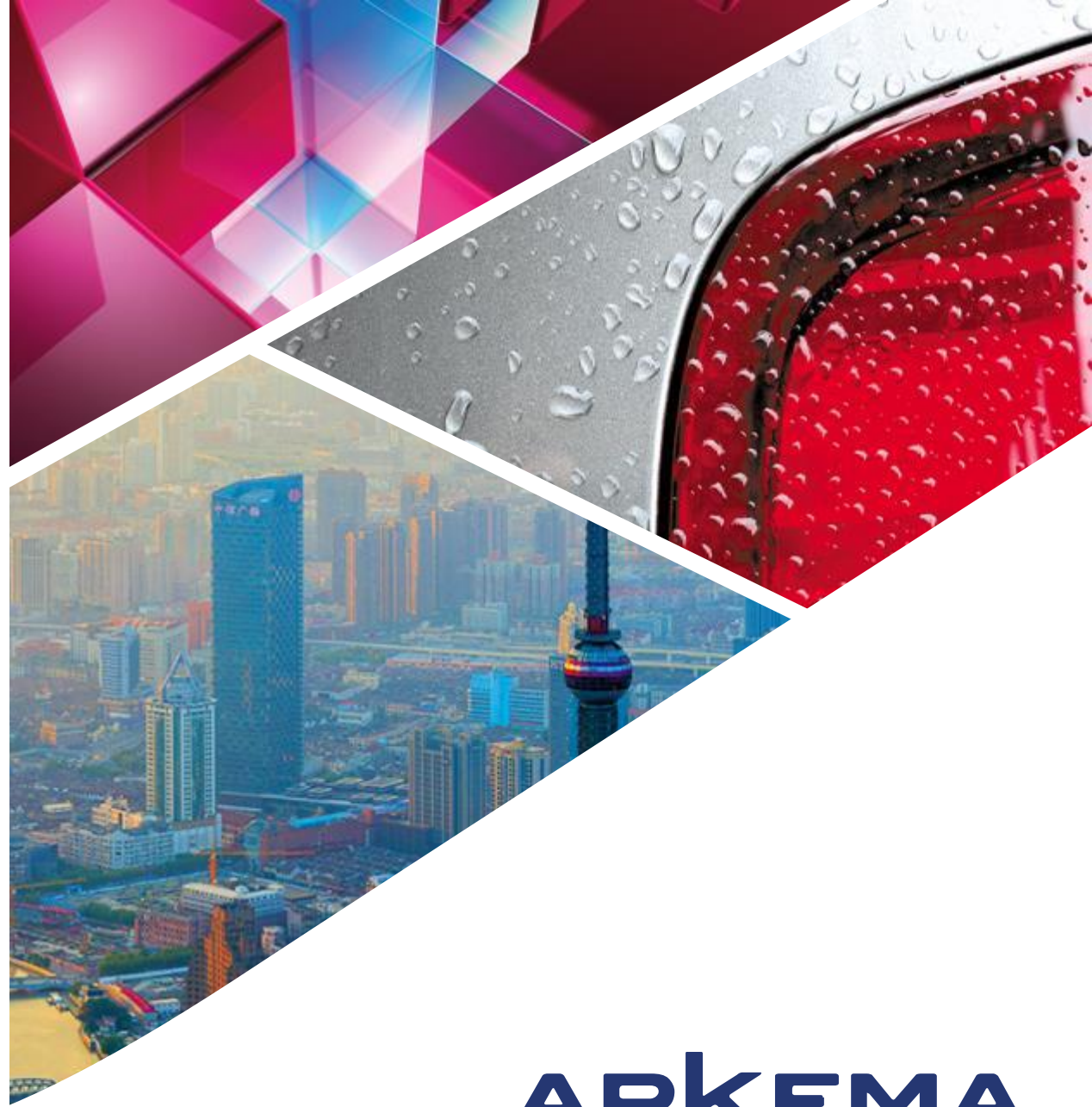


ARKEMA

THIERRY LE HÉNAFF, CHAIRMAN AND CEO

**EXANE BNP PARIBAS
20TH EUROPEAN CEO CONFERENCE**

PARIS, FRANCE - 14 JUNE 2018



ARKEMA
INNOVATIVE CHEMISTRY

ARKEMA IN A NUTSHELL

2017 KEY FIGURES



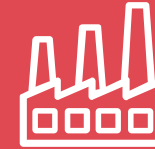
€8.3 bn sales



19,800 employees worldwide



Worldwide presence in 55 countries

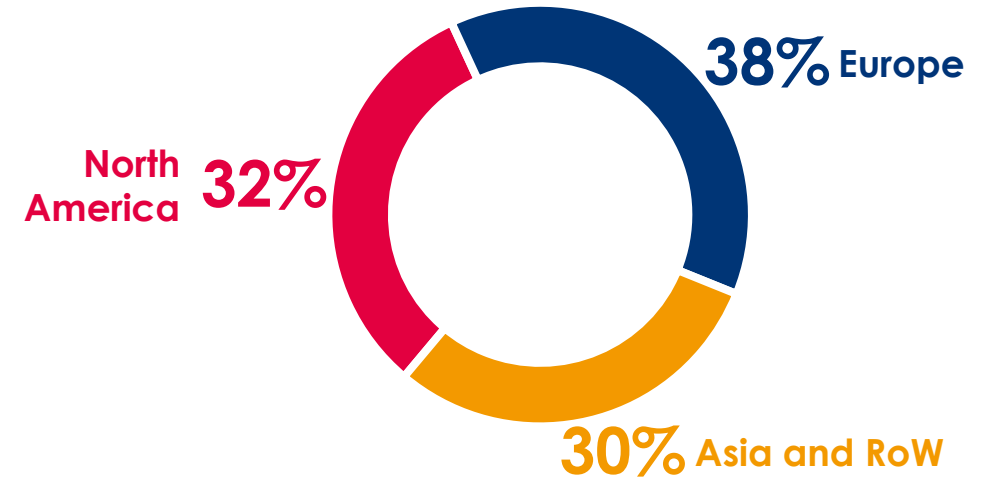
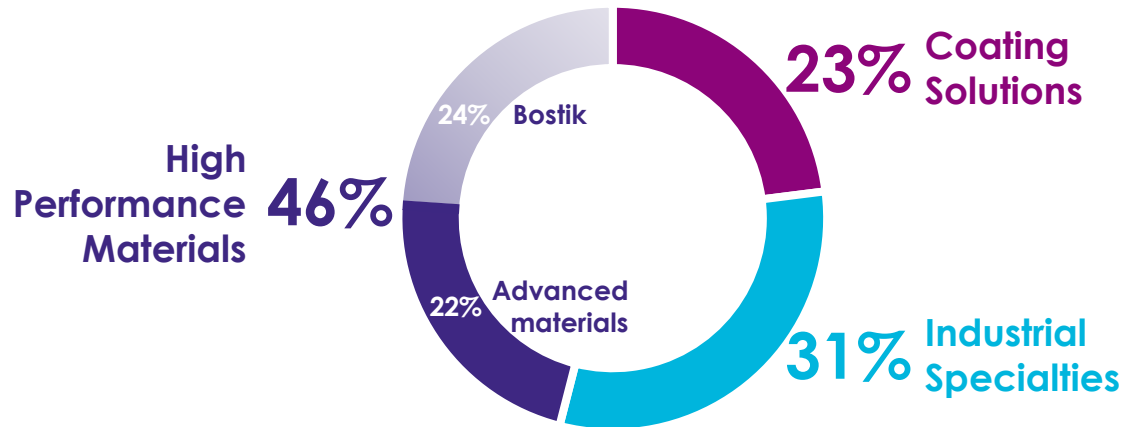


