

Colombes, 10 November 2015

Arkema: quarterly information - 3rd quarter 2015 results

- **€1,946 million sales, +32%** up on 3Q 2014 including Bostik contribution of +28%
- Strong **EBITDA** increase to **€286 million, +38%** up on 3Q 2014 (€207 million)
 - Excluding Bostik contribution, significant improvement driven by Industrial Specialties
 - Good performance of Bostik strengthened by first benefits from synergies
- **EBITDA margin** increase to **14.7%** (14.0% in 3Q 2014) despite Bostik dilutive effect
- **Adjusted net income¹** of **€95 million** up +36% on 3Q 2014, i.e. **€1.27** per share
- Very strong cash flow generation and decrease in **net debt** compared to end June 2015 at **€1,632 million**, i.e. 42% gearing

The Board of Directors of Arkema met on 9 November 2015 to review the Group's consolidated accounts for 3rd quarter 2015. At the end of the meeting, Thierry Le Hénaff, Chairman and CEO, stated:

"Arkema achieved a strong performance with good cash flow generation in a third quarter marked by volatility in petrochemical raw materials and a soft global economic environment. Excluding Bostik contribution, EBITDA improved significantly, with the vast majority of product lines progressing over last year. Among major projects, Bostik confirmed the solid momentum of the first half, and began to benefit from first synergies. The thiochemicals site in Kerteh in Malaysia delivered an excellent quarter, whereas the performance of our new acrylics activities in China remained disappointing. While we remain cautious about the economic environment, we have increased our EBITDA guidance for 2015 released with the half-yearly results."

¹ Adjusted net income now excludes unrealized foreign exchange results on the financing in foreign currencies of non-recurring investments (Thiochemicals in Malaysia).

3RD QUARTER 2015 KEY FIGURES

<i>(In millions of euros)</i>	3Q 2014 ⁽¹⁾	3Q 2015	Variation
Sales	1,478	1,946	+31.7%
EBITDA	207	286	+38.2%
EBITDA margin	14.0%	14.7%	
<i>High Performance Materials</i>	<i>19.4%</i>	<i>15.1%</i>	
<i>Industrial Specialties</i>	<i>14.9%</i>	<i>18.8%</i>	
<i>Coating Solutions</i>	<i>10.4%</i>	<i>11.4%</i>	
Recurring operating income	120	176	+46.7%
Non-recurring items	(43)	(15)	n.a.
Adjusted net income ⁽²⁾	70	95	+35.7%
Net income – Group share	24	61	+154.2%
Adjusted net income per share ^{(2) (3)} (in €)	1.06	1.27	+19.8%

⁽¹⁾ 3rd quarter 2014 figures have been restated to reflect the new reporting structure presented at the Capital Markets Day held on 29 June 2015 and in accordance with the IFRIC 21 standard "Levies".

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

⁽³⁾ For 3rd quarter 2014, the adjusted net income per share was adjusted to take account of the share capital increase with preferential subscription rights finalized in December 2014.

3RD QUARTER 2015 PERFORMANCE

In 3rd quarter 2015, Group **sales** reached **€1,946 million**, 31.7% up on 3rd quarter 2014 with a +29.4% scope effect related to the acquisition of Bostik and the purchase of a stake in Sunke in Acrylics in China. The currency effect was positive at +7.0% mostly due to the strengthening of the US dollar versus the euro. Volumes, close to last year's (-0.5%), reflected overall soft global demand. The trend in prices (-4.3%) was essentially due to the acrylics cycle.

EBITDA, at **€286 million**, was, for the third quarter in a row, significantly up (+38.2%) over last year. The integration of Bostik, the ramp-up of the new Thiochemicals plant in Malaysia, a positive currency exchange effect (translation) of some €20 million, lower input costs and a good control of fixed costs contributed in particular to this solid growth. **EBITDA margin** rose to **14.7%** (against 14.0% in 3rd quarter 2014) despite the acrylics cycle and the mechanically dilutive effect of Bostik's integration.

In line with EBITDA growth, **recurring operating income** grew to **€176 million** against €120 million in 3rd quarter 2014. It includes €110 million depreciation and amortization, up on last year (€87 million) as a result of the acquisition of Bostik, the purchase of a stake in Sunke, the impact of currencies, and the start-up of new production plants.

