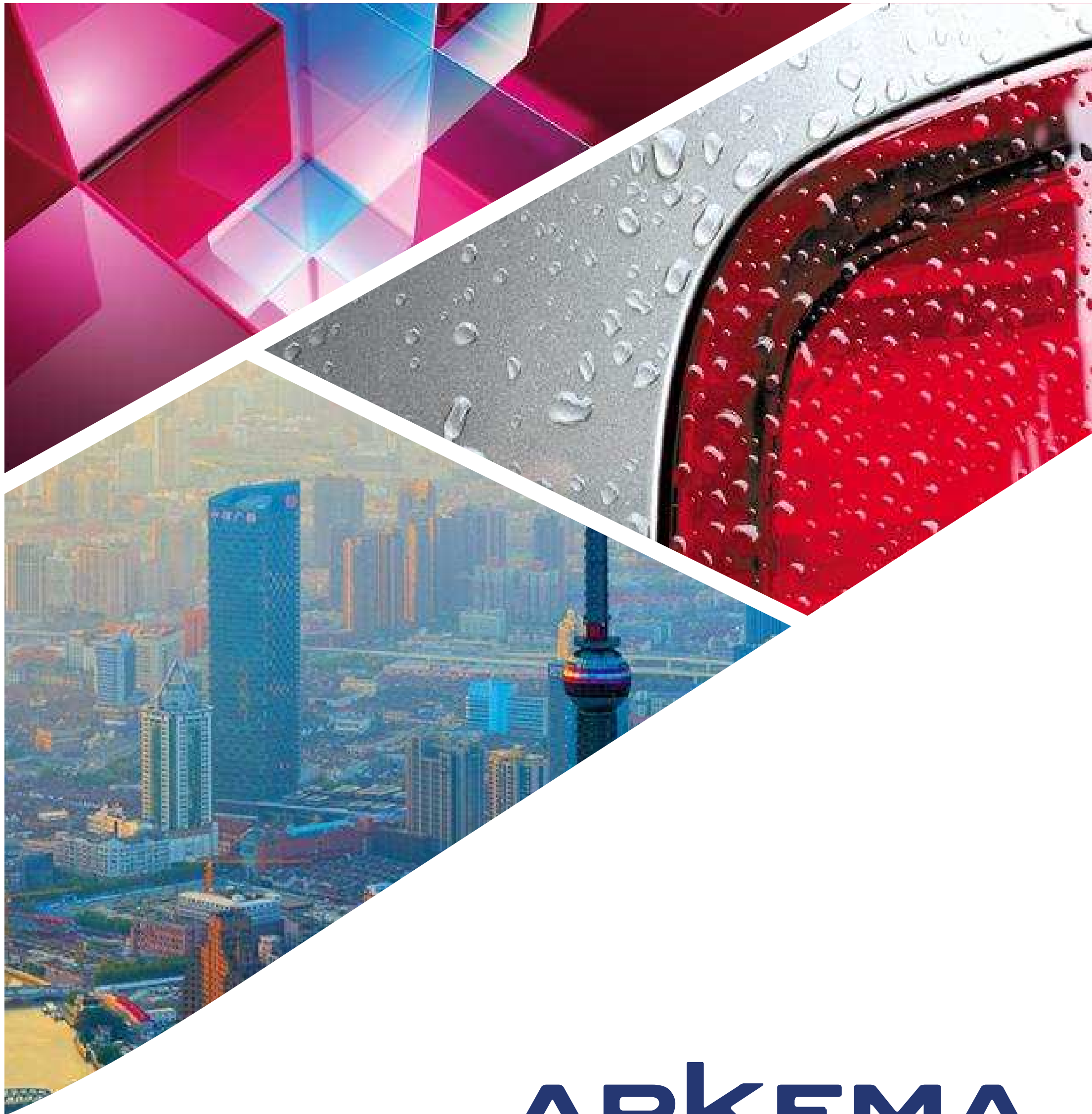
ODDO BHF FORUM

LYON, 10 & 11 JANUARY 2019



ARKEMA
INNOVATIVE CHEMISTRY

THIRD QUARTER 2018 RESULTS AND 2018 OUTLOOK

ARKEMA
INNOVATIVE CHEMISTRY

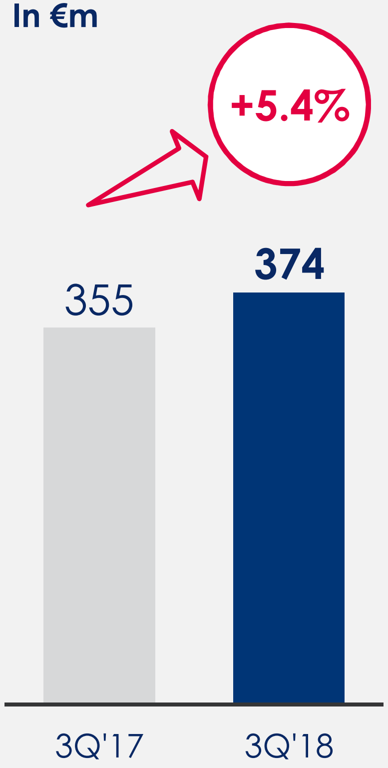
3Q'18 KEY TAKE-AWAYS

€2,167m sales	**+7.3%** up YoY **+6.7%** at constant scope and FX
€374m EBITDA	**+5.4%** up on excellent 3Q'17 (€355m) All time high EBITDA in 3Q Up YoY in all three divisions On track with FY guidance
17.3% EBITDA margin	Resilient at high levels (17.6% in 3Q'17)
€186m adjusted net income	**+18%** up YoY on higher EBITDA and lower taxes **€2.44** adjusted EPS (€2.08 in 3Q'17)
€1,167m net debt	Strong cash generation with **+€227m** free cash flow Net debt significantly down versus 30 June 2018 (€1,372m) **24%** gearing and **0.8x** EBITDA of last 12 months

