

7

December
2010

Planned
acquisition by
Arkema of Total's
Photocure and
Coating Resins



Planned acquisition by Arkema of Total's Photocure and Coating Resins

Belonging to Total specialty chemical activities

With Sartomer®, acquire a unique specialty acrylate resin business in the Photocure segment

With Total's Coating Resins, become a leader in the global Coating materials market

Increase Arkema's downstream integration in acrylics

New growth drivers in Asia

Reminder of Arkema acquisition strategy

(Investor Day November 23, 2010)

+€1bn sales from acquisition between 2011 and 2015

Priority on bolt-on acquisitions

- Downstream from main chemical lines of Industrial Chemicals and Performance Products, notably acrylics
- Specialty businesses with high technological content
- Strong synergies and complementary assets

Maintain gearing below 40%

Strict selective criteria

- Strategic fit with our existing core businesses
- EPS accretive from first full year

Highlights of the project

2010e sales : €850m

1,750 people in 13 countries

20 sites around the world

Enterprise Value

€550m

Expected Contribution in 2015

Targeted sales : €900m*
(net of ~€100m inter-company sales)

Targeted EBITDA margin : 14%*

Net Result Impact

Positive after the first full year

(*) in normalized environment

Acquisition project by Arkema of Total's Photocure and Coating Resins – 7 December 2010

Project subject to Working Counsel Consultation process and Competition Authorities clearance

Two business segments

UV Curing (Sartomer®)

Photocurable resins made of acrylates sold to high value-added end markets

~ 1/3 of total sales

Coatings (Cray Valley®, CCP®)

Emulsions, resins and rheology additives for the Coatings industry (architectural coatings, adhesives and sealants, graphic arts, etc)

~ 2/3 of total sales

Position Arkema as an integrated world leader in specialty resins

Sartomer® : a global leader in photocure markets

- Photocure technology : **U**ltra **V**iolet and **E**lectron **B**eam curing

Products

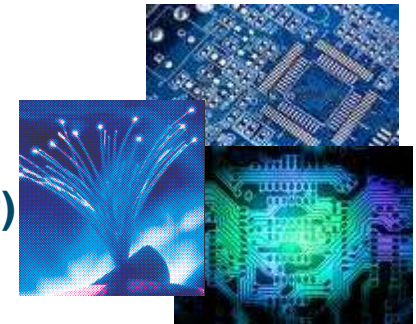
- Multifunctional acrylic esters (monomers)
- Epoxy, urethane, polyester acrylates (oligomers)