136 industrial sites



3 R&D & innovation geographical hubs

BALANCED PORTFOLIO OF BUSINESSES AND GEOGRAPHIC FOOTPRINT



AHEAD OF OUR 2017 FINANCIAL TARGETS

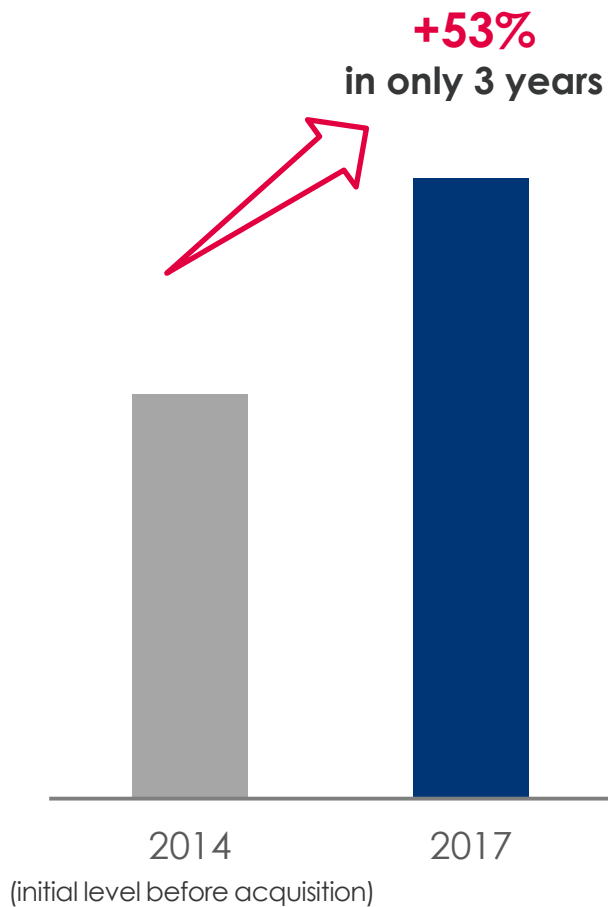
	2017 TARGETS SET 3 YEARS AGO DURING OUR 2015 CAPITAL MARKETS DAY	ACHIEVED IN 2017
EBITDA	€1.3 bn	€1,391 m from €784 m in 2014 
Net cash flow*	x3	x4 vs 2014 
EBITDA to free cash conversion	35%	41% from 18% in 2014 
Capital intensity (recurring capex to sales)	5.5%	5.2% from 5.8% in 2014 
Working capital (as a % of sales)	15%	13.1% from 16.1% in 2014 
Gearing	40%	24% 
Net debt to EBITDA (excluding hybrid bond)	1.5x	0.8x 

* Net cash flow excluding M&A, exceptional capex, dividend and cost of hybrid

BOSTIK

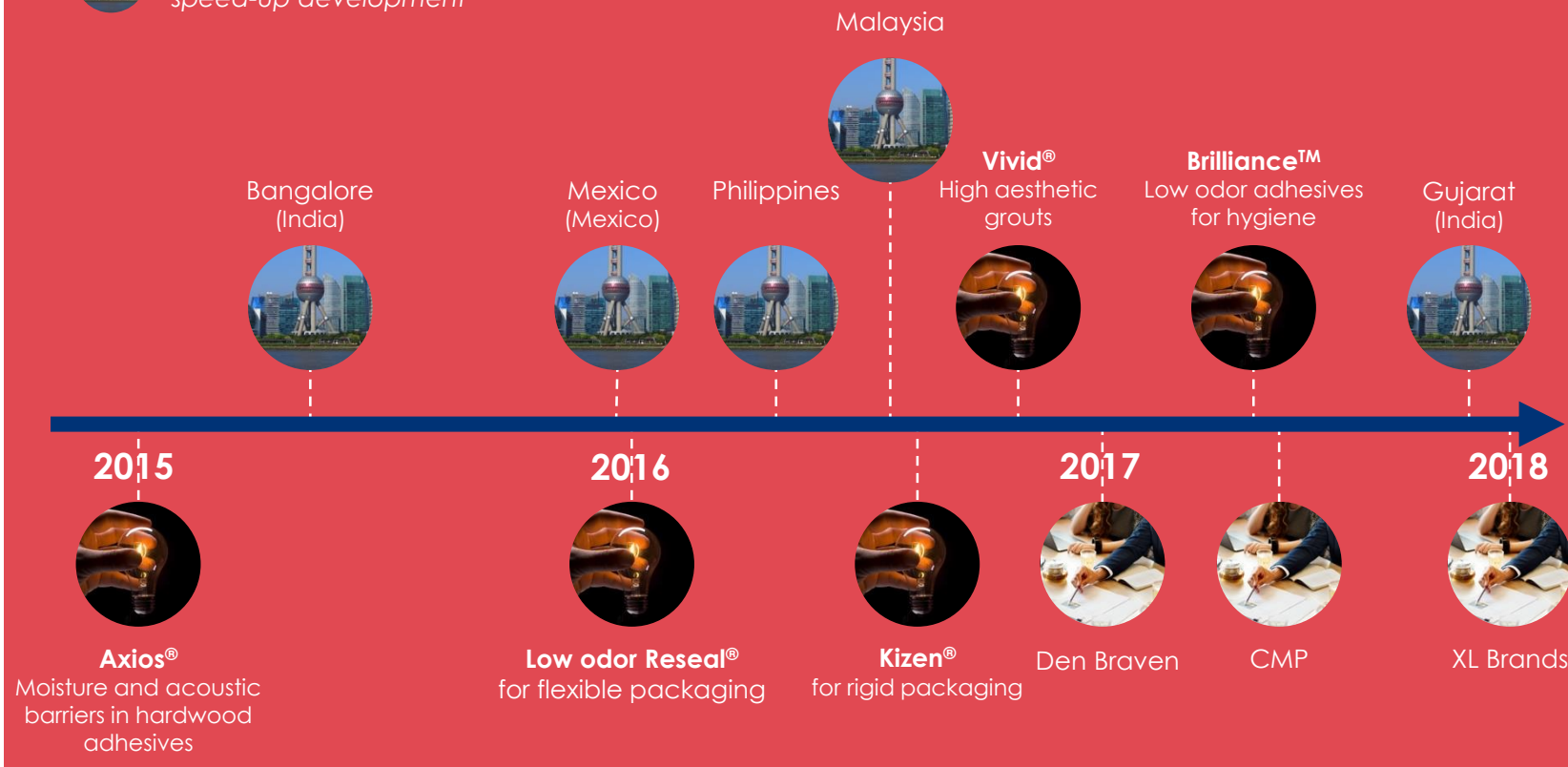
FULLY ON TRACK WITH SIGNIFICANT POTENTIAL AHEAD

