portfolio management.

margin while maintaining its gearing below 40%. The increase in EBITDA from €996 million in 2012 to €1,280 million in 2016 would come from organic growth (some €144 million), and the impact of its portfolio management (some €140 million).

Organic growth would be mostly suppor ted by growth projects developed thanks to innovation and geographic expansion in higher growth countries such as China, India, Brazil and the Middle East, as well as cost saving measures that would help partly offset the inflation in fixed costs. As regards por tfolio management, the Group plans to make small and medium size bolt-on acquisitions representing additional sales of around €1 billion, and to divest small non-core activities accounting for sales of around €400 million. With the divestment of its tin stabilizer business, finalised on 1st October 2012, the Group has completed around half of its divestment program.

In the longer term, the Group has set out its vision for 2020 and aims to achieve by then €10 billion of sales and an EBITDA margin close to 17%, while maintaining its gearing below 40%.

5-YEAR FINANCIAL SUMMARY FOR ARKEMA PARENT COMPANY

(Articles R.225-81, R.225-83 et R.225-102 of the French Commercial code)

Type of disclosures *(In millions of euros unless otherwise indicated)*	**2008**	**2009**	**2010**	**2011**	**2012**
I – FINANCIAL POSITION AT YEAR END					
a) Share capital	605	605	615	619	629
b) Number of shares issued	60,454,973	60,454,973	61,493,794	61,864,577	62,877,215
II – OPERATIONS AND RESULTS					
a) Sales (excluding VAT)	7	8	10	12	14
b) Income before tax, depreciation, impairment and provisions	69	224	8	5	2
c) Income taxes	30	48	40	31	36
d) Employee legal profit sharing	-	-	-	-	-
e) Income after tax, depreciation, impairment and provisions	94	20	42	(289)	26
f) Amount of dividends distributed	36	37	61	81	NC
III – EARNINGS PER SHARE *(in euros)*					
a) Income after tax but before depreciation, impairment and provisions	1.63	4.49	0.78	0.58	0.61
b) Income after tax, depreciation, impairment and provisions	1.55	0.33	0.68	(4.68)	0.42
c) Net dividend per share	0.60	0.60	1.00	1.30	NC
IV – EMPLOYEE DATA					
a) Number of employees	8	8	8	8	7
b) Total payroll	5	3	5	5	7
c) Amounts paid to employee benefit bodies in the year	2	1	2	2	3

BOARD OF DIRECTORS

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors comprises eleven members, nine of whom are deemed independent with regard to the criteria of the AFEP-MEDEF code which have all been adopted in the internal regulations of the Board of Directors, *i.e.* 82% of its members.

The Board of Directors comprises two women out of a total of eleven members (*i.e.* 18% of the Board members). The Nominating, Compensation and Corporate Governance Committee will issue recommendations, over the coming years, and in particular for the general shareholders meeting called to approve the 2013 financial statements, with a view to meeting the objectives set by the law n° 2011-103 of 27 January 2011 relating to balanced gender representation within boards of directors and supervisory boards and to professional equality.

The Board of Directors met seven times in 2012. The average attendance rate for all directors at these meetings was 90%.

THIERRY LE HÉNAFF

Chairman and Chief Executive Officer

Born in 1963

First appointment: 2006

End of current term: 2016

40,167 shares (1)

Positions and activities:

Within Arkema Group

- Chairman and Chief Executive Officer
- Chairman of the Board of Directors, Arkema France

Other positions and activities

- Director, Eramet*

PATRICE BRÉANT

Director representing shareholder employees

Born in 1954

First appointment: 2010

End of current term: 2014

285 FCPE shares (1)

Positions and activities:

Within Arkema Group

- Director representing shareholder employees
- Member of the FCPE Arkema Actionnariat France Supervisory Board
- Expert Engineer in Experimental Methodology and in Statistical Process Control

FRANÇOIS ÉNAUD

Independent Director

Born in 1959

First appointment: 2006

End of current term: 2015

301 shares (1)

Positions and activities:

Within Arkema Group

- Independent Director
- Member of the Nominating, Compensation and Corporate Governance Committee
- Member of the Strategy Committee

Other positions and activities

- Executive Manager, Groupe Steria SCA*
- Director and Chairman and Chief Executive Officer, Steria S.A.
- Chairman of the Board of Directors, Agence Nouvelle des Solidarités Actives (ANSA)
- Director, Steria UK Limited (UK)
- Director and Chairman of the Board of Directors, Steria Holding Limited (UK)
- Member of the Board of Directors, Steria Mummert Consulting A.G. (Germany)

(1) Held at 31 December 2012

* *Listed company*

Bernard Kasriel

Independent Director

Born in 1946
First appointment: 2006
End of current term: 2013
800 shares [1]

Positions and activities:

Within Arkema Group

- Independent Director
- Member of the Nominating, Compensation and Corporate Governance Committee
- Member of the Strategy Committee

Other positions and activities

- Director, L'Oréal*
- Director, Nucor* (USA)

Victoire de Margerie

Independent Director

Born in 1963
First appointment: 2012
End of current term: 2015
300 shares [2]

Positions and activities:

Within Arkema Group

- Independent Director
- Member of the Nominating, Compensation and Corporate Governance Committee
- Member of the Strategy Committee

Other positions and activities

- Chairman of Rondol Industrie
- Director, Ecoemballages
- Director, Eurazéo*
- Director, Norsk Hydro* (Norway)
- Director, Morgan Crucible* (UK)

Laurent Mignon

Independent Director

Born in 1963
First appointment: 2006
End of current term: 2015
300 shares [1]

Positions and activities:

