



THIRD QUARTER 2015 RESULTS

10 November 2015

ARKEMA
INNOVATIVE CHEMISTRY

3Q'15 HIGHLIGHTS

€1,946 m sales	<ul style="list-style-type: none"> ▶ +32%, significantly up YoY ▶ Including Bostik contribution of +28%
€286 m EBITDA	<ul style="list-style-type: none"> ▶ Strong performance, up +38% YoY (€207 m in 3Q'14) ▶ Significant increase excluding Bostik contribution, driven by Industrial Specialties ▶ Good performance of Bostik reinforced by first benefits from synergies ▶ Favorable impact of currencies (translation) and lower input costs
14.7% EBITDA margin	<ul style="list-style-type: none"> ▶ Up 70 basis points versus 3Q'14 despite the mechanically dilutive impact of Bostik integration
€1.27 adjusted EPS*	<ul style="list-style-type: none"> ▶ Up +20% YoY
+€172 m free cash flow**	<ul style="list-style-type: none"> ▶ Very strong cash generation ▶ €1,632 m net debt down versus 30 June 2015 (€1,773 m) with a 42% gearing

* Adjusted EPS excluding unrealized foreign exchange result on the financing in foreign currencies of non-recurring investments (Thiochemicals in Malaysia)

** Cash flow from operations and investments excluding the impact of portfolio management and the €28m unrealized currency loss in 3Q'15 on the financing in US dollars of the investments made in Thiochemicals in Malaysia

WHERE WE STAND IN 3Q'15 ON MAIN DRIVERS

Bostik	<ul style="list-style-type: none">▶ Good performance in a moderate growth economic environment▶ Confirm good momentum and successful implementation of strategy▶ Benefits from first synergies
Thiochemicals in Malaysia	<ul style="list-style-type: none">▶ Significant contribution once again in 3Q'15▶ Ramp-up supported by strong demand in the animal nutrition market in Asia
Acrylics	<ul style="list-style-type: none">▶ Unit margins continue to be in low-cycle conditions particularly in Asia and should remain so in a near future
Fluorogases	<ul style="list-style-type: none">▶ Gradual improvement of pricing of some gases confirmed, mostly in the US▶ Volumes reflect the usual less favorable seasonality of the 3rd quarter
Disposal program	<ul style="list-style-type: none">▶ Sunclear divestment expected to close before year end (€180 m FY sales, €105 m EV)

