

3rd quarter 2007 results

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Thierry Lemonnier
Chief Financial Officer



Q3'07 highlights

Another strong increase of quaterly results

- EBITDA: +26%
- Net result: +68%

Upgraded targets

- 2007 EBITDA: €510 million
- 2008 EBITDA margin: 10% of revenues

Active portfolio management

- Acquisition of Coatex finalized on October, 1st
- Closing of the divestitures of UF resins in Leuna and water treatment business in Europe

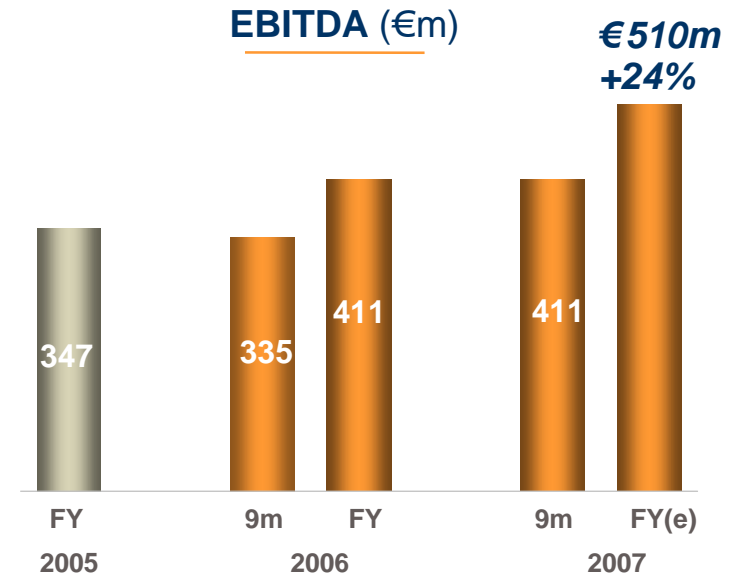
Cost reduction in line with target

- End 2007: €200m cumulative fixed cost savings*

Strategic developments in Asia

- Partnership with Daikin in Fluorochemicals
- Project of a new PVDF production unit in Changshu (China)
- Doubling of tin stabilizers production capacities in Beijing (China)

Start-up, as scheduled, of a new HFC-32 production unit in Calvert-City (US)



Calvert-City (US)