Within Arkema Group

- Independent Director
- Member of the Strategy Committee

Other positions and activities

- Chief Executive Officer, Natixis S.A.*
- Director, Sequana*
- Permanent Representative of Natixis, censor at the Supervisory Board of BPCE
- Director of NGAM (Natixis Global Asset Management) and Chairman of the Board of Directors
- Chairman of the Board of Directors of Coface SA
- Director, Lazard Ltd*

Thierry Morin

Independent Director

Born in 1952
First appointment: 2006
End of current term: 2013
1,000 shares [1]

Positions and activities:

Within Arkema Group

- Independent Director
- Chairman of the Nominating, Compensation and Corporate Governance Committee
- Member of the Strategy Committee

Other positions and activities

- Chairman of the Board of Directors, Institut National de la Propriété Industrielle (INPI)
- Chairman, Thierry Morin Consulting (TMC)

(1) Held at 31 December 2012
(2) Held at 1 March 2013
** Listed company*

Marc Pandraud

Independent Director

Born in 1958
First appointment: 2009
End of current term: 2013
500 shares (1)

Positions and activities:

Within Arkema Group

- Independent Director
- Member of the Strategy Committee

Other positions and activities

- Chairman, Deutsche Bank in France

Claire Pedini

Independent Director

Born in 1965
First appointment: 2010
End of current term: 2014
300 shares (1)

Positions and activities:

Within Arkema Group

- Independent Director
- Member of the Audit and Accounts Committee
- Member of the Strategy Committee

Other positions and activities

- Senior Vice-President of Compagnie Saint-Gobain in charge of Human Resources

Jean-Pierre Seeuws

Independent Director

Born in 1945
First appointment: 2006
End of current term: 2016
2,900 shares (1)

Positions and activities:

Within Arkema Group

- Independent Director
- Member of the Audit and Accounts Committee
- Chairman of the Strategy Committee

Philippe Vassor

Independent Director

Born in 1953
First appointment: 2006
End of current term: 2013
1,300 shares (1)

Positions and activities:

Within Arkema Group

- Independent Director
- Chairman of the Audit and Accounts Committee
- Member of the Strategy Committee

Other positions and activities

- Chairman, Baignas SAS
- Chairman, V.L.V. SAS
- Chairman, DGI Finance SAS
- Director, BULL*

(1) Held at 31 December 2012
** Listed company*

INFORMATION ON PERSONS WHOSE TERM OF OFFICE AS DIRECTOR IS SUBJECT TO RENEWAL OR RATIFICATION OF COOPTATION AT THIS MEETING

The General Meeting will be asked to renew for a four-year period the terms of office of Messrs Bernard Kasriel, Thierry Morin, Marc Pandraud and Philippe Vassor on the Board of Directors, their current terms of office expiring at the close of this General Meeting.

Furthermore, Mrs Victoire de Margerie was appointed as Director, on a provisional basis, at the Board of Directors meeting on 7 November 2012, in place of Mrs Isabelle Kocher, who resigned for the remainder of the term of her office. It is proposed to the Annual General Meeting to ratify this cooptation.

Bernard Kasriel

Bernard Kasriel is an independent Director according to the criteria set by the Company in accordance with the AFEP-MEDEF code. He is also a member of the Nominating, Compensation and Corporate Governance Committee and of the Strategy Committee.

With its reappointment as a Director, the Board will continue to benefit from its long-standing experience in managing international and industrial companies.

In 2012, Bernard Kasriel attended all the meetings of the Board of Directors, of the Nominating, Compensation and Corporate Governance Committee and of the Strategy Committee.

Born in 1946, Bernard Kasriel holds a degree from *École Polytechnique,* and an MBA from Harvard Business School and from INSEAD. He was a partner of LBO France from September 2006 to September 2011.

He joined Lafarge in 1977 as Executive Vice-President (and then Chief Executive Officer) of the health division. He was appointed Executive Vice-President of the Lafarge group and member of its Executive Committee in 1981. After spending two years in the United States as Chairman and Chief Operating Officer of National Gypsum, in 1989 he became Director and Chief Executive Officer, then Vice-Chairman and Chief Executive Officer of Lafarge in 1995. He was Chief Executive Officer of Lafarge from 2003 to end 2005.

Before joining Lafarge, Bernard Kasriel began his career at the *Institut de Développement Industriel* (1970), before becoming Chief Executive Officer in regional companies (1972), and then joining the *Société Phocéenne de Métallurgie* as Executive Vice-President (1975).

Thierry Morin

Thierry Morin is an independent Director according to the criteria set by the Company in accordance with the AFEP-MEDEF code. He is also chairman of the Nominating, Compensation and Corporate Governance Committee and a member of the Strategy Committee.

With its reappointment as a Director, the Board will continue to benefit from its long-standing experience in industry and in finance.

In 2012, Thierry Morin attended all the meetings of the Board of Directors, of the Nominating, Compensation and Corporate Governance Committee and of the Strategy Committee.

Born in 1952, Thierry Morin holds an MBA from Paris IX – Dauphine University. An *Officier de l'Ordre National du Mérite,* and a Chevalier de la *Légion d'Honneur et des Arts et des Lettres,* he is also Chairman of the Board of Directors of INPI *(Institut National de la Propriété Industrielle),* and Chairman of Thierry Morin Consulting.

Thierry Morin joined the Valeo group in 1989, where he held various positions (business segment financial director, group financial director, and director for purchases and strategy) before becoming Executive Vice-President in 1997, Chief Executive Officer in 2000, Chairman of the Executive Board in 2001, then Chairman and Chief Executive Officer from March 2003 to March 2009. Prior to that, he had been in charge of various functions at Burroughs, Schlumberger and Thomson Consumer Electronics.