Non-recurring items amounted to **-€15 million**, including -€10 million corresponding to additional depreciation and amortization booked as a result of the revaluation of tangible and intangible fixed assets as part of Bostik purchase price allocation. The other non-recurring items mostly correspond to restructuring expenses.

Financial result stood at **-€53 million** against -€15 million in 3rd quarter 2014 as a result of the higher cost of debt relating to the financing of Bostik acquisition as well as the recognition, following a sharp fall in the

Malaysian ringgit versus the US dollar, of a €28 million unrealized currency loss on the financing in US dollars of the investments made in Thiochemicals in Malaysia. This last item had no impact on net debt.

Income taxes amounted to **-€51 million** against -€37 million in 3rd quarter 2014. Excluding the reversal of €3 million provisions for deferred tax liabilities recognized as part of Bostik purchase price allocation, tax rate stood at 30.7% of the recurring operating income, reflecting the geographical split of the results, and in particular the share of the Group's income generated in the United States.

Net income Group share stood at **€61 million** against €24 million in 3rd quarter 2014. **Adjusted net income** stood at **€95 million**, i.e. **€1.27** per share.

SEGMENT PERFORMANCE IN 3RD QUARTER 2015

HIGH PERFORMANCE MATERIALS

High Performance Materials **sales** reached **€866 million**, +100.5% up on 3rd quarter 2014, largely supported by the contribution of Bostik (€411 million sales) and a +6.8% translation effect. The -1.9% decrease in volumes reflects weaker demand in some applications in the oil and gas market. The price effect was stable overall (+0.2%).

EBITDA grew by +56% to **€131 million** against €84 million in 3rd quarter 2014. This strong increase is the result of Bostik's good performance in a moderate growth environment, thus confirming the relevance of its strategy and the benefits from first synergies. Excluding Bostik contribution, the segment's performance is at last year level, lower volumes being offset by the positive impact of currencies and lower input costs.

EBITDA margin stood at **15.1%** reflecting the mechanical dilutive effect of Bostik integration.

INDUSTRIAL SPECIALTIES

Industrial Specialties **sales** rose by 10.1% to **€608 million** against €552 million in 3rd quarter 2014. This growth results from a +7.8% translation effect as well as a +3.2% increase in volumes supported by the ramp-up of the new Thiochemicals plant in Malaysia. These effects largely offset price variations (-1.3%) mainly resulting from product mix over the quarter and lower raw materials.

Up 39% compared to 3rd quarter 2014, **EBITDA** reached **€114 million**, showing a strong improvement for the third quarter in a row. The excellent performance of Thiochemicals reflects the contribution of the Kerteh platform (Malaysia) which continued to enjoy strong demand in the animal feed market in Asia. PMMA results remained very good with a few signs of normalization. Certain fluorogases continued to enjoy higher prices than last year in a quarter with a traditionally less favorable seasonality. Finally, Hydrogen Peroxide again reported a solid performance, significantly up on last year.

EBITDA margin showed also a solid improvement compared to 3rd quarter 2014, at **18.8%**.

COATING SOLUTIONS

Coating Solutions **sales** stood at **€465 million**, -4.9% down on last year. The translation effect was positive at +6.5%, and the acquisition of a stake in Sunke resulted in a +4.1% scope effect. A -3.6% decrease in volumes reflects ongoing soft demand in construction and decorative paints in Europe as well as inventory adjustments at the end of the quarter in a context of high volatility of raw material costs. In line with the beginning of the year, the -11.8% drop in prices reflects the acrylics cycle and lower raw material costs.

EBITDA stood at **€53 million** against €51 million in 3rd quarter 2014, while **EBITDA margin** reached **11.4%**. The positive impact of currencies and the good performance of downstream activities supported by new developments at Coatex as well as lower costs helped offset lower margins in acrylic monomers. In this activity, unit margins were at low-cycle levels, particularly in Asia, and should remain so in the near future.

CASH FLOW AND NET DEBT AT 30 SEPTEMBER 2015

In 3rd quarter 2015, Arkema generated **+€172 million free cash flow**², significantly up on 3rd quarter 2014 (+€64 million). In line with the Group's ambition reaffirmed at the Capital Markets Day in June 2015 to increase cash flow generation, this good performance reflects a strong EBITDA growth compared to last year and the good control of working capital and capital expenditures. Over 3rd quarter, working capital decreased by €43 million³ reflecting the traditional seasonality of the activity and capital expenditure amounted to €103 million. Non-recurring items over the period were limited to -€3 million.