3Q'18 HIGHLIGHTS

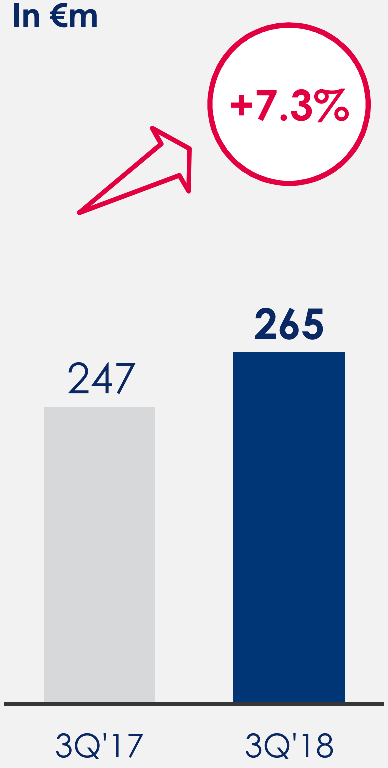
EBITDA

In €m



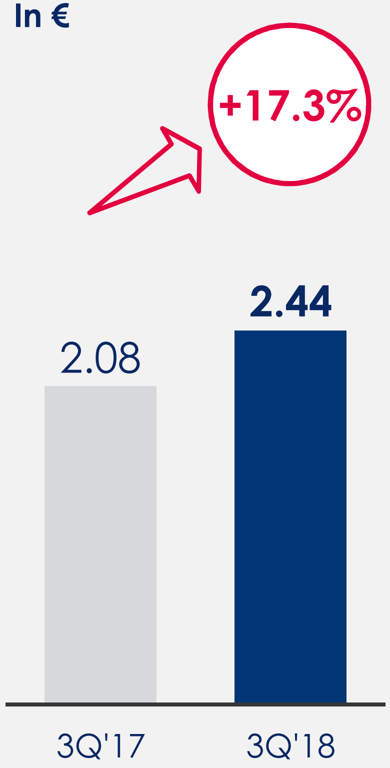
REBIT

In €m



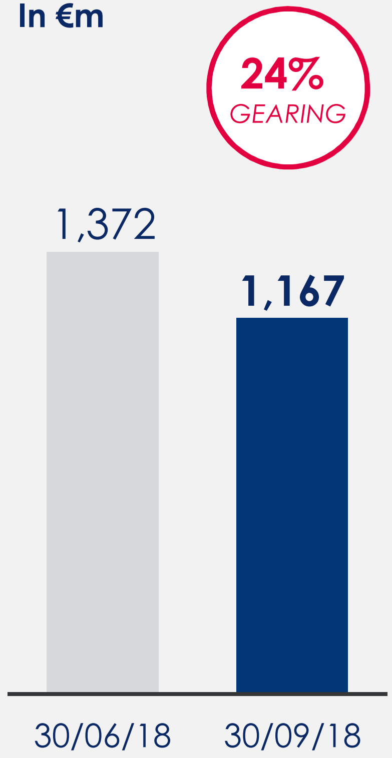
ADJUSTED EPS

In €



NET DEBT

In €m

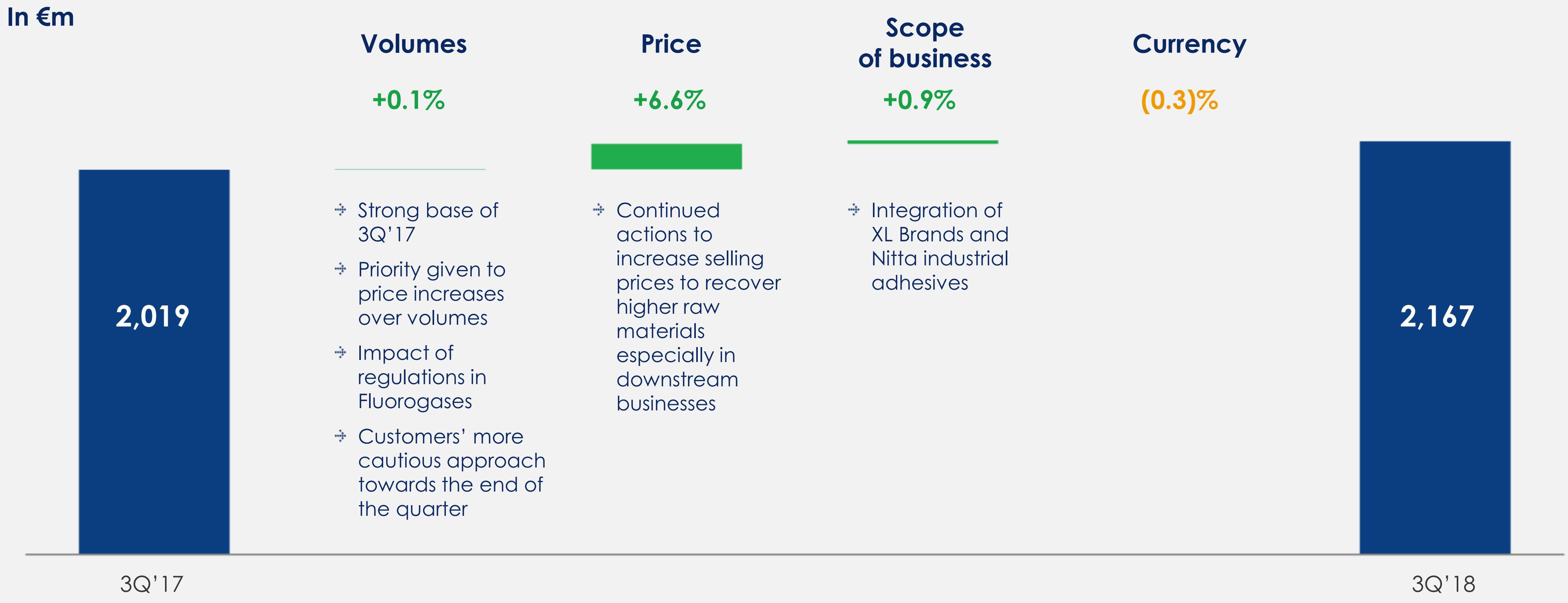


3Q'18 KEY FIGURES

In €m (except EPS)	3Q'17	**3Q'18**	CHANGE
Sales	2,019	**2,167**	+7.3%
EBITDA	355	**374**	+5.4%
EBITDA margin	17.6%	**17.3%**	
Recurring operating income (REBIT)	247	**265**	+7.3%
REBIT margin	12.2%	**12.2%**	
Adjusted net income	158	**186**	+17.7%
Net income – Group share	142	**174**	+22.5%
Adjusted EPS *(in euros)*	2.08	**2.44**	+17.3%

3Q'18 SALES BRIDGE

SALES



Volumes
- Strong base of 3Q'17
- Priority given to price increases over volumes
- Impact of regulations in Fluorogases
- Customers' more cautious approach towards the end of the quarter

Price
- Continued actions to increase selling prices to recover higher raw materials especially in downstream businesses

Scope of business
- Integration of XL Brands and Nitta industrial adhesives

HIGH PERFORMANCE MATERIALS (46% OF GROUP SALES)