Marc Pandraud

Marc Pandraud is an independent Director according to the criteria set by the Company in accordance with the AFEP-MEDEF code, and a member of the Strategy Committee.

With its reappointment as a Director, the Board will continue to benefit from its long-standing experience in finance.

In 2012, Marc Pandraud attended all the meetings of the Board of Directors and of the Strategy Committee.

Born in 1958, Marc Pandraud is a graduate of *École Supérieure de Commerce de Paris* (ESCP). He has been Chairman of Deutsche Bank's activities in France since June 2009.

He began his career as an auditor with Peat Marwick Mitchell (1982-1985). Subsequently he was Vice-President of Bear Stearns & Co Inc. (1985-1989), Chief Executive of SG Warburg France S.A. (1989-1995), Chief Executive of Deutsche Morgan Grenfell (1995-1998), then Chief Executive in charge of investment banking (1998). He later joined Merrill Lynch as Chief Executive of Merrill Lynch & Co Inc. (1998) and Chief Executive of Merill Lynch France (1998) before becoming President of Merrill Lynch France (2005-2009). Marc Pandraud is a *Chevalier de l'Ordre National du Mérite.*

Philippe Vassor

Philippe Vassor is an independent Director according to the criteria set by the Company in accordance with the AFEP-MEDEF code. He is also chairman of the Audit and Accounts Committee and a member of the Strategy Committee.

Having spent most of his career at Deloitte as an auditor and the Chairman and CEO in France, his reappointment as a Director will enable the Board to further benefit from his specific experience in financial and accounting matters.

In 2012, Philippe Vassor attended all the meetings of the Board of Directors, of the Audit and Accounts Committee and of the Strategy Committee but one meeting of the Board of Directors.

Born in 1953, Philippe Vassor holds a degree from *École Supérieure de Commerce de Paris* (ESCP), and is also a chartered accountant and auditor.

He has been the Chairman of Baignas S.A.S. since June 2005.

Philippe Vassor spent the core of his professional career (1975 to 2005) at Deloitte where he became Chairman and Chief Executive Officer for France and a member of the worldwide Executive Group, responsible for human resources (from 2000 to 2004).

Victoire De Margerie

Victoire de Margerie is an independent Director according to the criteria set by the Company in accordance with the AFEP-MEDEF code. She is also a member of the Nominating, Compensation and Corporate Governance Committee and of the Strategy Committee.

With the ratification of her cooptation as a Director, the Board of Directors will benefit from her experience in industry and international business as well as her experience as director of listed companies both in France and abroad, especially on corporate governance matters.

Since her appointment as Director, Victoire de Margerie attended all the meetings of the Board of Directors and of the Nominating, Compensation and Corporate Governance Committee.

Born in 1963, Victoire de Margerie is a graduate of *École des Hautes Études Commerciales* (HEC) in Paris and of *Institut d'Études Politiques* (IEP) in Paris, and she holds a DESS in Private Law from the *Université de Paris 1 Panthéon-Sorbonne*, and a PhD in Management Science from the Paris 2 Panthéon-Assas University. Since 2009, she has been Chairman and main shareholder of Rondol Industrie, a British micromechanics SME. This company is not listed.

She previously held operational positions in industry in Germany, France and the United States within Elf Atochem, Carnaud MetalBox and Péchiney. Between 2002 and 2011, she also taught strategy and management of technology at the Grenoble School of Management.

DRAFT AGENDA AND DRAFT RESOLUTIONS

DRAFT AGENDA OF THE COMBINED GENERAL MEETING

RESOLUTIONS PROPOSED TO THE ORDINARY GENERAL MEETING

- Approval of the Company's financial statements for the financial year ended 31 December 2012.
- Approval of the consolidated financial statements for the financial year ended 31 December 2012.
- Allocation of the net income for the financial year ended 31 December 2012.
- Distribution of an amount deducted from the "paid-in-surplus" account after deduction of the negative retained earnings.
- Reappointment of Mr Bernard Kasriel as director.
- Reappointment of Mr Thierry Morin as director.
- Reappointment of Mr Marc Pandraud as director.
- Reappointment of Mr Philippe Vassor as director.
- Ratification of the appointment of Mrs Victoire de Margerie as director.
- Authorization to be granted to the Board of Directors to trade in the Company's shares.

RESOLUTIONS PROPOSED TO THE EXTRAORDINARY GENERAL MEETING

- Authorization granted to the Board of Directors for the purpose of reducing the share capital by way of cancellation of shares held by the Company.
- Authorization given to the Board of Directors to grant shares of the Company free of charge.
- Powers for formalities.

In addition, the supervisory board of the FCPE (company mutual investment fund) Arkema Actionnariat France proposed a draft resolution which is not agreed by the Board of Directors in order to offer to shareholders the option for payment of the dividend in shares:

- Option for payment of the dividend in shares

PRESENTATION AND TEXT OF THE RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

RESOLUTIONS PROPOSED TO THE ORDINARY GENERAL MEETING

RESOLUTIONS 1 & 2 APPROVAL OF THE ACCOUNTS OF THE FINANCIAL YEAR

*The purpose of the **1st and 2nd resolutions** is to approve respectively the Company's annual financial statements and the consolidated financial statements for the financial year ended 31 December 2012.*

1ST RESOLUTION

(Approval of the annual financial statements for the financial year ended 31 December 2012)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Company's annual financial statements for the financial year that ended on 31 December 2012, as well as the Board of Directors' management report and the statutory auditors' reports, approves the Company's annual financial statements for the financial year that ended on 31 December 2012, as well as the operations reflected in these financial statements and summarised in these reports.