After taking account of the impact of portfolio management operations, **net cash flow**⁴ stood at **+€167 million** in 3rd quarter 2015 against +€63 million in 3rd quarter 2014.

As regards Group capital expenditures (including Bostik), Arkema maintains its forecast for 2015 which, adjusted for the impact of exchange rate variations (mostly US dollar versus euro), should represent some €470 million.

Net debt stood at **€1,632 million** at 30 September 2015 (against €154 million at 31 December 2014), i.e. 42% gearing. It is down compared to end June 2015 (€1,773 million). It includes €47 million dividend paid in cash in 3rd quarter to shareholders who did not elect for the payment in shares. It does not include the €33 million interest due on the hybrid to be cashed out in 4th quarter 2015.

3RD QUARTER 2015 HIGHLIGHTS

Organic growth

In line with its ambition to expand in high-growth regions, Bostik increased its production capacities in Bangalore, India. This new hotmelt pressure sensitive adhesives (HMPSA) production plant will enhance Bostik ability to serve its global customers in the disposable hygiene market.

Financing

The multi-currency credit agreement for a maximum amount of €900 million signed in October 2014 for an initial 5-year term was extended for a further 12 months.

2015 OUTLOOK

The 4th quarter 2015 should reflect the usual year-end seasonality, which might be amplified by current volatility of raw material prices and result in a more cautious behaviour from some customers towards the end of the year. The impact of the US dollar / euro exchange rate should remain positive, but far less material in the fourth quarter than in previous quarters. Unit margins in acrylic monomers are expected to remain at low-cycle levels, in particular in Asia.

At the end of the year, Arkema will continue to benefit from Bostik's contribution and the ramp-up of the Thiochemicals platform in Malaysia, as well as its operational excellence efforts to offset part of the inflation on fixed costs. The improvement in the fluorogas activity should be limited in the quarter given the traditional year-end seasonality of this business.

Based on these drivers and the strong performance of the first nine months of the year, Arkema increases its EBITDA target (including Bostik contribution) for 2015 up to a range of €1,020 million to €1,040 million (Arkema had announced late July an EBITDA target for 2015 "slightly above €1 billion").

² Cash flow from operations and investments excluding the impact of portfolio management and the unrealized foreign exchange result on the financing in US dollar of the investments made in Malaysia (-€28 million in 3rd quarter 2015) which has no impact on net debt.

³ Variation excluding non-recurring items.

⁴ Cash flow excluding the unrealized foreign exchange result on the financing in US dollar of the investments made in Malaysia with no impact on net debt.

The 3Q 2015 results are detailed in the presentation "3rd quarter 2015 results" available on the website: www.finance.arkema.com.

FINANCIAL CALENDAR

3 March 2016 Publication of 2015 annual results

*A designer of materials and innovative solutions, **Arkema** shapes materials to create new uses. An innate innovation entrepreneur, we accelerate customer performance every single day and generate revenues of €7.5 billion each year. Buoyed by the collective energy of our 19,200 employees, we cultivate interaction with the world around us.*

Investor Relations:

Sophie Fouillat	Tel.: +33 1 49 00 86 37	E-mail: sophie.fouillat@arkema.com
François Ruas	Tel.: +33 1 49 00 72 07	E-mail: francois.ruas@arkema.com

Press Relations:

Gilles Galinier	Tel.: +33 1 49 00 70 07	E-mail: gilles.galinier@arkema.com
Sophie Suc	Tel.: +33 6 22 02 24 64	E-mail: sophie.suc@arkema.com

Disclaimer

The information disclosed in this press release may contain forward-looking statements with respect to the financial conditions, 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 materials 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.

Balance sheet, income statement, cash flow statement, statement of changes in shareholders' equity and information by business segment included in this press release are extracted from the consolidated financial statements at 30 September 2015 reviewed by the Board of Directors of Arkema SA on 9 November 2015.

Quarterly financial information is not audited.

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

The main performance indicators used are described below. The "Adjusted net income" performance indicator has been amended to exclude unrealized foreign exchange results on financing in foreign currencies of non-recurring investments.