EBITDA GROWTH

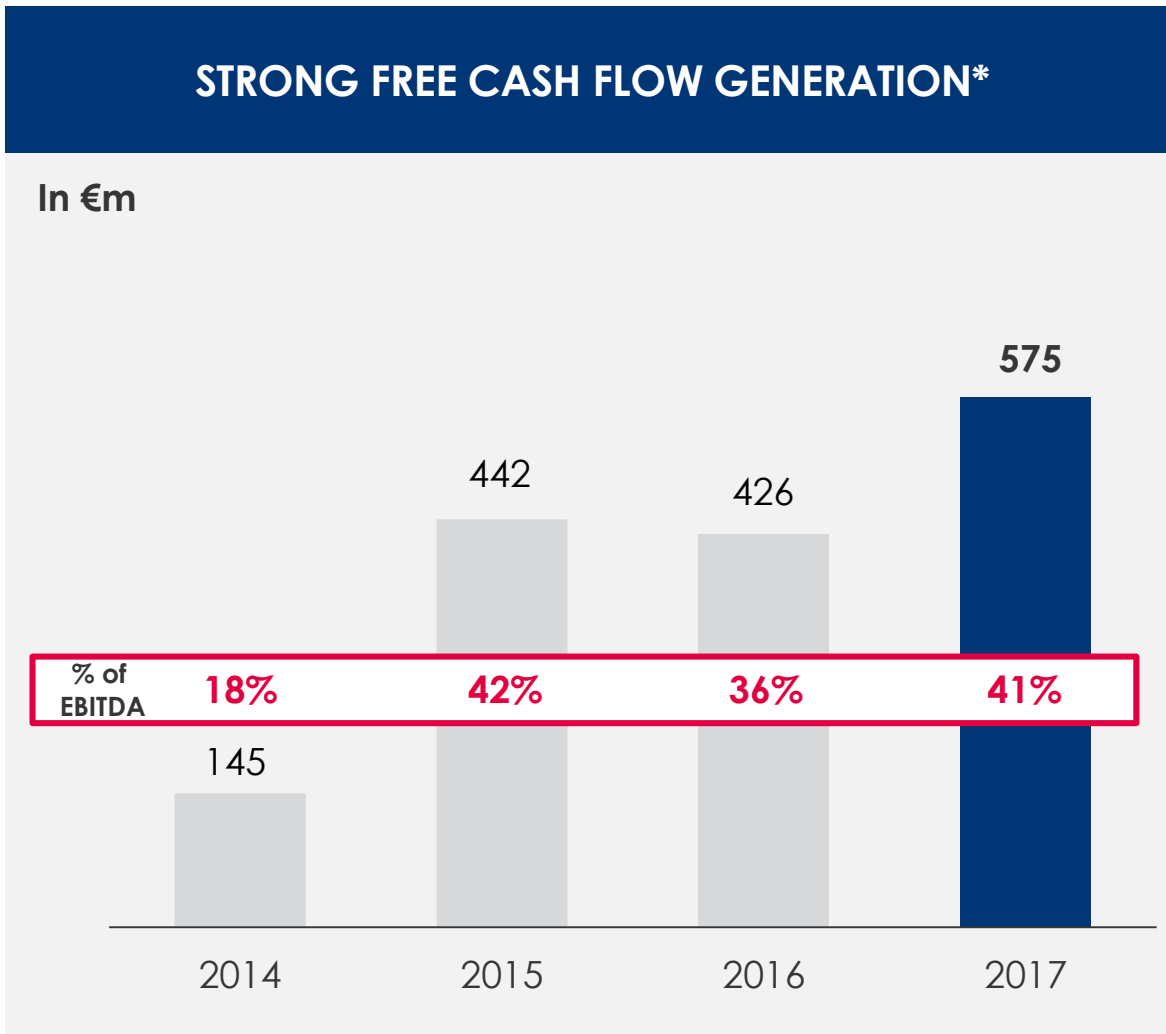


3 GROWTH DRIVERS

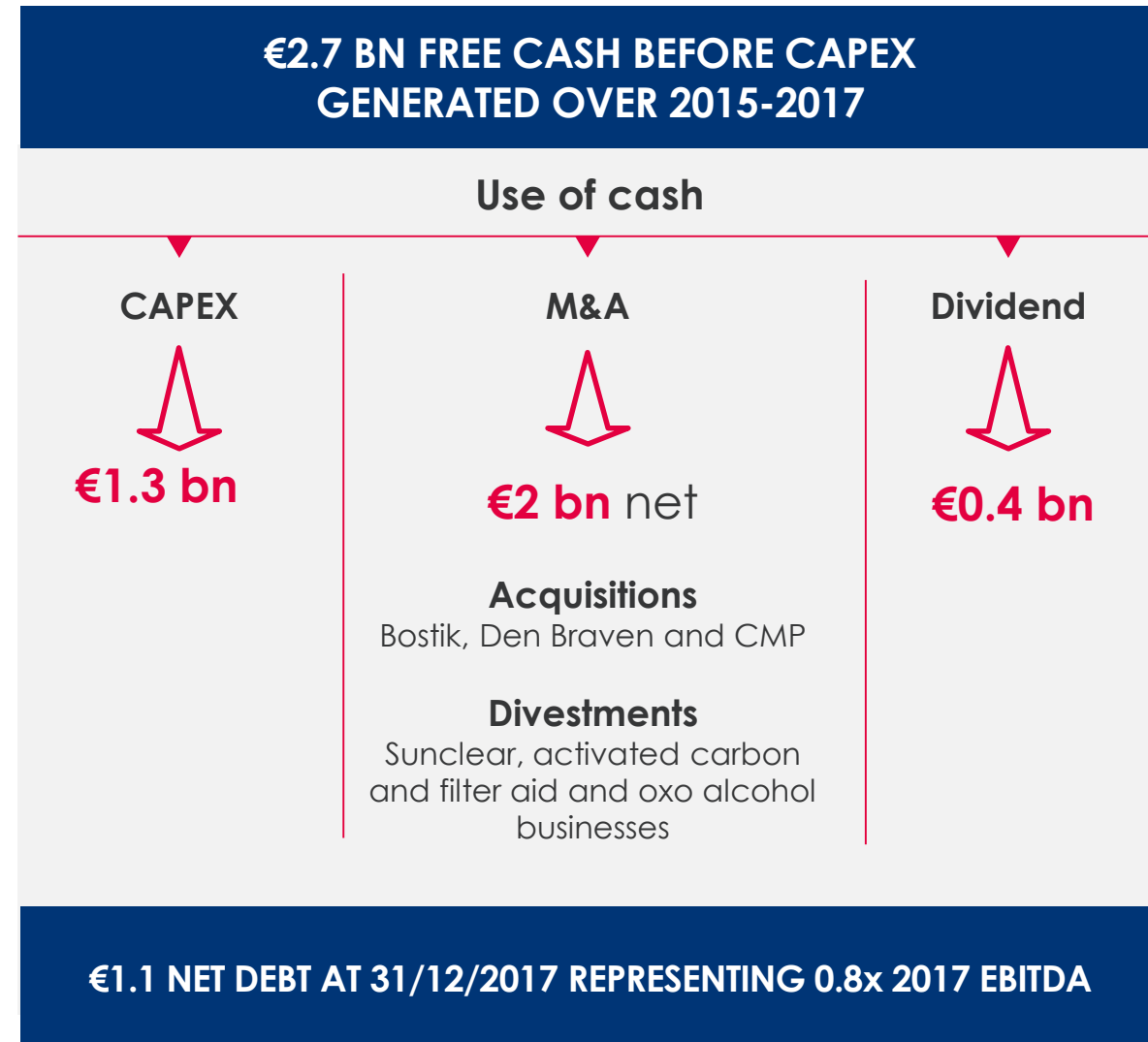
-  **INNOVATION**
driven by lightweighting and home efficiency
-  **BOLT-ON ACQUISITIONS**
in a still very fragmented market
-  **EMERGING COUNTRIES**
speed-up development



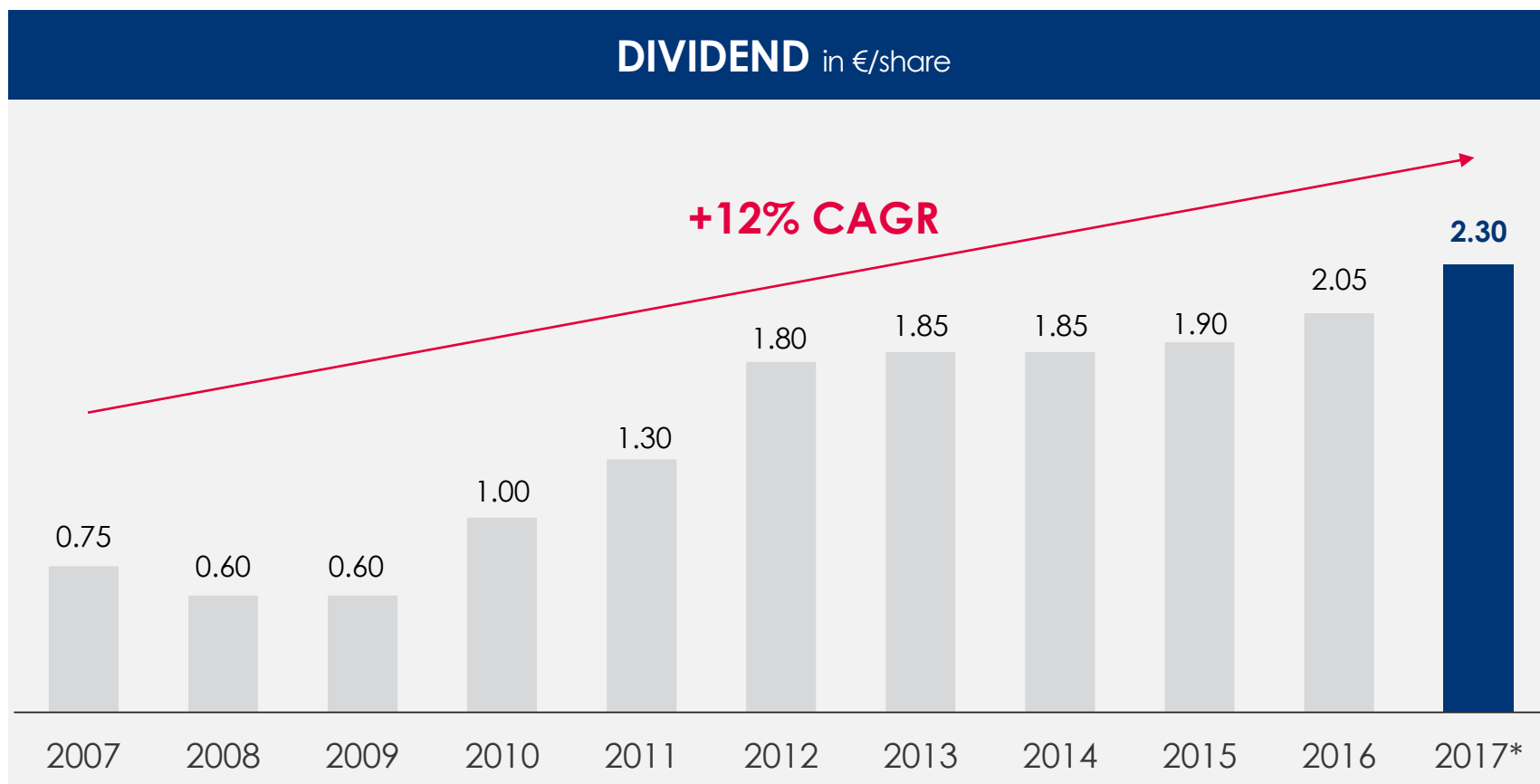
BEST-IN CLASS CASH CONVERSION



* Excluding exceptional investments



SIGNIFICANT INCREASE IN DIVIDEND



✦ Reflects the strong confidence of the Board in the current level of profitability and long-term growth prospects