In accordance with the provisions of Article 223 *quater* of the French General Tax Code *(Code Général des Impôts)*, the Ordinary General Meeting formally noted that none of the expenses and charges referred to in Article 39-4 of said Code were incurred during the financial year ended.

2ND RESOLUTION

(Approval of the consolidated financial statements for the financial year ended 31 December 2012)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the consolidated financial statements for the financial year that ended on 31 December 2012, as well as the Board of Directors' report on the group's management and the statutory auditors' report on the consolidated financial statements, approves the consolidated financial statements for the financial year that ended on 31 December 2012, as well as the operations reflected in these financial statements and summarised in these reports.

3TH RESOLUTION ALLOCATION OF EARNINGS

*The purpose of the **3rd resolution** is to formally acknowledge that the net income of the parent Company for the 2012 financial year amounts to €26,443,736.89 and to allocate it to retained earnings.*

3RD RESOLUTION

(Allocation of the net income for the financial year ended 31 December 2012)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, formally notes that the balance sheet for the financial year that ended on 31 December 2012 shows a net profit of €26,433,736.89.

Based on a proposal of the Board of Directors, the General Meeting decides to allocate this profit of €26,433,736.89 to retained earnings as follows:

Financial year's profit	€26,433,736.89
Retained earnings from previous financial year	€(174,644,789.27)
New balance of retained earnings	**€(148,211,052.38)**

4TH RESOLUTION DISTRIBUTION OF DIVIDEND

*The purpose of the **4th resolution** is to approve the payment **in cash** of a €1.80 dividend per share, to be deducted from the reserve account "paid-in surplus".*

*This dividend represents a payout ratio of **25% of the adjusted net income of continuing operations** of the year, consistent with the Group's objective, presented at an Investor day held September 2012, to distribute in the future 30% of the Group's adjusted net income.*

This distribution is fully eligible for the 40% deduction to which individual persons domiciled in France for tax purposes are entitled.

*The ex-dividend date will be **6 June 2013** and dividend will be paid as from **11 June 2013**. If resolution A, proposed by the FCPE (company mutual investment fund) Arkema Actionnariat France and not agreed by the Board of Directors, is approved, the dates for the payment of the dividend will be modified as mentioned in the proposed text of resolution A.*

4TH RESOLUTION

(Distribution of an amount deducted from the "paid-in surplus" account, after deduction of negative retained earnings)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Board of Directors' report, formally notes that the distributable reserves for the financial year that ended on 31 December 2012, amounts to €976,824,205.11, and less negative retained earnings €(148,211,052.38), amounts to €828,613,152.73, and decides, as proposed by the Board of Directors, to distribute a dividend, to be deducted from the reser ve account "paid-in surplus" as follows:

Paid-in surplus	€976,824,205.11
Retained earnings	€(148,211,052.38)
Balance of paid-in surplus less retained earnings	€828,613,152.73
Distributed dividends	€113,178,987.00
New Balance of the Distributable Reserves	**€715,434,165.73**

Accordingly, the General Meeting decides to pay on the 62,877,215 shares bearing dividend right on 1st January 2012 and existing on the date of the Board of Directors' Meeting held to draw up the draft resolutions, a dividend of €113,178,987, corresponding to a distribution of €1.80 per share, it being specified that full power is granted to the Board of Directors to record under the "retained earnings" the fraction of the dividend corresponding to the Company's treasury shares.

The General Meeting authorizes the Board of Directors to deduct from the "paid-in surplus" account the amounts needed to pay the aforementioned dividend on the shares resulting from the subscriptions or allotments carried out prior to the dividend payment date and being entitled to said dividend. The ex dividend date for the financial year 2012 dividend shall be 6 June 2013, and the dividend shall be payable on 11 June 2013 on the positions closed on the evening of 10 June 2013.

This distribution is eligible for the 40% rebate to which individual persons domiciled in France for tax purposes are entitled, as indicated in Article 158.3-2° of the French General Tax Code.

It is hereby recalled that the following dividend was paid for the three previous financial years:

Financial year	**2009**	**2010**	**2011**
Net dividend per share *(in euros)*	0.60 (1)	1 (1)	1.30 (1)

(1) Amounts eligible in full for the 40% rebate for individual persons domiciled in France for tax purposes, as indicated in Article 158.3-2° of the French General Tax Code.

5TH TO 9TH RESOLUTIONS — COMPOSITION OF THE BOARD OF DIRECTORS – DIRECTORS' TERMS OF OFFICE

*The purpose of resolutions **5, 6, 7 and 8** is to **renew the terms of office** of Messrs Bernard Kasriel, Thierry Morin, Marc Pandraud and Philippe Vassor as Directors of the Company for a four-year period.*

*The purpose of the **9th resolution** is to **ratify the appointment as Director** of Mrs Victoire de Margerie, decided on a provisional basis by the Board of Directors on 7 November 2012, in place of Mrs Isabelle Kocher who resigned.*

Biographies are detailed in pages 15 and 16 of this document.

5TH RESOLUTION

(Reappointment of Mr Bernard Kasriel as Director)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Board of Directors' report and observed that the term of office of Mr Bernard Kasriel expires on today's date, decides to reappoint Mr Bernard Kasriel as director for a term of four years, which will expire at the end of the General Meeting held to approve the 2016 financial statements.

6TH RESOLUTION

(Reappointment of Mr Thierry Morin as Director)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Board of Directors' report and observed that the term of office of Mr Thierry Morin expires on today's date, decides to reappoint Mr Thierry Morin as director for a ter m of four years, which will expire at the end of the General Meeting held to approve the 2016 financial statements.

7TH RESOLUTION

(Reappointment of Mr Marc Pandraud as Director)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Board of Directors' report and observed that the term of office of Mr Marc Pandraud expires on today's date, decides to reappoint Mr Marc Pandraud as director for a ter m of four years, which will expire at the end of the General Meeting held to approve the 2016 financial statements.