- **Operating income:** *this includes all income and expenses of continuing operations other than financial result, equity in income of affiliates and income taxes;*
- **Other income and expenses:** *these correspond to a limited number of well-identified non-recurring items of income and expense of a particularly material nature that the Group presents separately in its income statement in order to facilitate understanding of its recurring operational performance. These items of income and expense notably include:*
 - *Impairment losses in respect of property, plant and equipment and intangible assets,*
 - *Gains or losses on sale of assets, acquisition expenses, badwills and stock valuation adjustments between the fair value on the acquisition date and the replacement value,*
 - *Certain large restructuring and environmental expenses which would hamper the interpretation of recurring operating income (including substantial modifications to employee benefit plans and the effect of onerous contracts),*
 - *Certain expenses related to litigation and claims or major damages, whose nature is not directly related to ordinary operations,*
 - *Depreciation and amortization related to the revaluation of tangible and intangible assets identified as part of the allocation of the Bostik acquisition price;*
- **Recurring operating income:** *this is calculated as the difference between operating income and other income and expenses as previously defined;*
- **Adjusted net income:** *this corresponds to "Net income – Group share" adjusted for the "Group share" of the following items:*
 - *Other income and expenses, after taking account of the tax impact of these items,*
 - *Income and expenses from taxation of an exceptional nature, the amount of which is deemed significant,*
 - *Net income of discontinued operations,*
 - *Unrealized foreign exchange results on financing in foreign currencies of non-recurring investments;*
- **EBITDA:** *this corresponds to recurring operating income increased by depreciation and amortization recognized in the recurring operating income;*

- **Working capital:** *this corresponds to the difference between inventories, accounts receivable, other receivables and prepaid expenses, income tax receivables and other current financial assets on the one hand and accounts payable, other creditors and accrued liabilities, income tax liabilities and other current financial liabilities on the other hand. These items are classified in current assets and liabilities in the consolidated balance sheet;*
- **Capital employed:** *this is calculated by aggregating the net carrying amounts of intangible assets, property, plant and equipment, equity affiliate investments and loans, other investments, other non-current assets (excluding deferred tax assets) and working capital;*
- **Recurring investments:** *these correspond to tangible and intangible investments which exclude a small number of investments of an exceptional nature that the Group presents separately in order to facilitate the analysis of cash generation in its financial communication. These investments characterized by their size or their nature are presented either as non-recurring investments or in acquisitions and divestments;*
- **Net debt:** *this is the difference between current and non-current debt and cash and cash equivalents.*



ARKEMA Financial Statements

Consolidated financial statements - At the end of September 2015

CONSOLIDATED INCOME STATEMENT

<i>(In millions of euros)</i>	<u>3rd quarter 2015</u>	<u>End of September 2015</u>	<u>3rd quarter 2014</u>	<u>End of September 2014</u>
	<i>(non audited)</i>	<i>(non audited)</i>	<i>(non audited)</i>	<i>(non audited)</i>
Sales	1 946	5 923	1 478	4 521
Operating expenses	(1 553)	(4 762)	(1 214)	(3 717)
Research and development expenses	(51)	(154)	(38)	(115)
Selling and administrative expenses	(166)	(490)	(106)	(316)
Recurring operating income	176	517	120	373
Other income and expenses	(15)	(97)	(43)	(75)
Operating income	161	420	77	298
Equity in income of affiliates	2	7	0	0
Financial result	(53)	(107)	(15)	(44)
Income taxes	(51)	(87)	(37)	(112)
Net income*	59	233	25	142
Of which non-controlling interests	(2)	(3)	1	2
Net income - Group share	61	236	24	140
<i>Earnings per share (amount in euros)**</i>	<i>0,81</i>	<i>3,21</i>	<i>0,36</i>	<i>2,13</i>
<i>Diluted earnings per share (amount in euros)**</i>	<i>0,81</i>	<i>3,20</i>	<i>0,36</i>	<i>2,12</i>
Depreciation and amortization	(110)	(326)	(87)	(245)
EBITDA	286	843	207	618
Adjusted net income ***	95	283	70	216
<i>Adjusted net income per share (amount in euros)**</i>	<i>1,27</i>	<i>3,85</i>	<i>1,06</i>	<i>3,29</i>
<i>Diluted adjusted net income per share (amount in euros)**</i>	<i>1,27</i>	<i>3,84</i>	<i>1,06</i>	<i>3,27</i>

* 2014 net income has been restated of the impact of IFRIC 21.