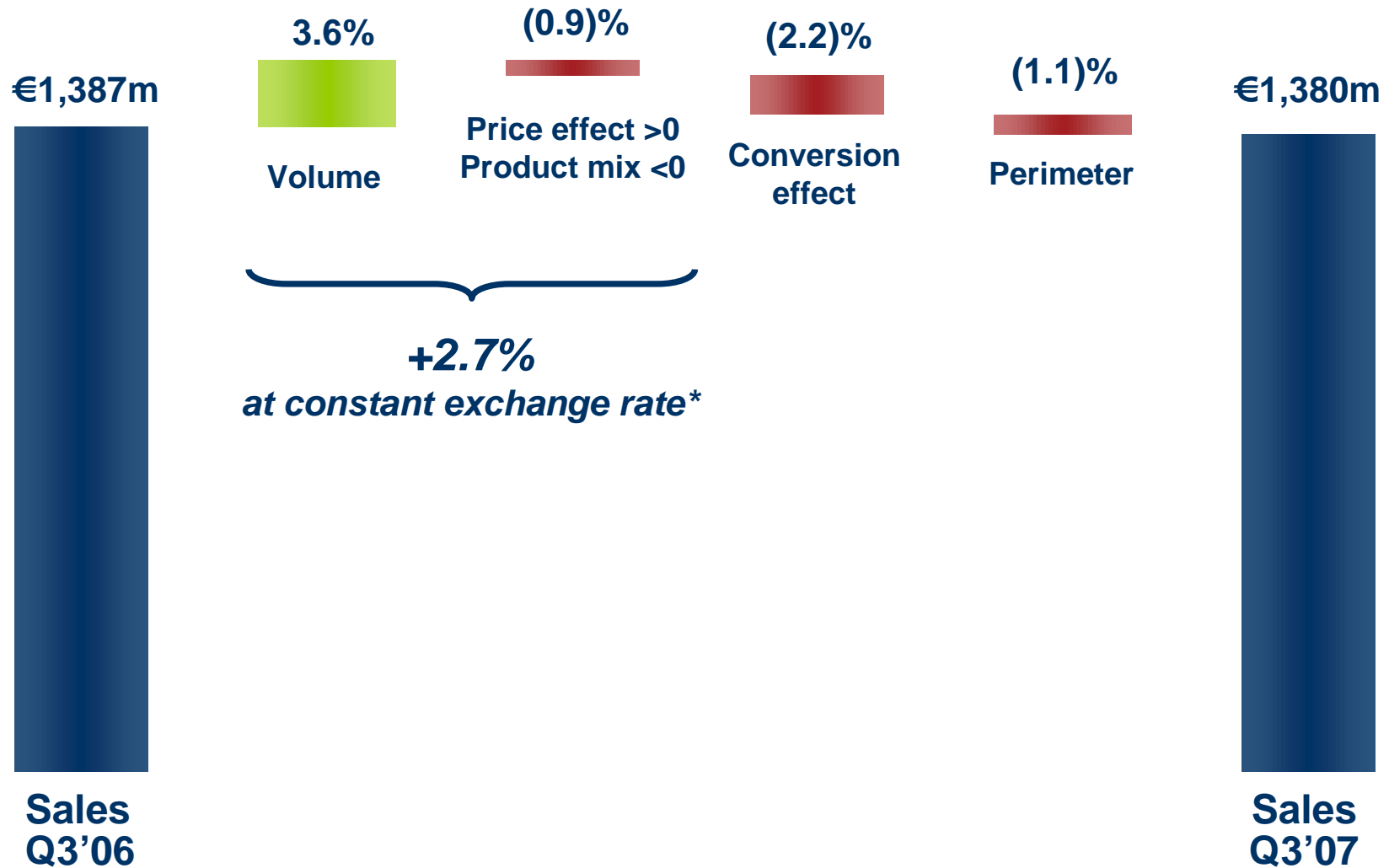


Q3'07 key figures

	Q3'06	Q3'07	Variation*
Sales	1,387	1,380	-0.5%
EBITDA	101	127	+26%
<i>EBITDA margin</i>	7.3%	9.2%	
Operating income (rec.)	50	75	+50%
NR items	(14)	(9)	n/a
Net income (group share)	22	37	+68%
Adj. net income	34	47	+38%
Cash flows**	(116)	59	n.m.
Net debt (vs 12/31/06)	324	156	(52%)



Strong volume increase



Strong EBITDA improvement



A very good performance

- +26% EBITDA growth in Q3'07 vs Q3'06
- 9.2% EBITDA margin in Q3'07 (7.3% in Q3'06)



Based on self help

- Positive impact of restructuring initiatives
- Contribution from new product developments