8TH RESOLUTION

(Reappointment of Mr Philippe Vassor as Director)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Board of Directors' report and observed that the term of office of Mr Philippe Vassor expires on today's date, decides to reappoint Mr Philippe Vassor as director for a term of four years, which will expire at the end of the General Meeting held to approve the 2016 financial statements.

9TH RESOLUTION

(Ratification of the appointment of Mrs Victoire de Margerie as Director)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Board of Directors' report, ratifies the appointment, decided on a provisional basis by the Board of Directors on 7 November 2012, of Mrs Victoire de Margerie as director, in place of Mrs Isabelle Kocher who resigned, for the remainder of the term of her office, *i.e.* until the end of the General Meeting to be held to approve the 2014 financial statements.

10TH RESOLUTION AUTHORIZATION TO PURCHASE SHARES OF THE COMPANY

The purpose of the ***10th resolution*** *is to* ***renew the authorization*** *granted to the Board of Directors by the General Meeting on 23 May 2012 to purchase or to have other purchase shares of the Company.*

The purchase of shares may be carried out at any time, except during periods of public offers on the Company's shares.

Main features of the proposed share buy-back program:

Maximum purchase price per share: €110

Overall maximum aggregate amount of funds that can be used to implement the share buy-back program: €100 million.

Maximum percentage of shares that can be bought back: 10% of the total amount of shares comprising the share capital.

Objectives of the share buy-back program: any purpose permitted by law, and in the first place, the coverage of plans to grant performance shares.

Length of the authorization: 18 months.

Use of the previous authorizations:

The Company owned, at 31 December 2012, 314,034 treasury shares, that were all allocated for the purpose of covering the Company's plans to grant performance shares to its employees in order to foster their loyalty and motivation. These treasury shares enable to definitely grant performance share plans without any dilutive impact for shareholders.

The detailed information related to the current and proposed share buy-back programs is presented in section 5.2.4 of the 2012 reference document (pages 227 to 230).

10TH RESOLUTION

(Authorization granted to the Board of Directors, for a period of 18 months, to trade in the Company's shares)

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, after having considered the Board of Directors' report, authorises the Board of Directors, in accordance with Articles L.225-209 *et seq.* of the French Commercial Code, European Commission Regulation N°. 2273/2003 of 22 December 2003 and Title IV of Book II of the General Regulations of the French Financial Markets Supervising Authority *(Autorité des marchés financiers)*, to buy, or to have others buy, shares of the Company, for up to 10% of the total number of the shares comprising the share capital at any time (it being stipulated that this 10% limit shall apply to a number of shares of the Company that will, if applicable, be adjusted to take account of the transactions affecting the share capital following this General Meeting) in the following conditions:

(i) the maximum purchase price must not exceed €110 per share;

However, the Board of Directors can adjust the aforementioned purchase price in the event of the incorporation of premiums, reserves or profits, giving rise to an increase of the nominal value of the shares, or to the creation and grant of free shares, as well as in the case of a stock split, share consolidation, or in the event of any other transaction relating to the shareholders' equity, so as to reflect the impact of these transactions on the value of the share;

(ii) the maximum aggregate amount of the funds that can be used to implement this share buyback program is €100 million;

(iii) the acquisitions made by the Company pursuant to this authorization cannot under any circumstances cause it to directly or indirectly hold more than 10% of the shares comprising the share capital;

(iv) the shares purchased and held by the Company shall be deprived of their voting right and shall not be entitled to dividend payment;

(v) these shares can be acquired or transferred at any time, with the exception of periods of public offers on the Company's shares, under the conditions and within the limits, notably, the volume and pricing conditions and limits, stipulated by laws and regulations in force on the date of the transactions in question, by any means, *inter alia*, on the market or over the counter, including by the acquisition or sale of blocks of shares, *via* the use of financial derivative instruments or warrants traded on a regulated market or over the counter, under the conditions stipulated by the market authorities and at the times that the Board of Directors or the person acting on the Board of Directors' delegation shall determine.

The General Meeting decides that these purchases of shares can be made with a view to any allocation permitted by law, whether currently or in future, and, *inter alia*, with a view:

(i) to implement market practices allowed by the French Financial Markets Supervising Authority, such as (a) the purchase of the Company's shares to be retained and subsequently delivered by way of exchange or payment in the context of any potential external growth transaction, it being specified that the number of shares acquired with a view to their subsequent delivery in the context of a merger, demerger or contribution transaction cannot exceed 5% of its share capital at the time of the acquisition or (b) purchase or sales transactions within the scope of a liquidity contract entered into with an investment services provider and consistent with the ethical charter recognised by the French Financial Markets Supervising Authority, as well as (c) any market practice subsequently allowed by the French Financial Markets Supervising Authority or by the law;

(ii) to put in place and comply with its obligations and in particular to deliver shares upon the exercise of rights attached to negotiable securities granting access, by any means, whether immediately or in future, to shares of the Company, as well as to enter into any hedging transactions in respect of the Company's obligations (or those of any of its subsidiaries) linked to these negotiable securities, under the conditions stipulated by market authorities and at the times determined by the Board of Directors or by the person acting on the delegation of the Board of Directors;

(iii) to cover purchase option plans granted to employees or directors of the Company or of its group;

(iv) to allocate shares of the Company, free of charge to the employees or directors of the Company or of its group, under the conditions stipulated by Articles L.225-197-1 *et seq.* of the French Commercial Code;

(v) to offer employees the right to acquire shares, whether directly, or *via* a company savings plan, under the conditions stipulated by law, notably, Articles L.3332-1 *et seq.* of the French Labour Code *(Code du travail)*;

(vi) to cancel all or part of the purchased shares in order to reduce the Company's share capital.