** Elements for the calculation of earnings per share and adjusted earnings per share for first-half 2014 have been restated:

- in application of IFRIC 21 "Leases";

- and to reflect the dilution factor resulting from the capital increase of 15 December 2014 and the dividend distribution approved at the shareholders' general meeting of 2 June 2015

*** See updated definition in the description of the main performance indicators.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<u>3rd quarter 2015</u>	<u>End of September 2015</u>	<u>3rd quarter 2014</u>	<u>End of September 2014</u>
<i>(In millions of euros)</i>	<i>(non audited)</i>	<i>(non audited)</i>	<i>(non audited)</i>	<i>(non audited)</i>
Net income*	59	233	25	142
Hedging adjustments	(1)	4	16	13
Other items	-	1	(4)	(4)
Deffered taxes on hedging adjustments and other items	-	1	-	-
Change in translation adjustments	(44)	73	123	135
Other recyclable comprehensive income	(45)	79	135	144
Actuarial gains and losses	(2)	39	2	(39)
Deffered taxes on actuarial gains and losses	1	(9)	-	7
Other non-recyclable comprehensive income	(1)	30	2	(32)
Total income and expenses recognized directly in equity	(46)	109	137	112
Comprehensive income	13	342	162	254
Of which: non-controlling interest	(4)	(3)	4	5
Comprehensive income - Group share	17	345	158	249

* 2014 net income has been restated of the impact of IFRIC 21.

CONSOLIDATED BALANCE SHEET

	<u>30 September 2015</u>	<u>31 December 2014</u>
<i>(In millions of euros)</i>	<i>(non audited)</i>	<i>(audited)</i>
ASSETS		
Intangible assets, net	2 458	1 094
Property, plant and equipment, net	2 619	2 272
Equity affiliates : investments and loans	25	18
Other investments	30	33
Deferred tax assets	197	76
Other non-current assets	217	190
TOTAL NON-CURRENT ASSETS	5 546	3 683
Inventories	1 194	977
Accounts receivable	1 221	839
Other receivables and prepaid expenses	180	137
Income taxes recoverable	38	27
Other current financial assets	7	2
Cash and cash equivalents	476	1 149
TOTAL CURRENT ASSETS	3 116	3 131
TOTAL ASSETS	8 662	6 814
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	743	728
Paid-in surplus and retained earnings	2 840	2 626
Treasury shares	(1)	(3)
Translation adjustments	251	178
SHAREHOLDERS' EQUITY - GROUP SHARE	3 833	3 529
Non-controlling interests	42	44
TOTAL SHAREHOLDERS' EQUITY	3 875	3 573
Deferred tax liabilities	317	57
Provisions for pensions and other employee benefits	612	456
Other provisions and non-current liabilities	433	401
Non-current debt	1 891	1 196
TOTAL NON-CURRENT LIABILITIES	3 253	2 110
Accounts payable	832	704
Other creditors and accrued liabilities	400	274
Income taxes payable	71	33
Other current financial liabilities	14	13
Current debt	217	107
TOTAL CURRENT LIABILITIES	1 534	1 131
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	8 662	6 814

CONSOLIDATED CASH FLOW STATEMENT

<i>(In millions of euros)</i>	<u>End of September 2015</u>	<u>End of September 2014</u>
	<i>(non audited)</i>	<i>(non audited)</i>
Cash flow - operating activities		
Net income*	233	142
Depreciation, amortization and impairment of assets	358	258
Provisions, valuation allowances and deferred taxes	(88)	(36)
(Gains)/losses on sales of assets	(6)	5
Undistributed affiliate equity earnings	(6)	5
Change in working capital*	(19)	(36)
Other changes	6	7
Cash flow from operating activities	478	345
Cash flow - investing activities		
Intangible assets and property, plant, and equipment additions	(312)	(310)
Change in fixed asset payables	3	(64)
Acquisitions of operations, net of cash acquired	(1 294)	(1)
Increase in long-term loans	(34)	(37)
Total expenditures	(1 637)	(412)
Proceeds from sale of intangible assets and property, plant and equipment	8	6
Change in fixed asset receivables	0	0
Proceeds from sale of operations, net of cash sold	0	-
Proceeds from sale of unconsolidated investments	-	15
Repayment of long-term loans	13	9
Total divestitures	21	30
Cash flow from investing activities	(1 616)	(382)
Cash flow - financing activities		
Issuance (repayment) of shares and other equity	92	38
Issuance of hybrid bonds	0	-
Purchase of treasury shares	(5)	-
Dividends paid to parent company shareholders	(135)	(117)
Dividends paid to minority shareholders	(2)	(3)
Change in dividends to be paid	-	-
Increase/ decrease in long-term debt	451	(3)
Increase/ decrease in short-term borrowings and bank overdrafts	27	106
Cash flow from financing activities	428	21
Net increase/(decrease) in cash and cash equivalents	(710)	(16)
Effect of exchange rates and changes in scope	37	(1)
Cash and cash equivalents at beginning of period	1 149	377
Cash and cash equivalents at end of period	476	360