Key characteristics

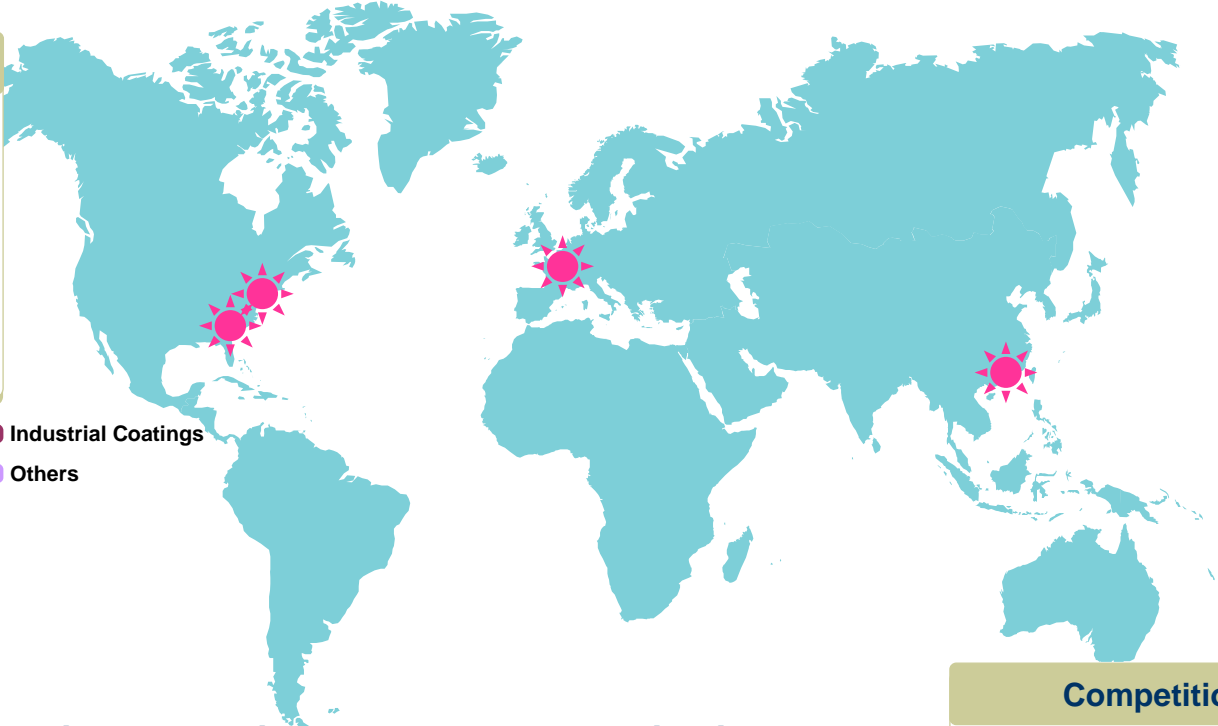
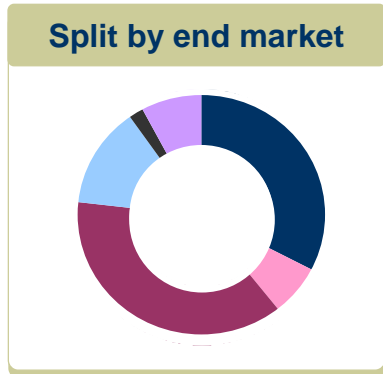
- High curing speed
- 100% dry content (no solvent nor water)
- High versatile application properties

Main end markets

- Graphic arts (inks and varnishes)
- Industrial coatings
- Optical finishing (fiber, DVD, BluRay®)
- Electronics (Printed Circuit Boards)
- Wood coatings



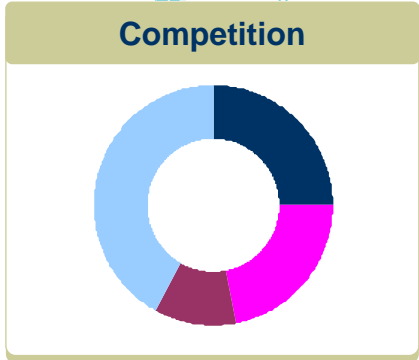
Sartomer® : global asset base, combined with unique technology



- Graphic Arts
- Electronics
- Industrial Coatings
- Adhesives
- Composites
- Others



- Highly technical products and applications**
- High added value for the customers**
- Environmentally friendly**
- Strong growth potential (6% AAGR*)**