In a business environment in line with 1H'07

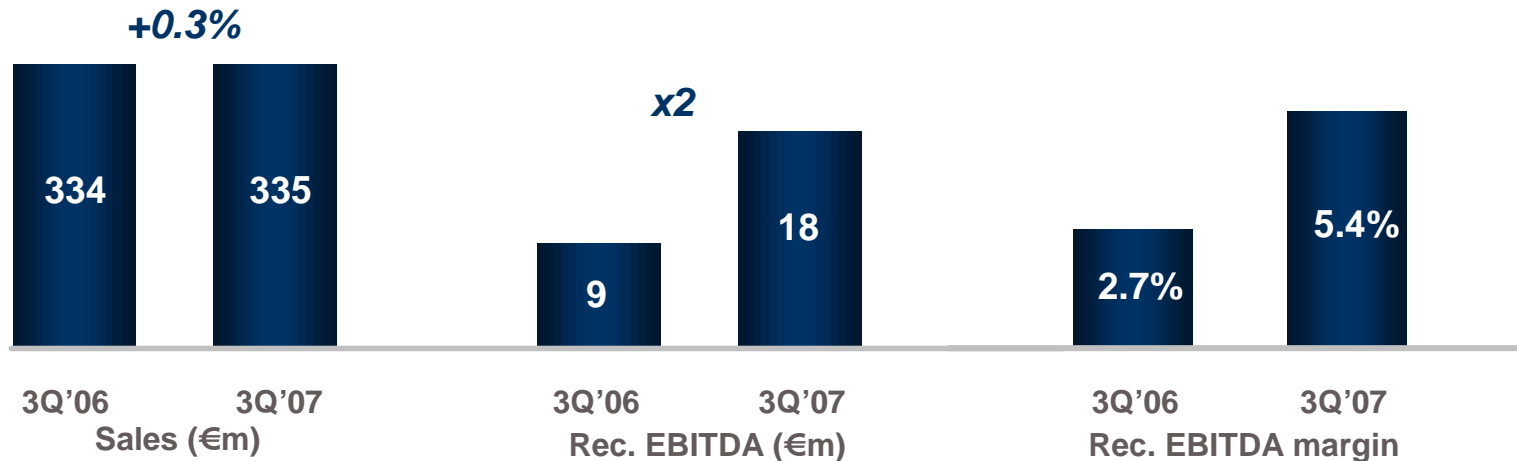
- Good demand in PVC in Europe
- Strong growth in Asia
- Weak US dollar vs €
- High raw material and energy costs
- Market conditions in Acrylics similar to 1H'07



Upgrade of 2007 full year target

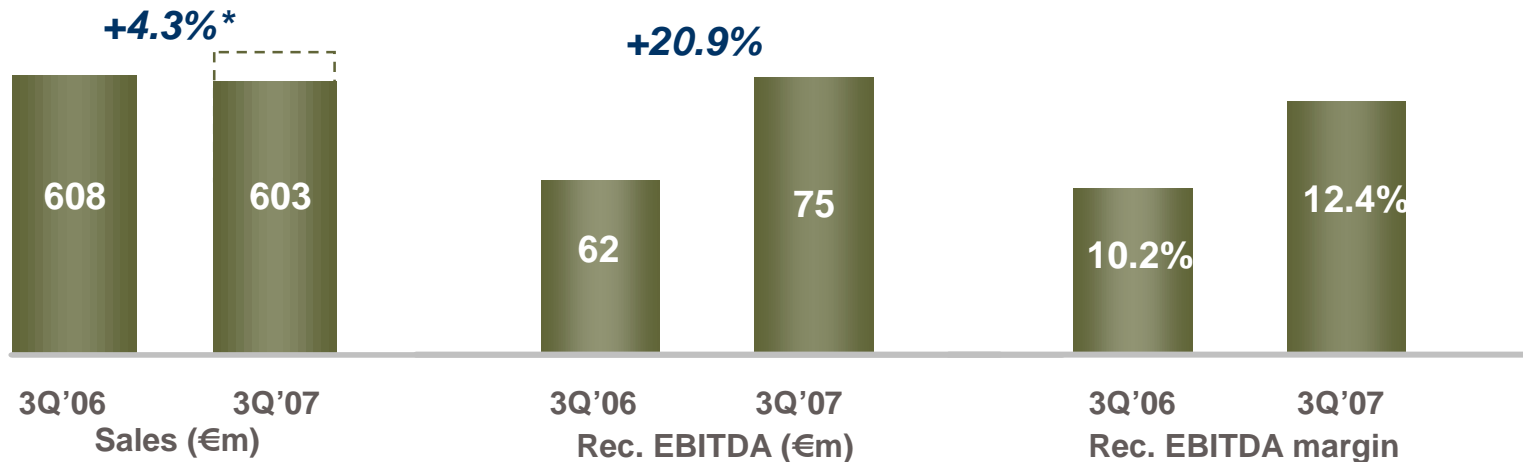
- Revise EBITDA target at €510 million (+24% versus 2006)
- Already achieved: +23% EBITDA growth in 9m'07 vs 9m'06