The General Meeting decides that the Board of Directors shall inform the General Meeting each year of the transactions carried out pursuant to this resolution, in accordance with Article L.225-211 of the French Commercial Code.

The General Meeting grants all necessary powers to the Board of Directors, including the right to sub-delegate under the conditions stipulated by law, to implement such authorization, clarify as the case may be its terms, and determine its conditions, implement the share buy-back and notably place any stock market orders, enter into any agreements, draw up and modify any documents, in particular, information documents, perform all formalities, including, to allocate or reallocate the shares acquired for the various purposes pursued, and to make all declarations to the French Financial Markets Supervising Authority and any other bodies, and, in general, to do whatever is necessary.

The General Meeting decides that this authorization is given for a period of eighteen months from the date of this Meeting or until the date of its renewal by an Ordinary General Meeting prior to the expiry of the aforementioned eighteen-month period. It shall render ineffective for its unused portion the eighth resolution of the Combined General Meeting held on 23 May 2012.

RESOLUTIONS PROPOSED TO THE EXTRAORDINARY GENERAL MEETING

11TH RESOLUTION — SHARE CAPITAL DECREASE

*The purpose of the **11th resolution** is to **renew the authorization** granted to the Board of Directors by the General Meeting on 24 May 2011 to reduce the share capital, on one or more occasions, by cancelling part or all of the Company's treasury shares within the limit of 10% of the Company's share capital. This authorization is granted for a 24 month-period.*

11TH RESOLUTION

(Authorization granted to the Board of Directors, for a period of 18 months, for the purpose of reducing the share capital by way of cancellation of shares held by the Company)

The General Meeting, voting in the quorum and majority required for Extraordinary General Meetings, after having considered the Board of Directors' report and the statutory auditors' special report, and in accordance with Article L.225-209 *et seq.* of the French Commercial Code:

- authorizes the Board of Directors to reduce the share capital, on one or more occasions, in the proportions and at the times it will decide, by cancellation of any proportion of Company's shares it will decide, within the limit of 10% of the Company's share capital per period of twenty-four (24) months, being precised that such 10% limit applies to an amount of the Company's share capital which may, if necessary, be adjusted to take account operations affecting the share capital of the Company subsequently to this General Meeting;
- decide that the amount of the share purchase price in excess of their nominal value will be allocated to the "issue premium" account or to any available reserves account, including the legal reserve, the latter subject to a limit of 10% of the share capital reduction carried out;
- grants all the necessary powers to the Board of Directors, including the right to sub-delegate such powers under conditions provided for by law, to carry out a reduction in the share capital resulting from the cancellation of shares and the aforementioned allocation, and to amend Articles of Association accordingly and perform all formalities.

This authorization shall be granted for a period of 18 months from the date of this General Meeting.

12TH RESOLUTION ALLOCATION OF PERFORMANCE SHARES

*The purpose of the **12th resolution** is to authorize the Board of Directors to grant performance shares of the Company to certain employees or eligible executive officers of the Company or Arkema Group companies in order to foster their loyalty and involve them closely in the Group's development as well as its stock market performance.*

***All the performance shares to be granted to eligible executive officers** (Chairman and CEO only) **and to the members of the Executive Committee** (6 members) **will be submitted to performance criteria.** For the other beneficiaries, the performance criteria will only apply to a fraction of the rights exceeding 100 rights.*

*The total number of the Company's existing shares or shares to be issued that could be granted, on one or several occasions, pursuant to the proposed authorization given for a **period of 38 months** may not exceed a **maximum number of 1,250,000 shares representing 2% of the share capital at 31 December 2012.** In line with past practices and the general principles defined for long-term capital-based compensation schemes, the performance shares definitely granted will be existing treasury shares and thus will not have any dilutive effect.*

Pursuant to the authorization given by the Annual General Meeting on 15 June 2009, the Board of Directors awarded as part of the 2010, 2011 and 2012 plans, 663,663 performance shares representing 1% of the Company's share capital at the date of the General Meeting. No award has been made since 1st January 2013.

*Taking into account the performance shares still to be granted and the outstanding stock options at 31 December 2012 and the maximum number of shares that could be granted pursuant to the proposed resolution, **the potential maximum dilution** represents **4.6% of the Company's share capital at 31 December 2012**.*

Holding requirements have been set for the Chaiman and CEO and the members of the Group's Executive Committee until termination of their duties. These holding requirements are detailed in section 3.4.4.2 of the 2012 reference document (page 117).

Detailed information on all the plans implemented by the Board of Directors is included in section 5.2.6 of the 2012 reference document (pages 232 to 234).

General principles set out for the long-term capital-based compensation policy

The grants to the Chairman and Chief Executive Officer are decided by the Board of Directors (composed of a large majority of independent directors) upon a proposal by the Nominating, Compensation and Corporate Governance Committee (comprised only of independent directors). The grants to members of the Executive Committee are decided by the Board of Directors pursuant to recommendations on the plan made by the Nominating, Compensation and Corporate Governance Committee.