✦ ~30% payout ratio

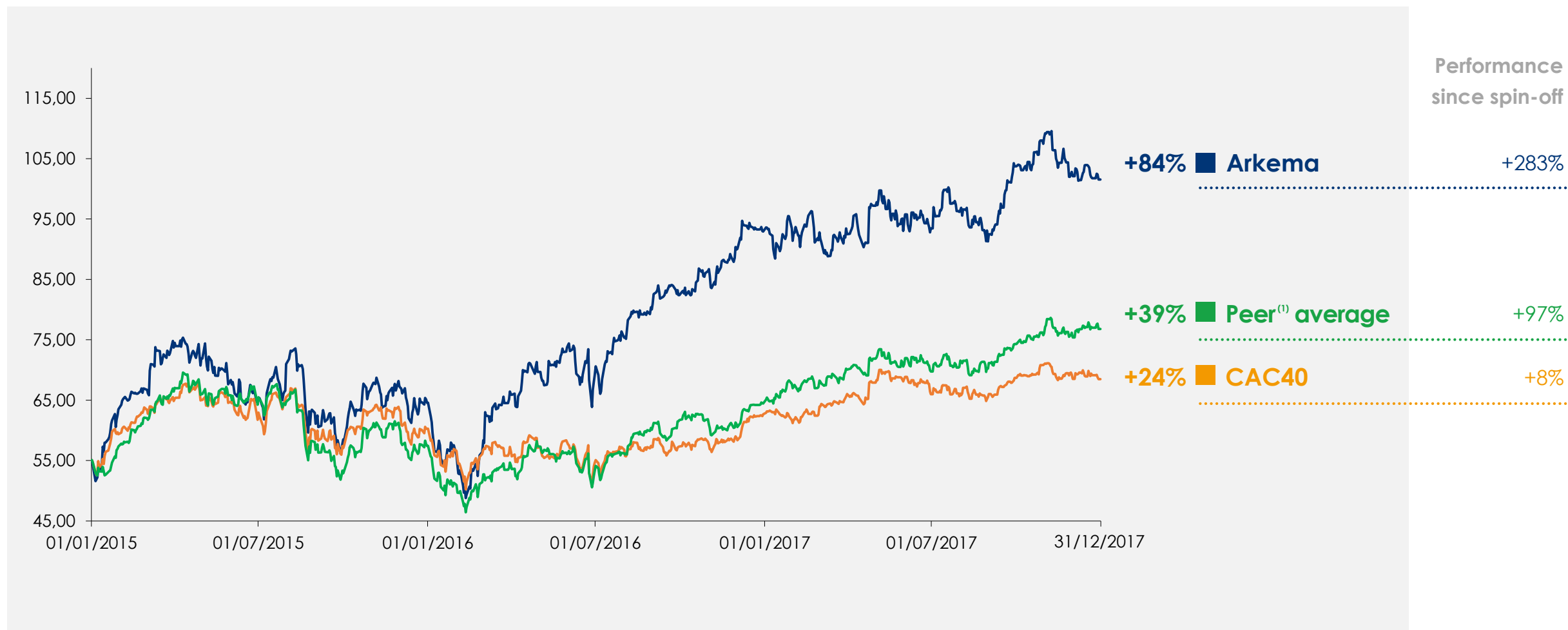
✦ **Dividend to be paid fully in cash from 29 May 2018**

• Ex-dividend date:
25 May 2018

✦ **In line with dividend policy of paying a stable to growing dividend every year**

* Dividend proposed to the shareholders' annual general meeting of 18 May 2018

3-YEAR SHARE PRICE EVOLUTION



(1) AkzoNobel, BASF, Clariant, DSM, Evonik, Lanxess, Solvay

REMINDER OF 2023 LONG-TERM OBJECTIVES PRESENTED AT 2017 CAPITAL MARKETS DAY

A global specialty player focused on adhesives and advanced materials

Bostik 2023 objectives



- ❖ Exceed **1/3** of Group sales
- ❖ **More than double** sales vs 2016
- ❖ **12.5% to 13%** REBIT margin

Advanced materials 2023 objectives



- ❖ Exceed **25%** of Group sales
- ❖ **14% to 15%** REBIT margin

Exceed **80%** of sales from
specialty businesses
(71% in 2017)

Delivering strong margins and cash generation



REBIT margin
11.5% to 12.5%



EBITDA to free cash
conversion
35%

Under strict financial discipline



ROCE
at least 10%



Net debt
<2x EBITDA



Rating
Solid investment grade

Defined in normalized market conditions and under current IFRS rules

LONG TERM GROWTH SUPPORTED BY A NEW WAVE OF SIGNIFICANT PROJECTS

Start-up

2018

2019

2020

2021



+20% PVDF Kynar® production capacities at Calvert City (US)

Markets

New energies and water filtration



Powder coating resins facility in India

Markets

Paints, coatings and construction



PEKK plant at Mobile (US)

Markets

Aeronautics, 3D-printing and oil & gas



90kt acrylic acid reactor at Clear Lake (US)

Markets

Paints, coatings, adhesives and water treatment



+30% Sartomer photocure resins production capacities in Nansha (China)

Markets

3D-printing, graphic arts and electronics



Doubling of thiochemicals capacities in Malaysia

Markets

Animal nutrition and petrochemicals and refining applications



+25% global PA12 production capacities (China)

Markets

Lightweight materials, sports, electronics



+50% global PA11 monomer and polymer production capacities

+50% global Pebax® production capacities

Markets

Lightweight materials, sports, electronics

North America

Asia

Asia and North America, two core growth regions for Arkema

MAJOR STEP SUPPORTING THE GROWTH OF OUR HIGH PERFORMANCE POLYMERS

Arkema's products

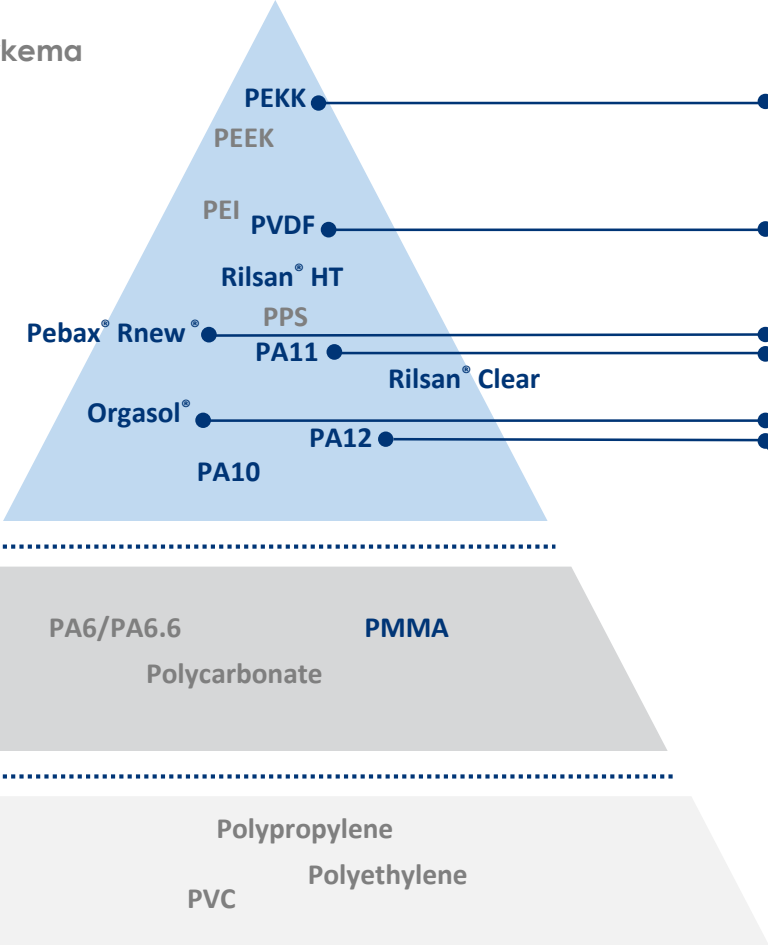
Polymers not produced by Arkema

High-performance polymers

Engineering polymers

Commodity polymers

Planned expansions



2018
New plant (US)

April 2018
+20% US production capacities

2021
+50% global production capacities

2021
+50% global production capacities

2019
+50% global production capacities

2020
+25% global production capacities

CORPORATE SOCIAL RESPONSIBILITY AT THE HEART OF OUR STRATEGY



A RESPONSIBLE CHEMIST



Safety

Be a top quartile **safety performer** in the chemical industry

2025 objective
2017

OCCUPATIONAL SAFETY (TRIR)



Environment

Reduce the environmental **footprint** of our activities

2025 objectives
2017

GREENHOUSE GAS EMISSIONS



VOLATILE ORGANIC COMPOUND



CHEMICAL OXYGEN DEMAND



NET ENERGY PURCHASED



A SUSTAINABLE INNOVATION



Innovation

Place **sustainable** development solutions at the heart of **innovation** and **product range**



Water management



Bio-based products



Electronics solutions



Home efficiency and insulation



New energies



Lightweight materials and design



AN OPEN STAKEHOLDERS DIALOGUE



Social

Promote the individual and collective **development** of all **employees** and teams