* 2014 net income and change in working capital have been restated of the impact of IFRIC 21.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(non audited)

<i>(In millions of euros)</i>	Shares issued			Hybrid bonds	Retained earnings	Translation adjustments	Treasury shares		Shareholders' equity - Group share	Non- controlling interests	Shareholders' equity
	Number	Amount	Paid-in surplus				Number	Amount			
At January 1, 2015	72 822 695	728	1 093	689	844	178	(55 014)	(3)	3 529	44	3 573
Cash dividend	-	-	-	-	(135)	-	-	-	(135)	(2)	(137)
Issuance of share capital	1 538 028	15	77	-	-	-	-	-	92	-	92
Purchase of treasury shares	-	-	-	-	-	-	(78 641)	(5)	(5)	-	(5)
Grants of treasury shares to employees	-	-	-	-	(7)	-	124 538	7	-	-	-
Share-based payments	-	-	-	-	5	-	-	-	5	-	5
Other	-	-	-	-	2	-	-	-	2	3	5
Transactions with shareholders	1 538 028	15	77	-	(135)	-	45 897	2	(41)	1	(40)
Net income	-	-	-	-	236	-	-	-	236	(3)	233
Total income and expense recognized directly through equity	-	-	-	-	36	73	-	-	109	-	109
Comprehensive income	-	-	-	-	272	73	-	-	345	(3)	342
At September 30, 2015	74 360 723	743	1 170	689	981	251	(9 117)	(1)	3 833	42	3 875

INFORMATION BY BUSINESS SEGMENT

(non audited)

3rd quarter 2015

(In millions of euros)

	High Performance Materials	Industrial Specialties	Coating Solutions	Corporate	Total
Non-Group sales	866	608	465	7	1 946
Inter segment sales	3	28	17	-	
Total sales	869	636	482	7	
EBITDA	131	114	53	(12)	286
Depreciation and amortization	(37)	(44)	(29)	-	(110)
Recurring operating income	94	70	24	(12)	176
Other income and expenses	(13)	-	(2)	-	(15)
Operating income	81	70	22	(12)	161
Equity in income of affiliates	-	2	-	-	2
Intangible assets and property, plant and equipment additions	39	38	83	1	161

3rd quarter 2014*

(In millions of euros)

	High Performance Materials	Industrial Specialties	Coating Solutions	Corporate	Total
Non-Group sales	432	552	489	5	1 478
Inter segment sales	2	28	17	-	
Total sales	434	580	506	5	
EBITDA	84	82	51	(10)	207
Depreciation and amortization	(25)	(40)	(22)	-	(87)
Recurring operating income	59	42	29	(10)	120
Other income and expenses	(6)	(33)	3	(7)	(43)
Operating income	53	9	32	(17)	77
Equity in income of affiliates	-	-	-	-	-
Intangible assets and property, plant and equipment additions	25	57	24	1	107

* Restatement of new reporting structure 2015 and of the 2014 net income due to the impact of IFRIC 21.

INFORMATION BY BUSINESS SEGMENT

(non audited)

End of September 2015

<i>(In millions of euros)</i>	High Performance Materials	Industrial Specialties	Coating Solutions	Corporate	Total
Non-Group sales	2 515	1 918	1 470	20	5 923
Inter segment sales	10	92	52	-	
Total sales	2 525	2 010	1 522	20	
EBITDA	391	335	167	(50)	843
Depreciation and amortization	(110)	(129)	(86)	(1)	(326)
Recurring operating income	281	206	81	(51)	517
Other income and expenses	(74)	(8)	(14)	(1)	(97)
Operating income	207	198	67	(52)	420
Equity in income of affiliates	-	7	-	-	7
Intangible assets and property, plant and equipment additions	89	120	99	4	312

End of September 2014*

<i>(In millions of euros)</i>	High Performance Materials	Industrial Specialties	Coating Solutions	Corporate	Total
Non-Group sales	1 310	1 706	1 489	16	4 521
Inter segment sales	9	89	58	0	
Total sales	1 319	1 795	1 547	16	
EBITDA	247	237	171	(37)	618
Depreciation and amortization	(73)	(106)	(65)	(1)	(245)
Recurring operating income	174	131	106	(38)	373
Other income and expenses	(6)	(44)	(11)	(14)	(75)
Operating income	168	87	95	(52)	298
Equity in income of affiliates	-	-	-	-	-
Intangible assets and property, plant and equipment additions	66	187	55	2	310

* Restatement of new reporting structure 2015 and of the 2014 net income due to the impact of IFRIC 21.