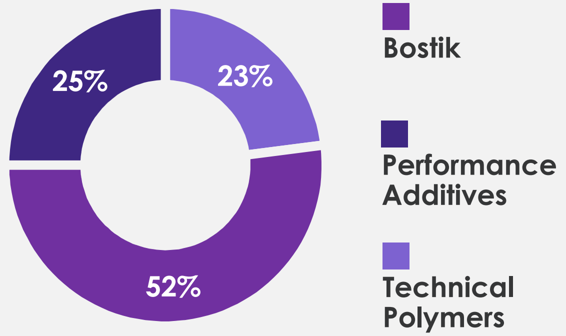
3Q'18 KEY FIGURES

In €m	3Q'17	3Q'18	Change
Sales	955	**987**	+3.4%
EBITDA	161	**162**	+0.6%
EBITDA margin	16.9%	**16.4%**	
Rec. operating income	123	**123**	-

3Q'18 SALES DEVELOPMENT

Volumes	**+0.5%**
Prices	**+1.9%**
Currency	**(1.0)%**
Scope	**+2.0%**

3Q'18 SALES BY BUSINESS LINE



3Q'18 HIGHLIGHTS

Sales up 2.4% at constant FX and scope of business
- +1.9% price effect reflecting Group's continued initiatives to increase selling prices across all businesses
- Volumes up 0.5% compared to the excellent 3Q'17 performance, driven by a solid demand in the areas of lightweight materials and consumer goods (sports, electronics) while reflecting priority given to price increases over volumes

€162m EBITDA and 16.4% EBITDA margin
- Confirm the division's resilience in a higher raw materials cost environment
- Benefits from the integration of bolt-on acquisitions in adhesives (XL Brands)
- As forecasted, lower YoY contribution from specialty molecular sieves

ARKEMA INNOVATIVE CHEMISTRY

INDUSTRIAL SPECIALTIES (30% OF GROUP SALES)