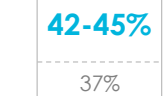
Increasing senior executive positions

2025 objectives
2017

TO BE HELD BY WOMEN



TO BE HELD BY NON-FRENCH NATIONALS



Societal

Encourage open **dialogue** with all **stakeholders**



RECOGNITION



FTSE4Good



OUR AMBITION

Dow Jones Sustainability Indices

In Collaboration with RobecoSAM



FINANCIAL RESULTS

ARKEMA
INNOVATIVE CHEMISTRY

FY'17 RESULTS KEY TAKE-AWAYS

€8,326 m sales

- ✦ **+10.5%** up YoY
- ✦ **+8.9%** at constant scope and FX

€1,391 m EBITDA

- ✦ **+17%** up on 2016 good performance
- ✦ Driven by all 3 business divisions

16.7% EBITDA margin

- ✦ 15.8% in 2016
- ✦ Despite a context of higher raw material costs and stronger euro vs the US dollar

€592 m adjusted net income

- ✦ **+42%** up YoY
- ✦ **€7.82** adjusted EPS (€5.56 in 2016)

With the US tax reform, Arkema will benefit from tax savings estimated at around 6% of its adjusted net income (on the basis of 2017 results)

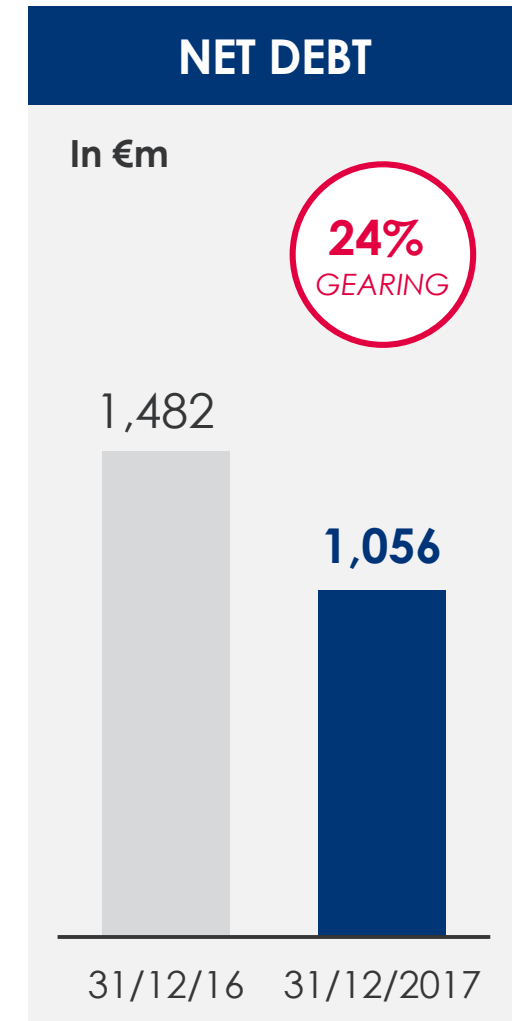
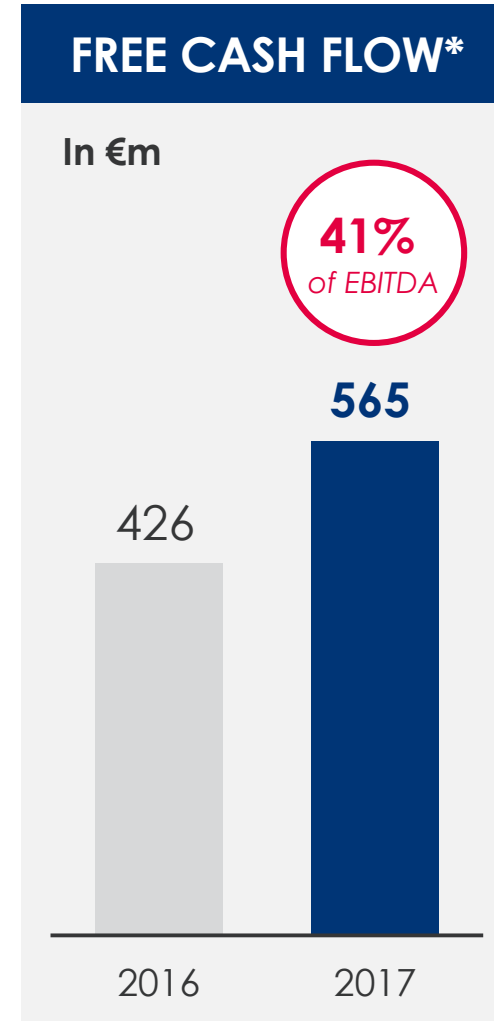
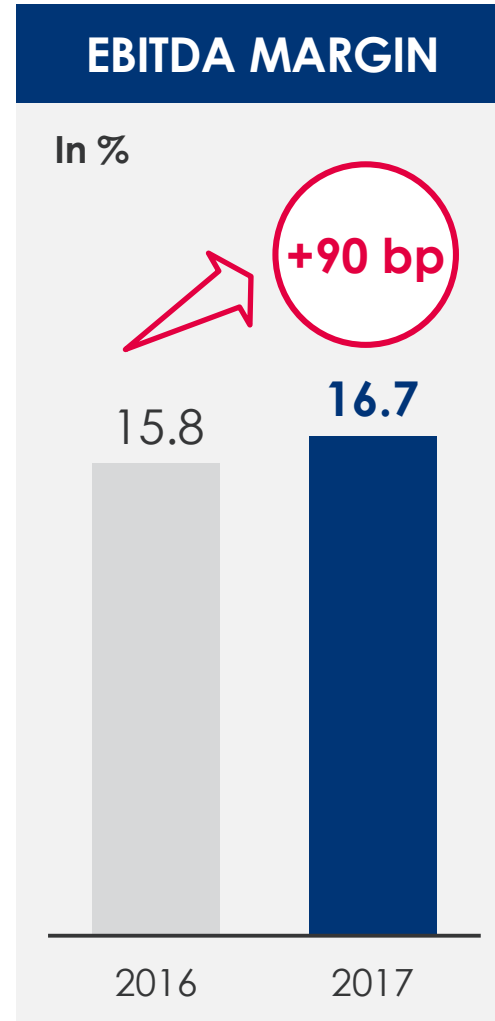
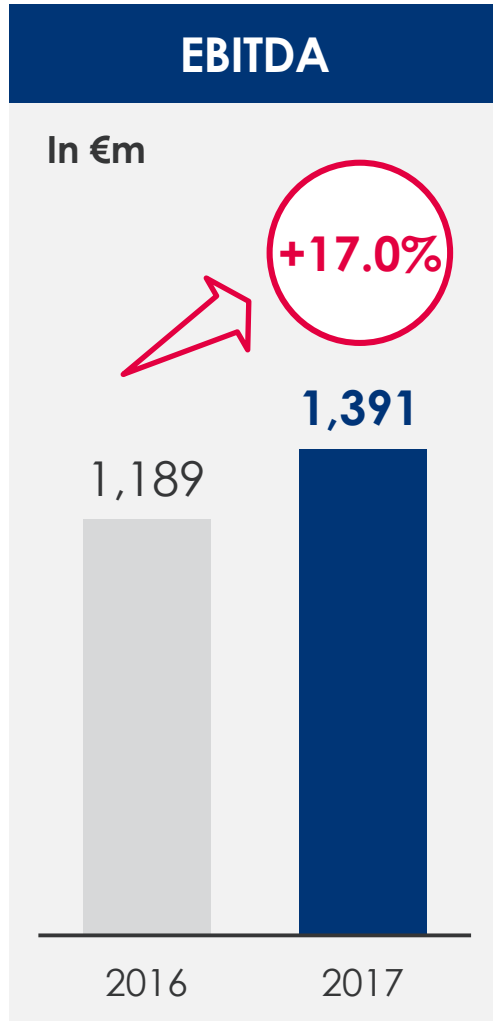
€1,056 m net debt

- ✦ Significantly down YoY (€1,482 m at 31 December 2016)
- ✦ Excellent cash generation with **€565 m** free cash flow (€426 m in 2016)
- ✦ **0.8x** 2017 EBITDA

€2.30 dividend

- ✦ Proposed increase from €2.05 in 2016

DELIVERING AN EXCELLENT 2017 PERFORMANCE



* Cash flow from operations and investments excluding the impact of portfolio management

2017 HIGHLIGHTS



2017 KEY FIGURES

In €m (except EPS)	2016	2017	CHANGE
Sales	7,535	8,326	+10.5%
EBITDA	1,189	1,391	+17.0%
EBITDA margin	15.8%	16.7%	
Recurring operating income (REBIT)	734	942	+28.3%
REBIT margin	9.7%	11.3%	
Adjusted net income	418	592	+41.6%
Net income – Group share	427	576	+34.9%
Adjusted EPS (in euros)	5.56	7.82	+40.6%