3Q'15 KEY FIGURES

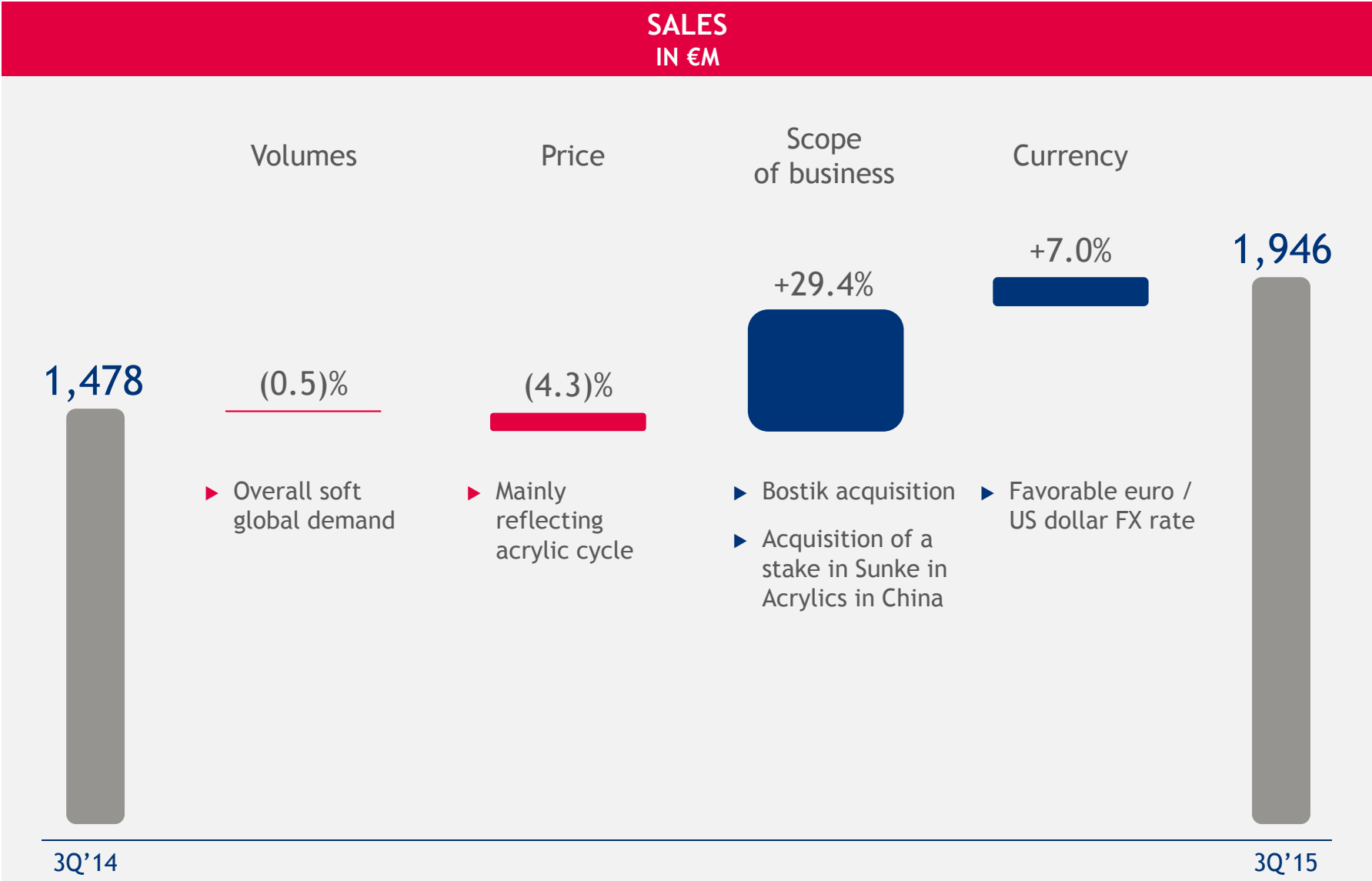
IN €M (EXCEPT EPS)	3Q'14 ⁽¹⁾	3Q'15	VARIATION
Sales	1,478	1,946	+31.7%
EBITDA	207	286	+38.2%
EBITDA margin	14.0%	14.7%	
Recurring operating income	120	176	+46.7%
Adjusted net income ⁽²⁾	70	95	+35.7%
Net income (Group share)	24	61	+154.2%
Adjusted EPS ⁽²⁾ ⁽³⁾ (euro)	1.06	1.27	+19.8%

⁽¹⁾ Restated figures in accordance with IFRIC 21 “Levies”

⁽²⁾ Adjusted net income now excludes unrealized foreign exchange result on the financing in foreign currencies of non-recurring investments (Thiochemicals in Malaysia)

⁽³⁾ For 2014, the adjusted EPS was adjusted to take account of the share capital increase with preferential subscription rights finalized in December 2014

3Q'15 SALES BRIDGE



HIGH PERFORMANCE MATERIALS

3Q'15 KEY FIGURES

In €m	3Q'14*	3Q'15	variation
Sales	432	866	+100.5%
EBITDA	84	131	+56.0%
EBITDA margin	19.4%	15.1%	
Rec. operating income	59	94	+59.3%

3Q'15 SALES DEVELOPMENT

Volumes	(1.9)%
Prices	+0.2%
Currency	+6.8%
Scope	+95.6%

3Q'15 HIGHLIGHTS

Bostik

- ▶ €411 m sales
- ▶ Good performance, up YoY, in a moderate growth economic environment
- ▶ Successful implementation of strategy
- ▶ First benefits from synergies