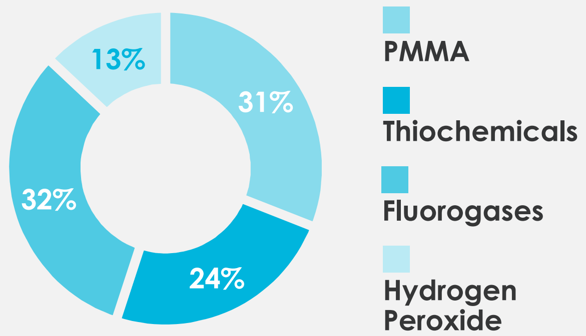
3Q'18 KEY FIGURES

In €m	3Q'17	3Q'18	Change
Sales	594	**646**	+8.8%
EBITDA	149	**165**	+10.7%
EBITDA margin	25.1%	**25.5%**	
Rec. operating income	106	**121**	+14.2%

3Q'18 SALES DEVELOPMENT

Volumes	**(3.3)%**
Prices	**+11.4%**
Currency	**+0.6%**
Scope	**-**

3Q'18 SALES BY BUSINESS LINE



3Q'18 HIGHLIGHTS

Sales up 8.1% at constant FX and scope of business

- +11.4% price effect, positive in each of the 4 Business Lines of the division
- Volumes down 3.3% YoY on lower selling quotas for Fluorogases

€165m EBITDA, up 10.7% YoY and 25.5% EBITDA margin, reflecting:

- Benefits from F-Gas regulation in Europe in Fluorogases
- Slight normalisation in PMMA towards the end of the quarter
- Robust performance in Thiochemicals and Hydrogen Peroxide

COATING SOLUTIONS (24% OF GROUP SALES)

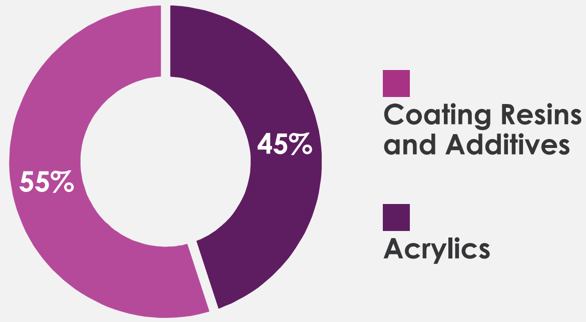
3Q'18 KEY FIGURES

In €m	3Q'17	3Q'18	Change
Sales	463	**527**	+13.8%
EBITDA	62	**65**	+4.8%
EBITDA margin	13.4%	**12.3%**	
Rec. operating income	36	**39**	+8.3%

3Q'18 SALES DEVELOPMENT

Volumes	**+3.5%**
Prices	**+10.2%**
Currency	**+0.1%**
Scope	**-**

3Q'18 SALES BY BUSINESS LINE



3Q'18 HIGHLIGHTS

- **Sales up 13.7% at constant FX and scope of business**
  - +10.2% price effect reflecting higher selling prices across the entire chain
  - Volumes up 3.5% driven by solid demand in Asia and the US
- **EBITDA up 4.8% YoY at €65m**
  - Gradual improvement of unit margins in acrylic monomers, in line with Group's assumptions
  - Downstream performance impacted by higher raw material costs, notably acrylic acid
- **12.3% EBITDA margin impacted by the significant dilutive effect of higher selling prices on the ratio**

3Q'18 CASH FLOW

In €m	3Q'17	3Q'18	3Q'18 highlights
EBITDA	**355**	**374**	
Change in working capital [1]	94	65	▪ In a context of higher raw material costs ▪ 16.1% WC over annualized sales ratio versus 15.5% at 30/09/17 and 16.8% at 30/09/16
Change in fixed assets payables [1]	4	9	
Current taxes	(50)	(45)	US tax reform benefit and geographic mix of Group's earnings
Cost of debt	(24)	(23)	
Recurring capital expenditure [2]	(95)	(126)	In line with Group guidance. FY'18e total capex (including exceptional) at ~€550m
Others	11	2	
RECURRING CASH FLOW	**295**	**256**	
Exceptional capital expenditure [2]	(2)	(16)	Mainly related to Thiochemicals in Malaysia and specialty polyamides in Asia
Other non-recurring items in operating and investing cash flow	(19)	(13)	Mainly restructuring expenses
FREE CASH FLOW	**274**	**227**	
Impact of portfolio management	(2)	(27)	Mainly acquisitions in adhesives
NET CASH FLOW	**272**	**200**	