2017 SALES BRIDGE



* Acrylics, Fluorogases, PMMA

SUPERIOR CASH GENERATION

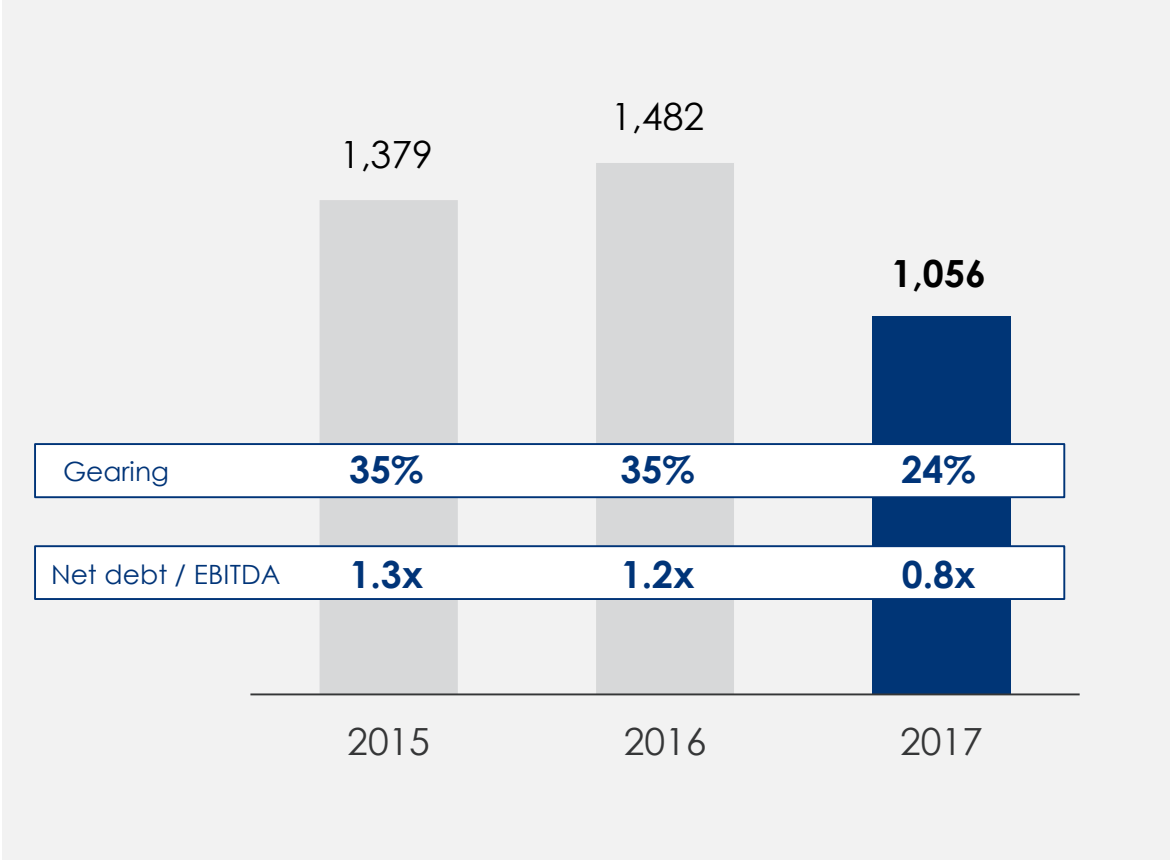
In €m	FY 2016	FY 2017	
EBITDA	1,189	1,391	
Change in working capital ⁽¹⁾	2	(48)	13.1% working capital to sales ratio versus 14.5% (excluding Den Braven) in 2016
Change in fixed assets payables ⁽¹⁾	14	2	
Taxes	(206)	(208)	Excluding exceptional items, tax rate at 26% of REBIT (29% in 2016) 2018e tax rate: ~23% of REBIT (including benefits from US tax reform)
Cost of debt	(89)	(92)	
Recurring capital expenditure ⁽²⁾	(423)	(431)	5.2% of Group's sales (5.6% in 2016) 2018e capex (recurring + exceptional): ~€550 m
Others	(10)	15	
RECURRING CASH FLOW	477	629	
Exceptional capital expenditure	-	(10)	As part of the project to double thiochemical production capacity in Malaysia
Other non-recurring items in operating and investing cash flow	(51)	(54)	Correspond mainly to the consequences of hurricane Harvey and restructuring costs
FREE CASH FLOW	426	565	
Impact of portfolio management	(269)	(5)	
NET CASH FLOW	157	560	

(1) Excluding non-recurring items and impact of portfolio management

(2) Excluding exceptional capex and capex relating to portfolio management

NET DEBT

NET DEBT in €m – excluding €700 m hybrid bond



❖ Refinancing in 2017

- €500 m bond at 4% / year redeemed in October 2017
- €900 m bond at 1.5% / year issued in 2Q'17
- ⇒ Positive impact on FY'18 cost of debt: ~€(12) m versus 2017

❖ Including 50% of the €700 m hybrid bond (same as rating agencies), net debt to EBITDA ratio at 1.0x

❖ Credit ratings

- Standard & Poor's: BBB (stable outlook)
- Moody's: Baa2 (stable outlook)

1Q'18 FINANCIAL HIGHLIGHTS

€2,172m sales

- ✦ **+0.9%** up YoY
- ✦ **+7.3%** at constant scope and FX

€383m EBITDA

- ✦ **+8%** up on high 1Q'17 performance (€355m) and despite stronger euro (-€26m impact from translation)
- ✦ Driven by Industrial Specialties and High Performance Materials

17.6% EBITDA margin

- ✦ 16.5% in 1Q'17
- ✦ Demonstrates resilience in a context of higher raw materials and stronger euro

