

ARKEMA

French “*société anonyme*” with a share capital of 623,995,900 Euros
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ADDITIONAL REPORT REGARDING THE USE OF THE DELEGATION GRANTED BY THE COMBINED GENERAL MEETING DATED 1ST JUNE 2010 BY VIRTUE OF THE 15TH DECISION (article R. 225-116 of the French Commercial Code (*Code de commerce*))

We would remind you that the combined general meeting dated 1st June 2010 delegated to the Board of Directors, in its fifteenth resolution, in accordance with article L.225-138-1 of the French Commercial Code (*Code de commerce*), authority to proceed with capital increases by way of issuance of shares or securities giving access to shares in the Company, reserved for employees and former employees of the Company and affiliated companies in accordance with the provisions of article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code (*Code du travail*) and who invest in a company savings plan.

In accordance with the provisions of article R. 225-116 of the French Commercial Code, the Board of Directors is required to prepare an additional report setting out the definitive terms of the operation and describing the impact of this share capital increase on a shareholder’s situation.

I. Use by the Board of Directors of the delegation of authority granted by the combined general meeting dated 1st June 2010 in its 15th resolution with a view to proceeding with share capital increases for the benefit of employees who invest in a company savings plan

The Board of Directors meeting dated 24 January 2012, implementing the 15th resolution of the combined general meeting dated 1st June 2010, approved the principle of increasing the Company’s share capital by way of an issue of shares or securities giving access to shares in the Company, with withdrawal of the shareholders’ preferential subscription rights for the benefit of those employees investing in a company savings plan set up by the Company and companies in France or abroad, affiliated to it under the terms of article L.225-180 of the French Commercial Code and of article L.3344-1 of the French Labor Code.

During the meeting dated 7 March 2012, the Board of Directors fixed the subscription price of the new shares at €54.51, in accordance with the provisions of the French Labor Code, with a 20% discount on the average of the share prices quoted in the 20 opening trading days preceding the day when the price is fixed, set the subscription period to run from 12 March 2012 to 25 March 2012 inclusive, and delegated to the Chairman and Chief Executive Officer the power to acknowledge the final completion of the share capital increase operation as at the closing of the subscription period, conduct the subsequent formalities in particular regarding the listing of the new shares, amend the Articles of Association accordingly, and carry out all steps to ensure its effective completion, and, in particular, draft the report provided for under article R. 225-116 of the French Commercial Code, and, more generally, take all necessary steps.

Beneficiaries in France subscribed to the share capital increase *via* the “Arkema Actionnariat France Relais 2012” FCPE mutual fund. Beneficiaries in Belgium, Brazil, Canada, China, India,

Malaysia, Mexico, Netherlands, Poland, Singapore, South Africa, Spain, Switzerland and United Kingdom subscribed to the operation *via* the “Arkema Actionnariat International Relais 2012” FCPE mutual fund. Beneficiaries in Germany, South Korea, Denmark, Italy, Japan and the United States subscribed directly.

Consequently, the Chairman and Chief Executive Officer, on 18 April 2012, duly acknowledged that:

- the subscription applications corresponded to a share capital increase with a nominal amount below the ceiling of the share capital increase set by the Board of Directors, *i.e.* €20 million, and therefore did not give rise to a reduction of the subscriptions;
- the total number of new shares issued in accordance with this share capital increase reserved for those employees investing in a company savings plan amounted to 535,013 new shares, *i.e.* a share capital increase of €5,350,130 given the €10 nominal share value;
- the amount of issue premium related to this share capital increase amounted to €23,813,428.63;
- the subscriptions made *via* the “Arkema Actionnariat France Relais 2012” FCPE mutual fund, the “Arkema Actionnariat International Relais 2012” FCPE mutual fund, and directly were fully paid up;

and accordingly decided to:

- (i) increase the Company’s share capital from €618,645,770 to €623,995,900;
- (ii) amend Article 6 of the Articles of Association as follows:

“Article 6 – Share Capital

The share capital has been set in the sum of six hundred and twenty three million nine hundred and ninety-five thousand nine hundred euros (€623,995,900) divided into sixty-two million three hundred and ninety-nine thousand five hundred and ninety fully paid up same-category shares (62,399,590).

[...]”

The rest of the article remaining unchanged.

- (iii) allocate the costs related to the share capital increase to the amount of premiums related thereto;
- (iv) draw from this amount all sums necessary to bring the legal reserve up to one tenth of the new share capital.

The total amount of the share capital increase including the issue premium amounted to €29,163,558.63. It is reminded that the newly issued shares are fully comparable to existing shares, and will bear interest from 1st January 2011, with entitlement to dividends for the year ended 31 December 2011.

II. Impact of the share capital increase on a shareholder's situation

A shareholder who has not subscribed to this issue and who holds 1% of the Company's share capital before 18 April 2012, *i.e.* 618,645 shares with a €10 nominal value, following the execution of the share capital increase, *i.e.* 18 April 2012, sees his/her shareholding in the Company changing as follows:

	Shareholder's shareholding in % of the share capital (Undiluted basis)	Shareholder's shareholding in % of the share capital (Diluted Basis) ⁽¹⁾	Total number of shares (Undiluted basis)	Total number of shares (Diluted Basis) ⁽¹⁾
Before issuance of new shares resulting from the share capital increase	1 %	0,97 %	61.864.577	63.868.807
Upon issuance of new shares resulting from the share capital increase	0,99 %	0,96 %	62.399.590	64.403.820

(1) These calculations are based on the assumption of all shares issued giving access to the share capital (share options, free share allocation subject to performance conditions etc.).

III. Impact of the portion of consolidated share capital and of the Company's share capital on the holder of one share

	Portion of consolidated share capital (in euros) as at 31 December 2011 (Undiluted basis)	Portion of Company share capital (in euros) as at 31 December 2011 (Undiluted basis)	Portion of consolidated share capital (in euros) as at 31 December 2011 (Diluted Basis) ⁽¹⁾	Portion of Company share capital (in euros) as at 31 December 2011 (Diluted Basis) ⁽¹⁾
Before issuance of new shares resulting from the share capital increase	35,83	24,67	35,72	24,92
Upon issuance of new shares resulting from the share capital increase	35,99	24,93	35,88	25,16

(1) These calculations are based on the assumption of all shares issued giving access to the share capital (share options, free share allocation subject to performance conditions etc.).

IV. Theoretical impact of the share capital increase on the stock market value of the share

The theoretical impact of the share capital increase on the current stock market value of the share as resulting from the weighted average between the average of the previous twenty trading sessions and the subscription price, is as follows:

	Undiluted basis (in euros)	Diluted basis ⁽¹⁾ (in euros)
Upon issue of the 535.013 new shares	(0,19)	(0,19)

(1) These calculations are based on the assumption of all shares issued giving access to the share capital (share options, free share allocation subject to performance conditions etc.).

Colombes, 2 May 2012

Chairman and Chief Executive Officer

Thierry Le Hénaff