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

(2) Restated 2017 figures following announcement of several capex projects classified as exceptional

2018 OUTLOOK

Macro-economic environment should remain contrasted

- Different dynamics by end-markets and regions
- Geopolitical tensions
- High raw material prices

Arkema will continue to focus on internal drivers

- Innovation in advanced materials
- Integration of bolt-on acquisitions in adhesives
- Selling price increases to reflect higher raw material costs
- Operational excellence initiatives to partly offset fixed cost inflation
- Globally robust performance of intermediate chemicals businesses, despite expected gradual normalisation of PMMA in 4Q

On the back of its results for the first nine months of the year, Arkema confirms its guidance for full-year 2018 to achieve mid-single digit [1] EBITDA growth compared to the excellent 2017 performance.

[1] Of around 5%

ARKEMA HIGHLIGHTS

ARKEMA IN A NUTSHELL

2017 KEY FIGURES

€8.3 bn sales

19,800 employees worldwide

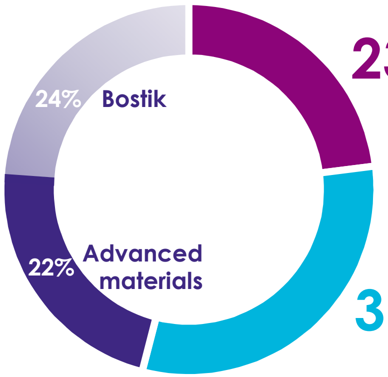
Worldwide presence in **55 countries**

136 industrial sites

3 R&D & innovation geographical hubs

BALANCED PORTFOLIO OF BUSINESSES AND GEOGRAPHIC FOOTPRINT

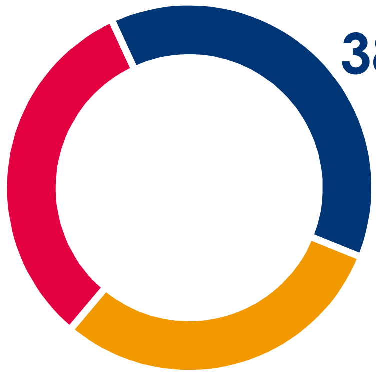
High Performance Materials 46%



23% Coating Solutions

31% Industrial Specialties

North America 32%