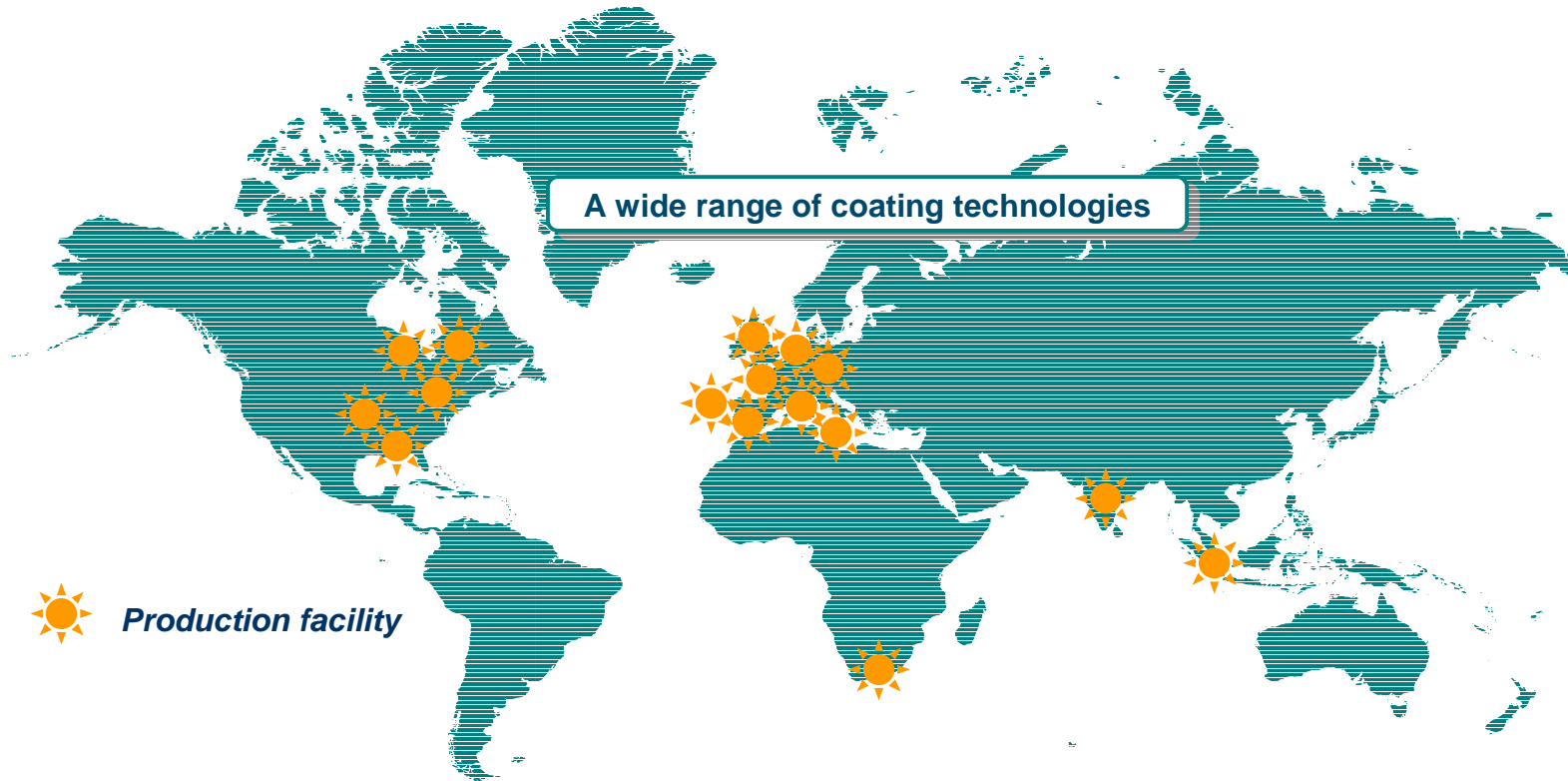
- Cytec
- Sartomer
- Eternal
- Others

(*) : Average Annual Growth Rate

Acquisition project by Arkema of Total's Photocure and Coating Resins – 7 December 2010
 Project subject to Working Counsel Consultation process and Competition Authorities clearance



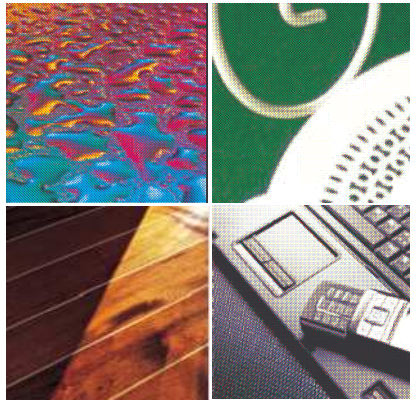
The Coating Resins of Total (Cray Valley and CCP)



- Among the 3 European leaders with a solid presence in Asia
- VOC regulation : well positionned to take advantage of regulation challenges

The Coating Resins of Total : main markets

➤ Main markets in the coating industry



- Architectural coating
- Coil coating
- Can coating, packaging and graphic arts
- Marine and corrosion protection
- Adhesive and sealants
- General Industries

➤ Leading position in Rheological Additives

➤ 3% market AAGR*

(*) : Average Annual Growth Rate

Acquisition project by Arkema of Total's Photocure and Coating Resins – 7 December 2010
Project subject to Working Counsel Consultation process and Competition Authorities clearance

Arkema : new position as a supplier to the coating markets

Arkema position*	Worldwide	North America	Europe	RoW
Acrylic monomers	#3	#2	#2	
Specialty Emulsions	#4	#2	#6	
Solvent-borne resins	#3	#6	#3	#1**
Powder resins	#4	#3	#3	
Kynar® binders	Co-leader	Co-leader	Co-leader	Co-leader
Photocurable resins	Co-leader	#1	#2	
Rheology Additives	#3	#3	#3	

Coating materials

Legend : Total's resins – Arkema's products



etc.