*The Board of Directors meeting dated 27 February 2013, set out **the principles of the capital-based compensation policy** applicable from 2013 as follows:*

- *involve closely the senior managers and certain employees of the Group to its development and its share performance in the medium term;*
- *pursue the award policy put in place since 2006, with grants not just reserved for executive managers, but concerning also some 700 Group employees i.e. around 5% of Group employees, who have shown outstanding performance, or should be retained in the Group;*
- *increase the vesting period for the rights to a minimum of three years, in order to firmly establish the medium-term compensation dimension as part of overall compensation;*
- *submit the definitive grant of performance shares, mandatory for executive managers, to the fulfilment of two demanding performance criteria, each applying to 50% of the rights being awarded:*
  - *an internal criterion related to the growth of Arkema's EBITDA, fully consistent with the financial targets disclosed to the market,*
  - *an external benchmark criterion related to Arkema's average EBITDA margin compared to the average EBITDA margin of a panel of chemical companies* over a period of at least three years;*
- *in principle, award existing shares, acquired as part of the buy-back program and resulting in no dilution for shareholders;*
- *withdraw stock option plans.*

Main principles of the performance share plans to be implemented in 2013

*Subject to the approval of this resolution by the Annual General Meeting, the plans to be implemented in 2013 will be subject to the following **performance criteria evaluated over a 4-year period:***

- *EBITDA growth (50% of the allocation)*

  All the rights subject to this criterion will be awarded if the EBITDA achieved in 2016 amounts to €1,280 million (in line with the financial targets presented at the "Investor day" held in September 2012).

* *The panel is made of AkzoNobel (Specialty Chemicals only), BASF (excluding Oil and Gas), Clariant, Lanxess, Solvay, Celanese (restated for the joint-ventures), Chemtura, Dow. This panel can be modified if the competitive landscape changes significantly.*

- *Comparative EBITDA margin (50% of the allocation)*

  All the rights subject to this criterion will be awarded if Arkema's average EBITDA margin over the period 2013 to 2016 is superior or equal by one point to the average of the chosen panel of competitors.

  If Arkema's average EBITDA margin over the same period is equal to the average of the chosen panel of competitors, the award rate will be 85%.

  No shares will be awarded if Arkema's average EBITDA margin over the period 2013 to 2016 is inferior by 2.5 points or more than the average of the chosen panel of competitors.

12TH RESOLUTION

(Authorization given to the Board of Directors to grant shares of the Company free of charge, subject to performance conditions, for a period of 38 months, and up to the limit of 1,250,000 shares (2% of the share capital))

The General Meeting, voting in the quorum and majority conditions required for Extraordinary General Meetings, after having considered the Board of Directors' report and the statutory auditors' special report, and in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code:

i. authorizes the Board of Directors to grant existing shares or shares to be issued of the Company free of charge, on one or more occasions, to beneficiaries or categories of beneficiaries determined by the Board of Directors among the employees and/or eligible executive officers (in the meaning of Article L.225-197-1.II of the French Commercial Code) of the Company or of companies or groupings that are affiliated with it pursuant to Article L.225-197-2 of the French Commercial Code;

ii. decides that the shares of the Company that are granted free of charge to the eligible executive officers of the Company (in the meaning of Article L.225-197-1.II of the French Commercial Code) and to the members of the Executive Committee shall be subject to at least two performance criteria (one internal criterion and one external criterion) decided by the Board of Directors, in particular, on the basis of which the number of shares definitely acquired shall be determined, these criteria being assessed over a minimum period of two financial years;

iii. decides that, pursuant this authorization, the total number of the Company's existing shares or shares to be issued granted free of charge may not exceed a maximum number of 1,250,000 shares (2% of the share capital) (the "Ceiling"), it being specified that this Ceiling is fixed without taking into account the adjustments which may occur in accordance with the applicable legal and regulatory provisions or any contractual provisions to protect the rights of holders of securities granting access to the share capital;

iv. decides that the Board of Directors shall determine, under the conditions required by law, at the time of each granting decision:

(i) the acquisition period, at the end of which the granting of the shares shall become definitive, which shall last at least two years, and

(ii) the compulsory retention period of the beneficiaries; this period running from the definitive granting of the shares, which shall be, for all or some of the shares, a minimum period of two years, with the exception of the shares for which the acquisition period shall be at least four years, and for which the compulsory retention period can be eliminated or shortened;

v. decides that the granting of shares to their beneficiaries will become definitive before the end of the aforementioned acquisition period in case of disability of the beneficiary corresponding to ranking in the second or third category provided for in Article L.341-4 of the French Social Security Code, and in case of death of the beneficiary, his or her heirs may request the definitive granting of the shares within six months from the date of death; these shares being freely transferable;

vi. decides that the existing shares that can be granted pursuant to this resolution shall be acquired by the Company, either within the framework of Article L.225-208 of the French Commercial Code, or, if applicable, in the context of the share buyback program authorized by the General Meeting pursuant to Article L.225-209 of the French Commercial Code;

vii. acknowledges that, in the event of grant of shares free of charge to be issued, this authorization shall entail, at the end of the acquisition period, increase of the share capital by incorporation of reserves, profits or premiums in favour of the beneficiaries of these shares and a waiver by the shareholders of (i) their preferential subscription right to subscribe to the shares that will be issued in the context of the definitive grant of shares, (ii) any right to the shares granted free of charge on the basis of this delegation, and (iii) any right on the amount of the reserves and premiums against which, if applicable, the issuance of the new shares shall be charged;

viii. grants full power to the Board of Directors, with the right to sub-delegate under the conditions stipulated by law and within the above-mentioned limits, in order to implement this authorization, and in particular, in order to:

(i) determine whether the free shares being granted are shares to be issued or existing shares,

(ii) determine the identity of the beneficiaries or the category(ies) of beneficiaries, the granting criteria, the number of shares granted to each of them, the terms and conditions for the granting of the shares and, in particular, the acquisition period and the compulsory retention period,

(iii) define, in particular regarding the shares granted to the eligible executive officers of the Company and the members of the Executive Committee, the performance criteria,

(iv) decide for the shares granted to the eligible executive officers of the Company that they cannot be sold by the interested parties before said persons have left their positions, or determines the quantity of shares granted free of charge that the latter shall be bound to keep in registered form until they have left their positions,

(v) define, under the conditions defined by law and within legal limits, the dates on which the shares shall be granted,

(vi) decide on the new issued shares' vesting date, even if retroactive,

(vii) decide on the conditions under which the number of shares granted free of charge shall be adjusted, and

(viii) more generally, with the right to sub-delegate under the conditions stipulated by law, enter into agreements, draw up any documents, record or acknowledge increases of the share capital following definitive granting, amend, if applicable, the Articles of Association to reflect this, perform all formalities and make all declarations to any entities and do whatever is otherwise necessary.