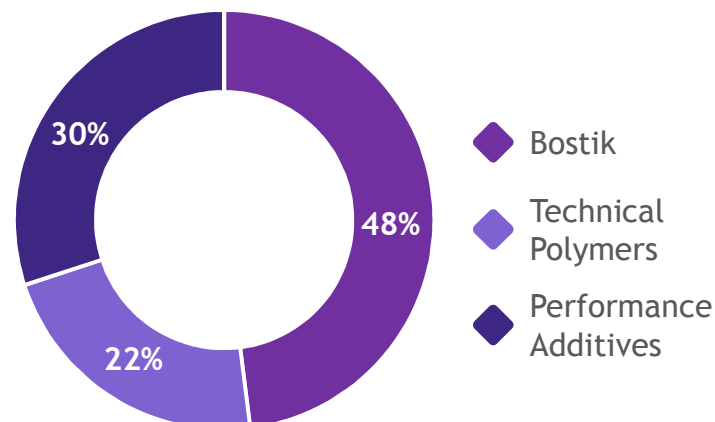
Technical Polymers

- ▶ Continued good development of growing applications (batteries, electronics)
- ▶ Lower demand in some oil & gas applications

Performance Additives

- ▶ Solid performance overall

3Q'15 SALES BY BUSINESS LINE



INDUSTRIAL SPECIALTIES

3Q'15 KEY FIGURES

In €m	3Q'14*	3Q'15	variation
Sales	552	608	+10.1%
EBITDA	82	114	+39.0%
EBITDA margin	14.9%	18.8%	
Rec. operating income	42	70	+66.7%

3Q'15 SALES DEVELOPMENT

Volumes	+3.2%
Prices	(1.3)%
Currency	+7.8%
Scope	+0.3%

3Q'15 HIGHLIGHTS

Thiochemicals

- ▶ Excellent performance reflecting the contribution from the new Malaysian plant driven by a continuing strong demand in Asia in the animal nutrition market

Fluorogases

- ▶ YoY gradual improvement of the prices of some gases with the usual less favorable seasonality of 3Q

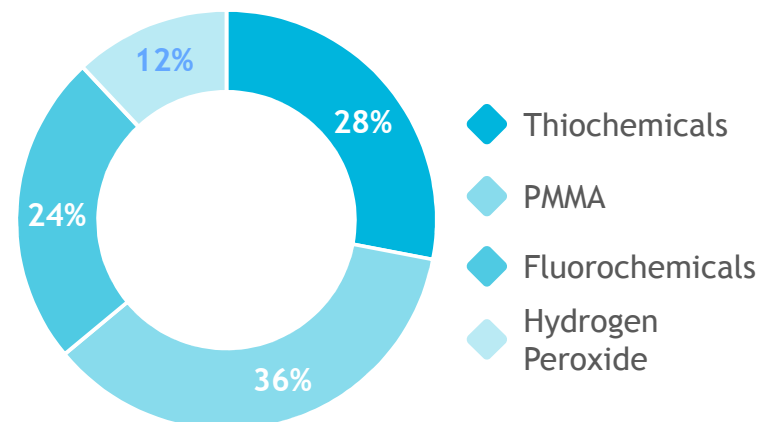
PMMA

- ▶ Very good level of results with a few signs of normalization

Hydrogen Peroxide

- ▶ Solid performance with further good developments in specialties

3Q'15 SALES BY BUSINESS LINE



COATING SOLUTIONS

3Q'15 KEY FIGURES

In €m	3Q'14*	3Q'15	Variation
Sales	489	465	-4.9%
EBITDA	51	53	+3.9%
EBITDA margin	10.4%	11.4%	
Rec. operating income	29	24	-17.2%