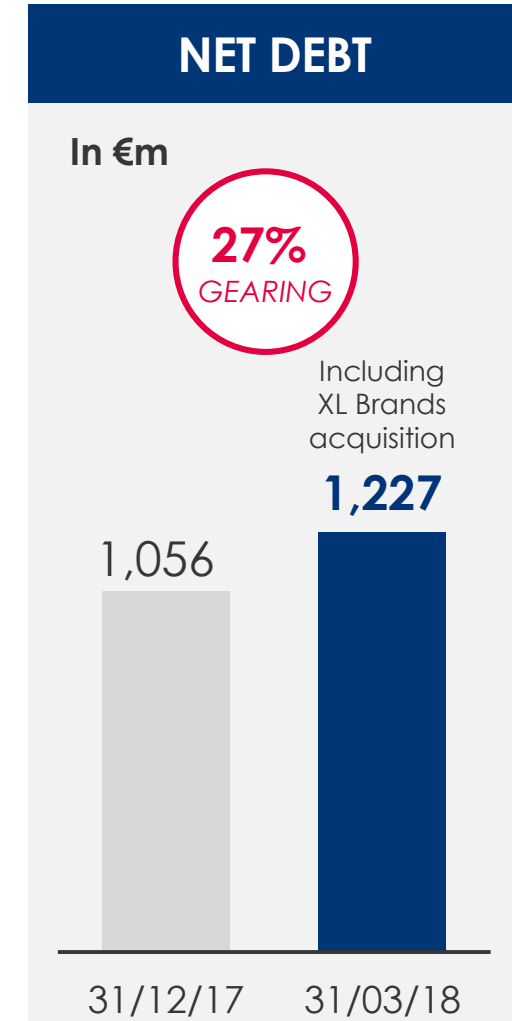
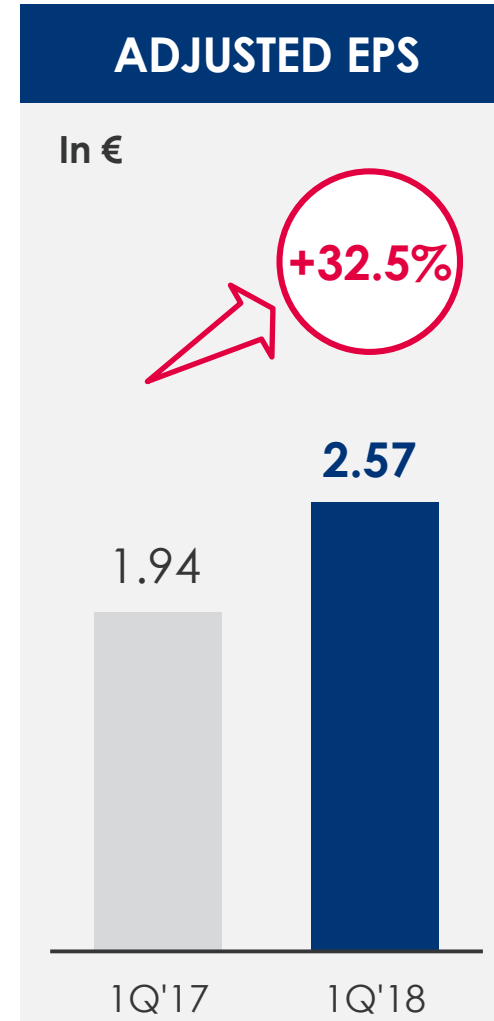
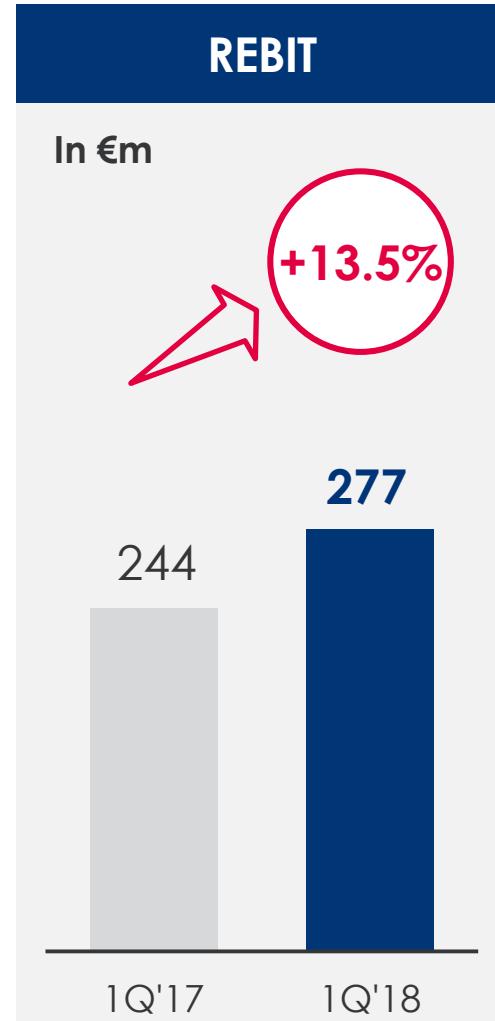
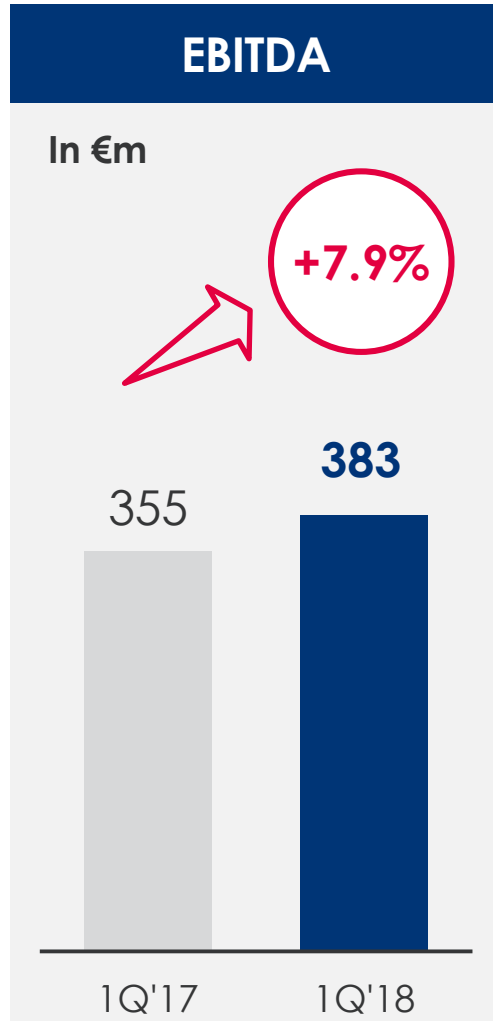
€195m adjusted net income

- ✦ **+33%** up YoY on higher EBITDA and lower taxes
- ✦ **€2.57** adjusted EPS (€1.94 in 1Q'17)

€1,227m net debt

- ✦ Including acquisition of XL Brands early 2018
- ✦ Close-to-balance free cash flow despite the usual strong working capital seasonality
- ✦ **27%** gearing

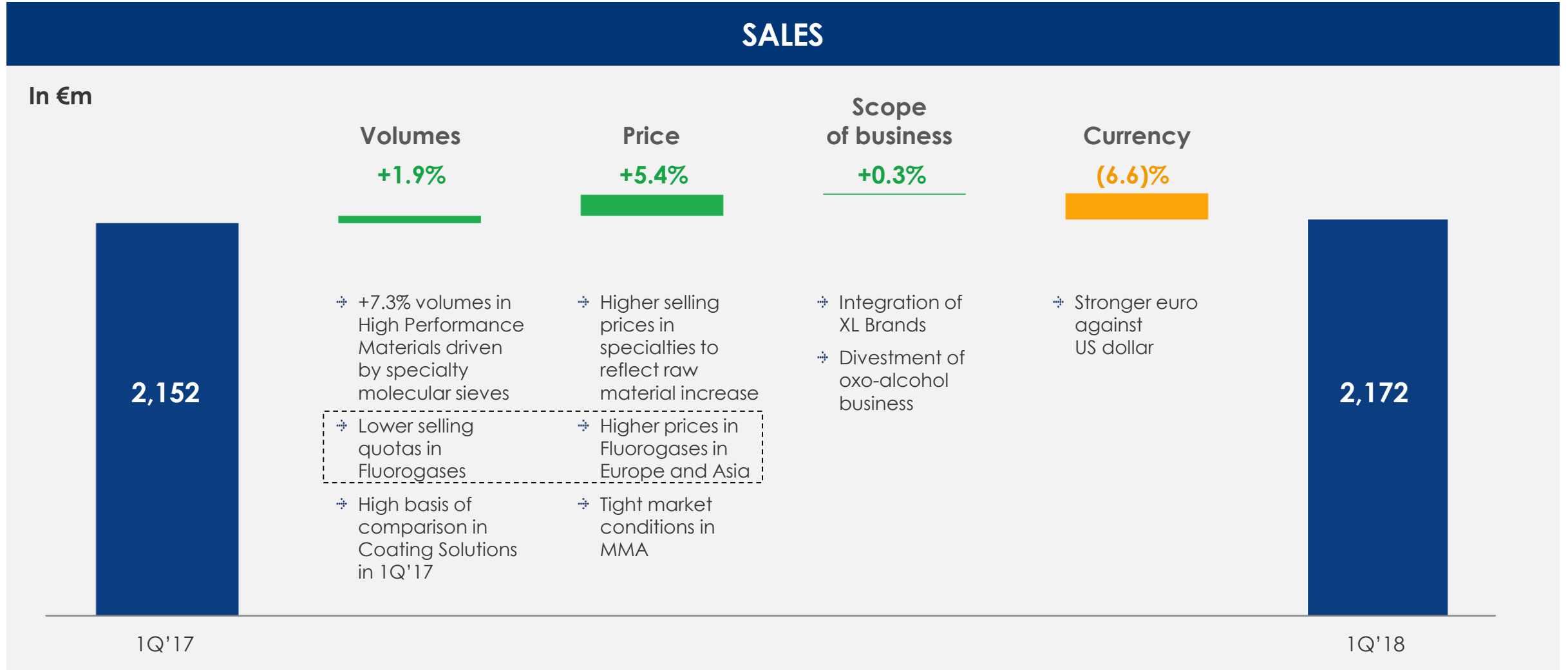
EXCELLENT PERFORMANCE IN 1Q'18



1Q'18 KEY FIGURES

In €m (except EPS)	1Q'17	1Q'18	CHANGE
Sales	2,152	2,172	+0.9%
EBITDA	355	383	+7.9%
EBITDA margin	16.5%	17.6%	
Recurring operating income (REBIT)	244	277	+13.5%
REBIT margin	11.3%	12.8%	
Adjusted net income	147	195	+32.7%
Net income – Group share	137	188	+37.2%
Adjusted EPS (in euros)	1.94	2.57	+32.5%

1Q'18 SALES BRIDGE



HIGH PERFORMANCE MATERIALS (46% OF GROUP SALES)

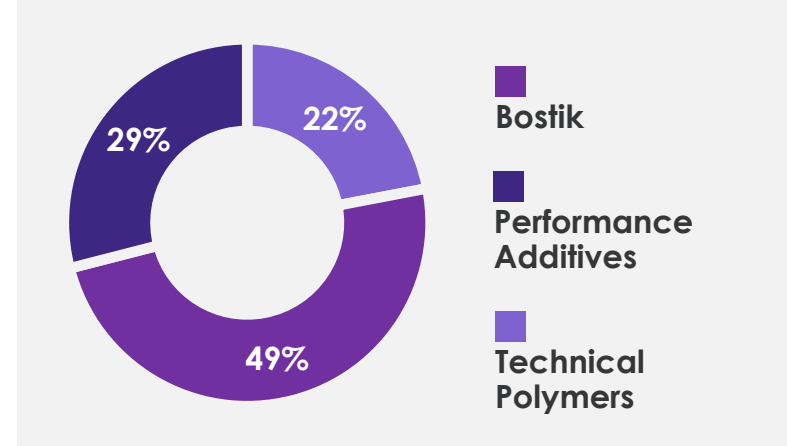
1Q'18 KEY FIGURES

In €m	1Q'17	1Q'18	Change
Sales	976	998	+2.3%
EBITDA	166	176	+6.0%
EBITDA margin	17.0%	17.6%	
Rec. operating income	127	138	+8.7%

1Q'18 SALES DEVELOPMENT

Volumes	+7.3%
Prices	(0.4)%
Currency	(6.1)%
Scope	+1.5%

1Q'18 SALES BY BUSINESS LINE



1Q'18 HIGHLIGHTS

✦ Sales up +6.9% at constant FX and scope of business

- +7.3% volumes driven notably by the large number of projects carried out in 1Q in specialty molecular sieves and the ongoing benefit from innovation
- ~+2.5% price effect (excluding molecular sieves) reflecting actions to increase selling prices to offset higher raw material costs. These actions will continue in coming months.