Each year, the Board of Directors shall inform the Ordinary General Meeting of each granting made pursuant to this resolution, in accordance of Article L.225-197-4 of the French Commercial Code.

The General Meeting decides that this authorizationis given for a term of 38 months from the date of this Meeting.

13TH RESOLUTION

(Powers for formalities)

The General Meeting grants full powers to the bearer of an original, a copy or an excerpt of the minute of this Meeting for the purposes of performing all filing, publicity or other required formalities.

PROPOSED RESOLUTION NOT AGREED BY THE BOARD OF DIRECTORS

Resolution proposed by the FCPE (company mutual investment fund) Arkema Actionnariat France.

RESOLUTION A

(Option for payment of the dividend in shares)

In accordance with article L.232-18 of the French *Code de commerce* and with article 20 of the articles of association of the Company, the General Meeting voting in the quorum and majority conditions required for Ordinary General Meetings, decides to offer to the shareholders the option to receive the dividend either in cash or in new Company shares.

Each shareholder will have the possibility to opt for the payment of the dividend in cash or in shares it being specified that such option concerns the totality of the dividend he is entitled to.

The new shares, in case of option for payment of the dividend in shares, shall be issued at a price equal to 90% of the average price first quoted on Paris Euronext during the twenty trading sessions prior to the date of this meeting, reduced by the net amount of the dividend and rounded up to the nearest cent above.

The new shares will carry dividend right from 1st January 2013.

The shareholders may opt for the payment of the dividend in cash or in new shares between 18 June 2013 and 1st July 2013 inclusive, by applying to the intermediaries entitled to pay the dividend, or for registered shareholders with accounts held by the Company to its appointed registrar.

Beyond 1st July 2013, the dividend shall be paid in cash exclusively

As a result, dividend of the fiscal year 2012 shall be cut off on 18 June and the payment of the dividend, whatever the option may be, i.e. in cash or in new shares, will take place from 12 July 2013 onwards.

If the amount of the dividend paid in shares does not correspond to a whole number of shares, the shareholder will obtain either the number of shares immediately inferior completed by the outstanding balance in cash, or the number of shares immediately superior by paying the difference in cash the day on which the option is exercised.

The General Meeting, voting in the quorum and majority conditions required for Ordinary General Meetings, grants all necessary powers to the Board of Directors, including the right to sub-delegate to the Chairman under the conditions provided for by law in order to implement the payment of the dividend in new shares, decide the conditions of completion, carry out all operation related to the implementation of this resolution as well as the related increase of the share capital, and modify the articles of association accordingly, and in general to do whatever is necessary.

ARKEMA
INNOVATIVE CHEMISTRY

REQUEST FORM FOR ADDITIONAL DOCUMENTS

COMBINED GENERAL MEETING

TUESDAY 4 JUNE 2013 AT 3.00 PM

To be held at the Palais des Congrès de Paris
2, place de la Porte Maillot – 75017 Paris

Please return the form to:
ARKEMA
Investor Relations department
420 rue d'Estienne d'Orves
92705 Colombes Cedex – France

I, the undersigned,

Mrs ☐ Miss ☐ Mr ☐ Company ☐

Name (or company name): .... First Name: ....

N°: .... Street:..

Postcode: ☐☐☐☐☐ City: .... Country: ....

Email address: .... @ ....

Acknowledge having received the documents relating to the Ordinary and Extraordinary General Meeting of 4 June 2013 and referred to in Article R.225-81 of the French Commercial Code, i.e. the agenda, proposed resolutions, and summary presentation of the Company's position during the year just ended (together with a table of five-year results).

Request Arkema to send me prior to the Combined Ordinary and Extraordinary General Meeting, the documents and information referred to in Article R.225-83 of the French Commercial Code, included in the 2012 reference document available on www.finance.arkema.com.

☐ Request for a hard copy of these documents
☐ Request for an electronic version of these documents

Signed at: ....on: 2013

Signature

ARKEMA
INNOVATIVE CHEMISTRY

REQUEST FOR MAILING VIA THE INTERNET

of AGM documents to registered shareholders

We offer to send you the next Notice of Meeting file electronically.

If you wish to be part of this sustainable development approach, please return the following form, duly signed and completed, to:

BNP PARIBAS SECURITIES SERVICES
CTS – Services aux Émetteurs – Assemblées
Les Grands Moulins de Pantin
9, rue du Débarcadère
93761 Pantin Cedex – FRANCE

In future I wish to receive the Arkema Notice of Meeting file **via the internet** at my email address shown below.

Mrs ☐ Miss ☐ Mr ☐ Company ☐

Name (or company name): .... First Name: ....

N°: .... Street: ....

Postcode: ☐☐☐☐☐ City: .... Country: ....

Email address: .... @ ....

If at any time you choose to receive your Notice of Meeting by post again, simply send us a registered letter with acknowledgment of receipt to this effect.

Signed at: ....on: 2013

Signature

INVESTOR RELATIONS

TEL.: +33 1 49 00 74 63

actionnaires-individuels@arkema.com

www.finance.arkema.com

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