Vinyl Products: EBITDA doubled in a favorable environment



- **Strong demand in Europe with margins remaining at high level**
- **Savings from restructuring initiatives**
 - Chlorochemicals plan
 - Restructuring plans in downstream activities (Pipes & Profiles; Vinyl Compounds)
- **Major five-year turnaround in Fos (France)**
 - Negative impact on EBITDA of around €10m
 - Debottlenecking of VCM production capacities as part of Chlorochemicals consolidation plan
- **Restart of all production units in Fos and Lavéra (France) end of September as scheduled**

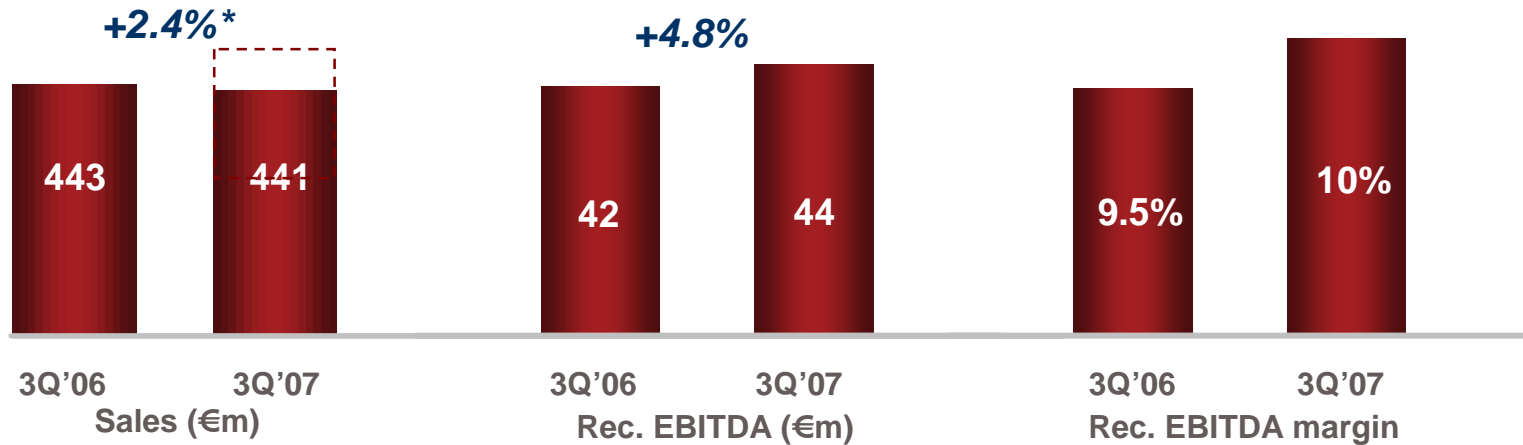
Industrial Chemicals: strong results supported by self-help



- 📊 Globally favorable environment with a strong demand in Europe and in Asia
- 📊 Strong increase of PMMA and Thiochemicals sales thanks to new businesses
- 📊 Low-cycle acrylic unit margins
- 📊 Negative impact of foreign exchange rate
- 📊 Strategic partnership with Daikin for new generation HFC refrigerant gas
- 📊 Start-up of a new HFC-32 production unit in Calvert-City (US)
- 📊 Acquisition of Coatex finalized on October 1st