38% Europe

30% Asia and RoW

TRACK RECORD OF DELIVERING 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

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

ARKEMA INNOVATIVE CHEMISTRY

LONG TERM GROWTH SUPPORTED BY A NEW WAVE OF SIGNIFICANT PROJECTS

Start-up

2018

+20% PVDF Kynar® production capacities

Markets : *new energies, water filtration*

Powder coating resins facility

Markets : *paints, coatings, construction*

PEKK plant

Markets : *aeronautics, 3D printing, oil & gas*

2019

90kt acrylic acid reactor at Clear Lake

Markets : *paints, coatings, adhesives, water treatment*

+30% Sartomer photocure resins production capacities

Markets : *3D printing, graphic arts, electronics*

+50% global specialty polyamides powders capacities

Markets : *coatings, advanced composite materials, 3D printing*

2020

Doubling of thiochemicals capacities

Markets : *animal nutrition, petro-chemicals & refining applications*

+25% global PA12 production capacities

Markets : *lightweight materials, sports, electronics*

New adhesives world-scale plant

Markets : *nonwoven, industrial adhesives*

2021

+50% global PA11 monomer and polymer production capacities

+50% global Pebax® production capacities

Markets : *lightweight materials, sports, electronics*

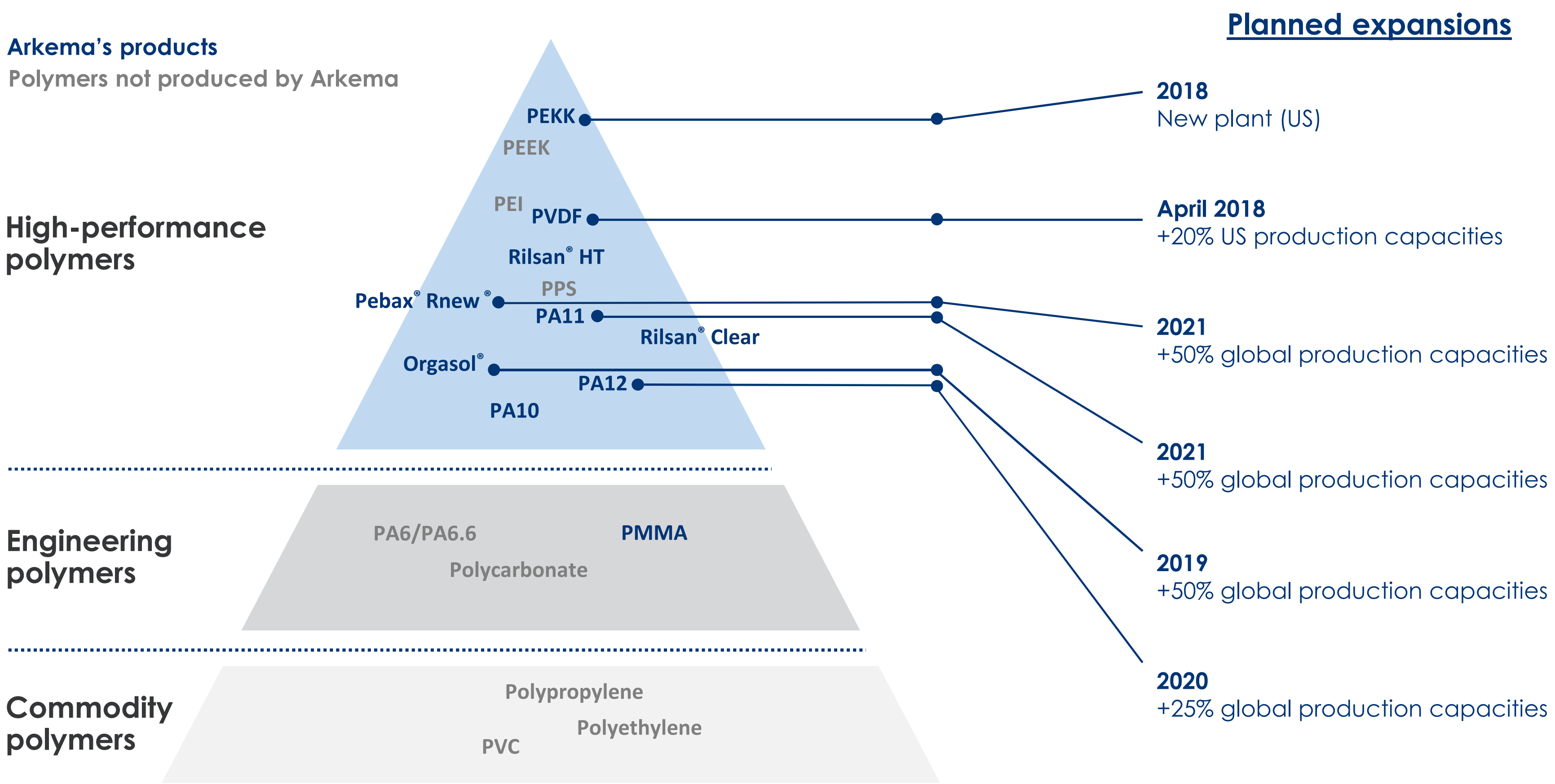
Advanced review for investment project in thiochemicals in Beaumont