CONSOLIDATED INCOME STATEMENT

<i>(In millions of euros)</i>	<u>End of March 2015</u> <i>(non audited)</i>	<u>End of March 2014</u> <i>(non audited)</i>
Sales	1 871	1 523
Operating expenses	(1 531)	(1 257)
Research and development expenses	(51)	(38)
Selling and administrative expenses	(156)	(105)
Recurring operating income	133	123
Other income and expenses	(16)	(10)
Operating income	117	113
Equity in income of affiliates	-	-
Financial result	(29)	(13)
Income taxes	(48)	(34)
Net income*	40	66
Of which non-controlling interests	(2)	
Net income - Group share	42	66
<i>Earnings per share (amount in euros)**</i>	<i>0,58</i>	<i>1,00</i>
<i>Diluted earnings per share (amount in euros)**</i>	<i>0,57</i>	<i>0,99</i>
Depreciation and amortization	(104)	(78)
EBITDA	237	201
Adjusted net income ***	65	75
<i>Adjusted net income per share (amount in euros)**</i>	<i>0,89</i>	<i>1,15</i>
<i>Diluted adjusted net income per share (amount in euros)**</i>	<i>0,89</i>	<i>1,14</i>

* 2014 net income has been restated of the impact of IFRIC 21.

** Elements for the calculation of earnings per share and adjusted earnings per share for first-half 2014 have been restated:

- in application of IFRIC 21 "Levies";

- and to reflect the dilution factor resulting from the capital increase of 15 December 2014 and the dividend distribution approved at the shareholders' general meeting of 2 June 2015

*** See updated definition in the description of the main performance indicators.

CONSOLIDATED INCOME STATEMENT

<i>(In millions of euros)</i>	<u>2nd quarter 2015</u> <i>(non audited)</i>	<u>End of June 2015</u> <i>(audited)</i>	<u>2nd quarter 2014</u> <i>(non audited)</i>	<u>End of June 2014</u> <i>(audited)</i>
Sales	2 106	3 977	1 520	3 043
Operating expenses	(1 678)	(3 209)	(1 245)	(2 502)
Research and development expenses	(52)	(103)	(39)	(77)
Selling and administrative expenses	(168)	(324)	(106)	(211)
Recurring operating income	208	341	130	253
Other income and expenses	(66)	(82)	(22)	(32)
Operating income	142	259	108	221
Equity in income of affiliates	5	5	-	-
Financial result	(25)	(54)	(16)	(29)
Income taxes	12	(36)	(41)	(75)
Net income*	134	174	51	117
Of which non-controlling interests	1	(1)	1	1
Net income - Group share	133	175	50	116
<i>Earnings per share (amount in euros)**</i>	<i>1,82</i>	<i>2,40</i>	<i>0,77</i>	<i>1,77</i>
<i>Diluted earnings per share (amount in euros)**</i>	<i>1,82</i>	<i>2,39</i>	<i>0,77</i>	<i>1,76</i>
Depreciation and amortization	(112)	(216)	(80)	(158)
EBITDA	320	557	210	411
Adjusted net income ***	123	188	71	146
<i>Adjusted net income per share (amount in euros)**</i>	<i>1,69</i>	<i>2,58</i>	<i>1,08</i>	<i>2,23</i>
<i>Diluted adjusted net income per share (amount in euros)**</i>	<i>1,68</i>	<i>2,57</i>	<i>1,07</i>	<i>2,21</i>

* 2014 net income has been restated of the impact of IFRIC 21.

** Elements for the calculation of earnings per share and adjusted earnings per share for first-half 2014 have been restated:

- in application of IFRIC 21 "Leases";

- and to reflect the dilution factor resulting from the capital increase of 15 December 2014 and the dividend distribution approved at the shareholders' general meeting of 2 June 2015

*** See updated definition in the description of the main performance indicators.