✦ EBITDA up 6% YoY at €176m and 17.6% EBITDA margin

- Despite stronger euro and higher raw material costs
- Strong contribution from specialty molecular sieves, benefits from XL Brands integration in Bostik and overall solid performance of other businesses driven by innovation
- 2Q'18 will be impacted by strikes at SNCF (French railways) in France which affect the transportation by train of certain products and raw materials, and thus operations at certain sites, mainly in advanced materials.

INDUSTRIAL SPECIALTIES (31% OF GROUP SALES)

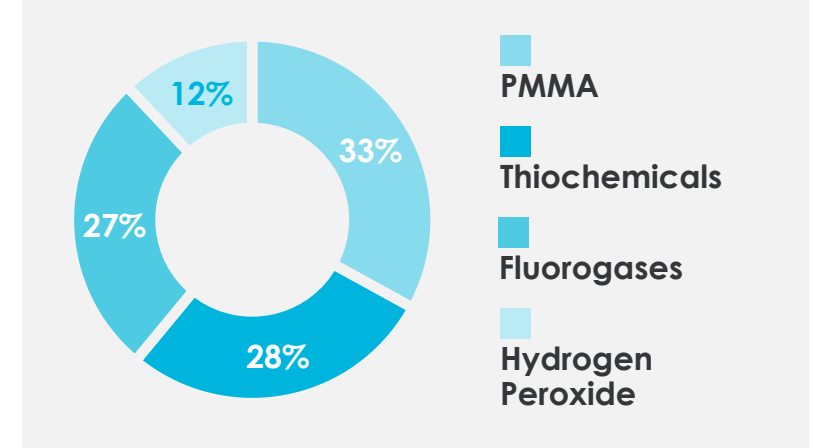
1Q'18 KEY FIGURES

In €m	1Q'17	1Q'18	Change
Sales	644	661	+2.6%
EBITDA	140	162	+15.7%
EBITDA margin	21.7%	24.5%	
Rec. operating income	96	120	+25.0%

1Q'18 SALES DEVELOPMENT

Volumes	(4.0)%
Prices	+13.6%
Currency	(7.0)%
Scope	-

1Q'18 SALES BY BUSINESS LINE



1Q'18 HIGHLIGHTS

✦ Sales up 9.6% at constant FX and scope of business

- +13.6% price effect driven by ongoing high prices for Fluorogases in Europe and Asia and tight market conditions in MMA/PMMA
- Volumes down 4% mainly resulting from expected lower selling quotas in Fluorogases more than offset by higher HFC prices

✦ EBITDA up 15.7% YoY at €162m

- Performance up YoY in all four Business Lines
- Confirmation of the division excellent performance
- Robust perspective moving forward

✦ 24.5% EBITDA margin

COATING SOLUTIONS (23% OF GROUP SALES)

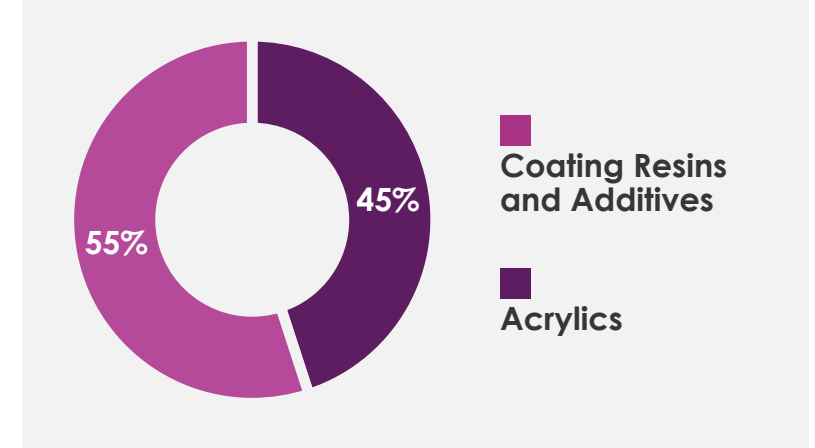
1Q'18 KEY FIGURES

In €m	1Q'17	1Q'18	Change
Sales	525	507	(3.4)%
EBITDA	74	66	(10.8)%
EBITDA margin	14.1%	13.0%	
Rec. operating income	47	41	(12.8)%

1Q'18 SALES DEVELOPMENT

Volumes	(0.8)%
Prices	+6.0%
Currency	(7.2)%
Scope	(1.5)%

1Q'18 SALES BY BUSINESS LINE



1Q'18 HIGHLIGHTS

✦ Sales up 5.2% at constant FX and scope of business

- +6.0 % price effect resulting from ongoing actions to raise selling prices across the entire acrylic chain
- Volumes down 0.8% reflecting restocking effects in 1Q'17 and weather conditions in Europe and in the US
- -1.5% sales from M&A corresponding to the divestment of oxo-alcohol business

✦ EBITDA down 10.8% YoY at €66m

- High basis of comparison in 1Q'17 when acrylic unit margins in China were at very high levels
- For the rest of the year, acrylic unit margins expected to improve overall compared to last year

✦ Solid start of the year with EBITDA margin at 13.0%

1Q'18 CASH FLOW

In €m	1Q'17	1Q'18	1Q'18 highlights
EBITDA	355	383	
Change in working capital ⁽¹⁾	(195)	(221)	Usual seasonality of working capital and higher raw material prices 15.3% working capital to annualized sales ratio (15.6% end of March 2017)
Change in fixed assets payables ⁽¹⁾	(54)	(29)	
Taxes	(64)	(53)	Benefits from US tax reform 2018e tax rate: ~23% REBIT
Cost of debt	(22)	(20)	
Recurring capital expenditure ⁽²⁾	(53)	(58)	2018e capex (recurring + exceptional): ~€550m
Others	(3)	(12)	
RECURRING CASH FLOW	(36)	(10)	
Exceptional capital expenditure	(1)	(5)	Capex related to Thiochemicals in Malaysia and polyamides in Asia
Other non-recurring items in operating and investing cash flow	(7)	(10)	Mainly restructuring costs
FREE CASH FLOW	(44)	(25)	
Impact of portfolio management	20	(165)	XL Brands acquisition
NET CASH FLOW	(24)	(190)	

(1) Excluding non-recurring items and impact of portfolio management

(2) Excluding exceptional capex and capex relating to portfolio management

2018 OUTLOOK

❖ External environment

- Well-oriented demand in all three main regions
- Stronger euro versus the US dollar *
- Higher raw material costs

❖ Arkema will continue to benefit from:

- Strong innovation drive in advanced materials
- Integration of XL Brands within Bostik
- Globally robust market environment in its intermediate chemical businesses
- Actions to pass on in its selling prices the rises in raw materials costs
- Operational excellence initiatives to partly offset inflation on its fixed costs

Arkema confirms its objective to increase EBITDA in 2018 compared to the excellent 2017 performance

* 10% increase in euro / US dollar exchange rate has a €(50)m EBITDA impact (translation) for the year

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 since 2005 is extracted from the consolidated financial statements of Arkema. Quarterly financial information is not audited.

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

The main performance indicators used by the Group are defined in the notes to the consolidated financial statements at 31 December 2017 included in section 4.3.3 of the 2017 Reference Document and in the press release. As part of the analysis of its results or to define its objectives, the Group also uses the following indicators:

REBIT margin: corresponds to the recurring operating income (REBIT) as a percentage of sales.

Free cash flow: corresponds to cash flow from operations and investments excluding the impact of portfolio management.

EBITDA to free cash conversion: corresponds to the ratio of EBITDA on the free cash flow excluding exceptional capex. Free cash flow will be restated to offset the impact of the raw material environment on changes in working capital.

Return on capital employed: corresponds to the ratio of: $(\text{REBIT} - \text{current income taxes}) / (\text{net debt} + \text{shareholders' equity})$ under current IFRS rules.