3Q'15 HIGHLIGHTS

Acrylics

- ▶ Inventory adjustments at customers in a context of high raw material cost volatility
- ▶ Low cycle unit margins (down YoY) and expected to remain low in a near future
- ▶ In Asia, contribution well below expectations

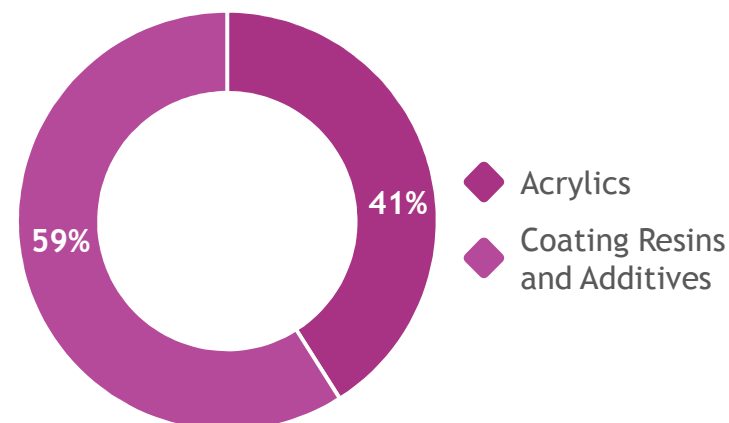
Coating Resins and Additives

- ▶ Strong performance supported by good developments at Coatex and lower costs
- ▶ Soft demand in deco paints and construction in Europe

3Q'15 SALES DEVELOPMENT

Volumes	(3.6)%
Prices	(11.8)%
Currency	+6.5%
Scope	+4.1%

3Q'15 SALES BY BUSINESS LINE



3Q'15 CASH FLOW

IN €M	3Q'15	
EBITDA	286	
Working capital variation ⁽¹⁾	68	▶ Good working capital management
Taxes	(54)	
Cost of debt ⁽²⁾	(19)	
Capital expenditure ⁽³⁾	(103)	▶ 2015e capex: ~ €470 m
Others	(3)	
RECURRING CASH FLOW	175	
Non-recurring items in operating and investing cash flow	(3)	▶ Mainly restructuring expenses
FREE CASH FLOW ⁽²⁾	172	▶ Performance in line with the Group ambition to increase cash generation ▶ +€235 m free cash flow over first 9 months of 2015
Impact of portfolio management	(5)	
NET CASH FLOW ⁽²⁾	167	

(1) Variation in working capital and fixed asset payables excluding non-recurring items

(2) Excluding €(28) m unrealized currency loss on the financing in US\$ of the investments made in Thiochemicals in Malaysia with no impact on net debt

(3) Excluding capex related to M&A (in 3Q'15, mainly related to the transfer of the 3rd acrylic production line to Sunke without any impact on net debt)

2015 OUTLOOK

Macro-economic assumptions

- ▶ 4Q'15 should reflect the usual year-end seasonality which might be amplified by the current volatility of raw material prices and result in a more cautious behavior from some customers
- ▶ Impact of the US\$/€ rate expected to remain positive but far less material in 4Q than in previous quarters
- ▶ Unit margins in acrylic monomers expected to remain at low-cycle levels, in particular in Asia

Main drivers

- ▶ Contribution of Bostik
- ▶ Ramp-up of the Thiochemicals platform in Malaysia
- ▶ Improvement of fluorogas business expected to be limited in 4Q'15 given the usual year-end seasonality of this business
- ▶ Operational excellence initiatives to offset part of the inflation on fixed costs

Based on these drivers and the strong performance of the first nine months, Arkema increases its 2015 EBITDA target (including Bostik contribution) up to a range of €1,020 million to €1,040 million (versus initial guidance of an EBITDA “slightly above €1 billion” in 2015)

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 material 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. These risk factors are further developed in the reference document.

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

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

Financial information for 2015, 2014, 2013, 2012, 2011, 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 press release on the quarterly results.