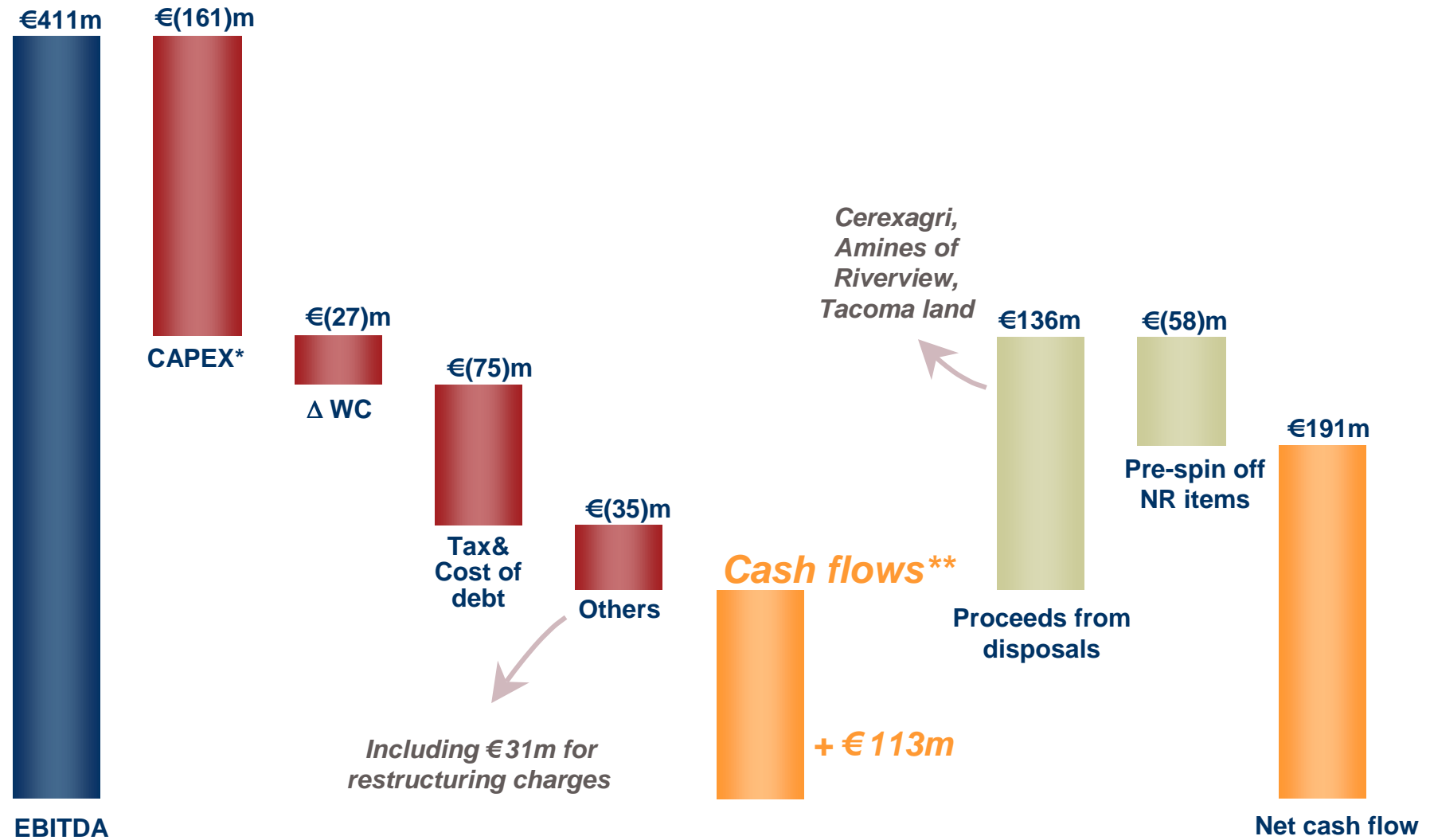
Performance Products: continue segment transformation



- Good demand in Specialty Chemicals
- Price increases in Additives to offset increase in tin price
- Negative impact of €/US\$ exchange rate
- First benefits of restructuring plans on fixed costs launched in 2006
- Launch of a new restructuring plan in Technical Polymers in Marseille in October
- Divestiture of UF Resins at Leuna (Germany) completed November 1st



Solid cash flow for the first nine months



* Excluding capex related to Vinyl Products restructuring plan (included in pre-spin off NR items)

** Calculated as cash flows before pre-spin off NR items and portfolio management

Outlook



Q4'07 outlook

- Economic environment should be in line with first nine months with two notable exceptions:
 - US\$/€ exchange rate > 1.45
 - High oil price
- Usual seasonality profile



Full year 2007 EBITDA should be around €510m up 24%



Clear confidence for 2008

- 2008 EBITDA margin target at 10% of revenues



Fully in line with 2010 target: 12% EBITDA margin

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Financial information for 2006 and 2007 are extracted from the consolidated financial statements of Arkema. Quarterly financial information presented in this document is not audited.

The business segment information is presented in accordance with Arkema's internal reporting system used by the management.

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