Customers

(*) : Company Data

(**) : in South Africa, Malaysia and India

Acquisition project by Arkema of Total's Photocure and Coating Resins – 7 December 2010

Project subject to Working Counsel Consultation process and Competition Authorities clearance

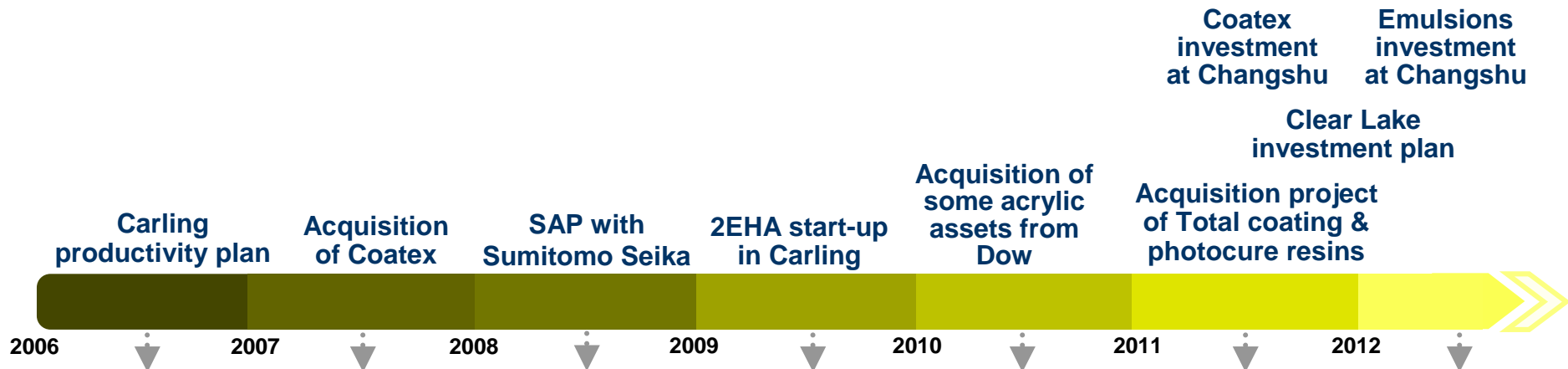


Reinforce the acrylic value chain

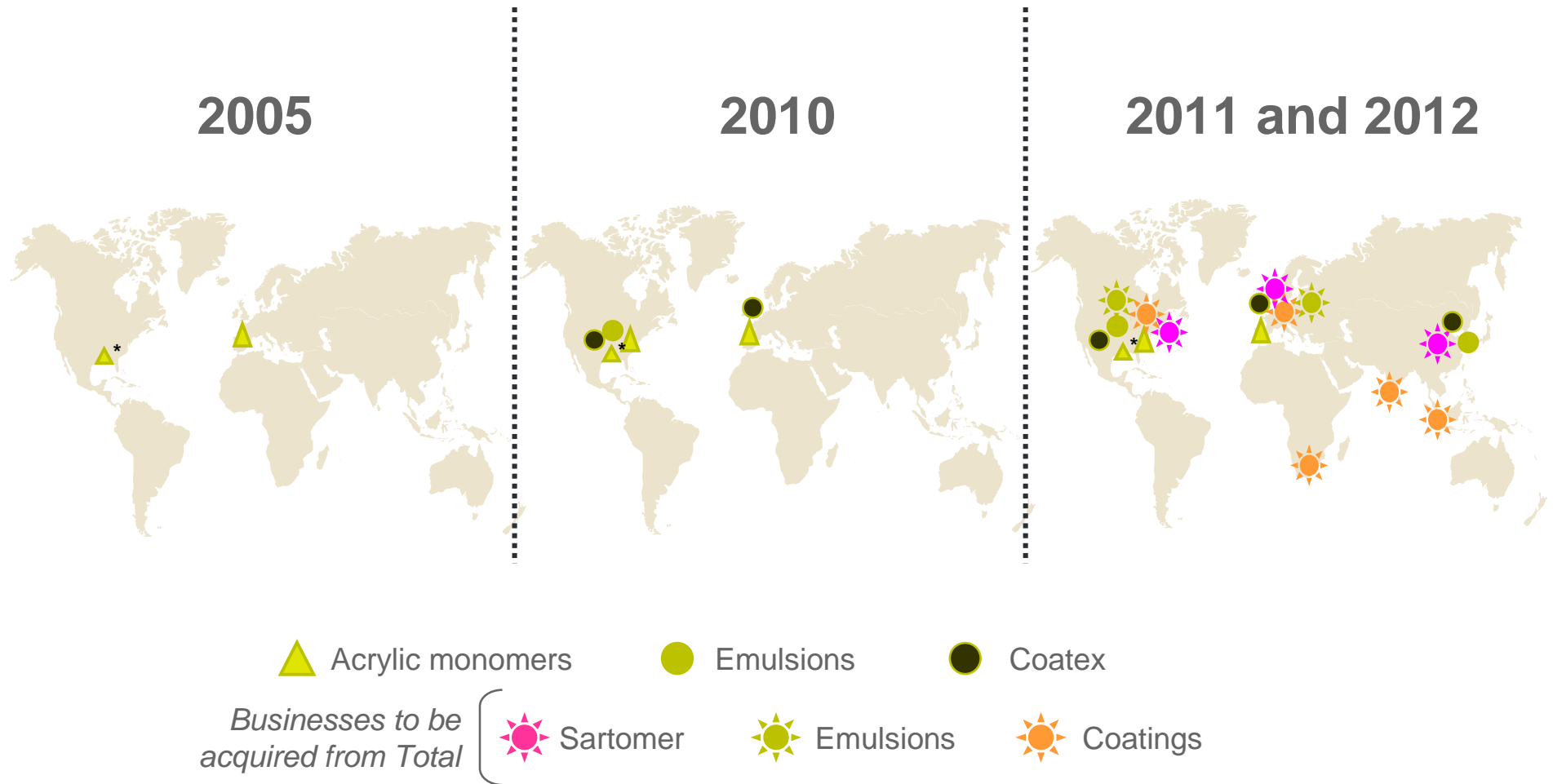
Sartomer[®] and Coating resins increase Arkema's acrylic downstream integration to 40%

Perfect fit with Arkema's acrylic strategy started in 2006

Build an integrated and global Coating materials platform



Establish Arkema as a global player in the acrylic value chain



(*) : 50/50 JV with Nippon Shokubai

Acquisition project by Arkema of Total's Photocure and Coating Resins – 7 December 2010
 Project subject to Working Counsel Consultation process and Competition Authorities clearance



Significant upside potential for the planned deal

Position Arkema as a global leader across all coating material markets

- Multiple product streams
- Global geographical footprint

Leading position on high growth and value added photocure market

Strong synergies in know-how and marketing coverage

New growth platform in Asia

Environmentally friendly solutions

Cost optimization potential



Target : 14% Ebitda margin in 2015*

(*) in normalized environment

Acquisition project by Arkema of Total's Photocure and Coating Resins – 7 December 2010

Project subject to Working Counsel Consultation process and Competition Authorities clearance



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. Such statements are based on management's current views and assumptions that could ultimately prove inaccurate and are subject to risk factors such as among others, changes in raw material prices, currency fluctuations, implementation pace of cost-reduction projects and changes in general economic and business conditions.
- 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 for 2010, 2009, 2008, 2007, 2006 and 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 definition of the main performance indicators used can be found in the 3Q'10 results press release available on www.finance.arkema.com
- A global chemical company and France's leading chemicals producer, Arkema is building the future of the chemical industry every day. Deploying a responsible, innovation-based approach, we produce state-of-the-art specialty chemicals that provide customers with practical solutions to such challenges as climate change, access to drinking water, the future of energy, fossil fuel preservation and the need for lighter materials. With operations in more than 40 countries, 14,000 employees and seven research centers, Arkema generates annual revenue of around €5.8 billion and holds leadership positions in all its markets with a portfolio of internationally recognized brands. The world is our inspiration.