Markets : *animal nutrition*

Europe | North America | Asia

ARKEMA INNOVATIVE CHEMISTRY

MAJOR STEP SUPPORTING THE GROWTH OF OUR HIGH PERFORMANCE POLYMERS



CORPORATE SOCIAL RESPONSIBILITY AT THE HEART OF OUR STRATEGY

A RESPONSIBLE CHEMIST

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

	OCCUPATIONAL SAFETY (TRIR)
2025 objective	<1.2
2017	1.6

Environment
***Reduce** the environmental **footprint** of our activities*

	GREENHOUSE GAS EMISSIONS	VOLATILE ORGANIC COMPOUND	CHEMICAL OXYGEN DEMAND	NET ENERGY PURCHASED
2025 objectives	-50% vs 2012	-33% vs 2012	-40% vs 2012	-15% vs 2012
2017	-48%	-34%	-30%	-11%

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	TO BE HELD BY WOMEN	TO BE HELD BY NON-FRENCH NATIONALS
2025 objectives	23-25%	42-45%
2017	19%	37%

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

RECOGNITION

2017 CSR Rating GOLD ecovadis

FTSE4Good

CDP DRIVING SUSTAINABLE ECONOMIES

EURONEXT vigeo eiris INDICES EUROZONE 120

OUR AMBITION

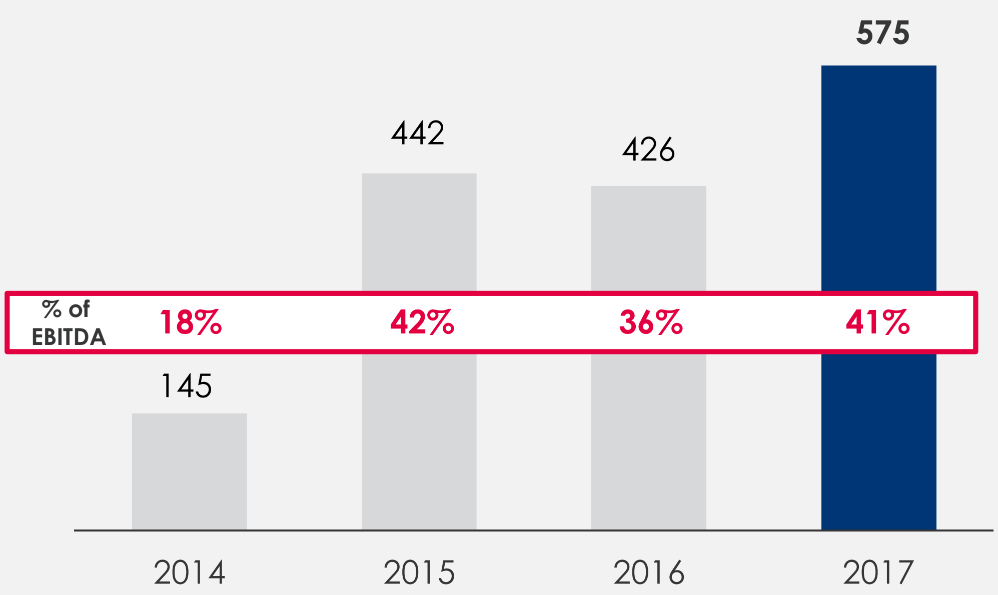
Dow Jones Sustainability Indices

In Collaboration with RobecoSAM

BEST-IN CLASS CASH CONVERSION

STRONG FREE CASH FLOW GENERATION*

In €m



* Excluding exceptional investments

€2.7 BN FREE CASH BEFORE CAPEX GENERATED OVER 2015-2017

Use of cash

CAPEX

€1.3 bn

M&A

€2 bn net

Acquisitions
Bostik, Den Braven and CMP

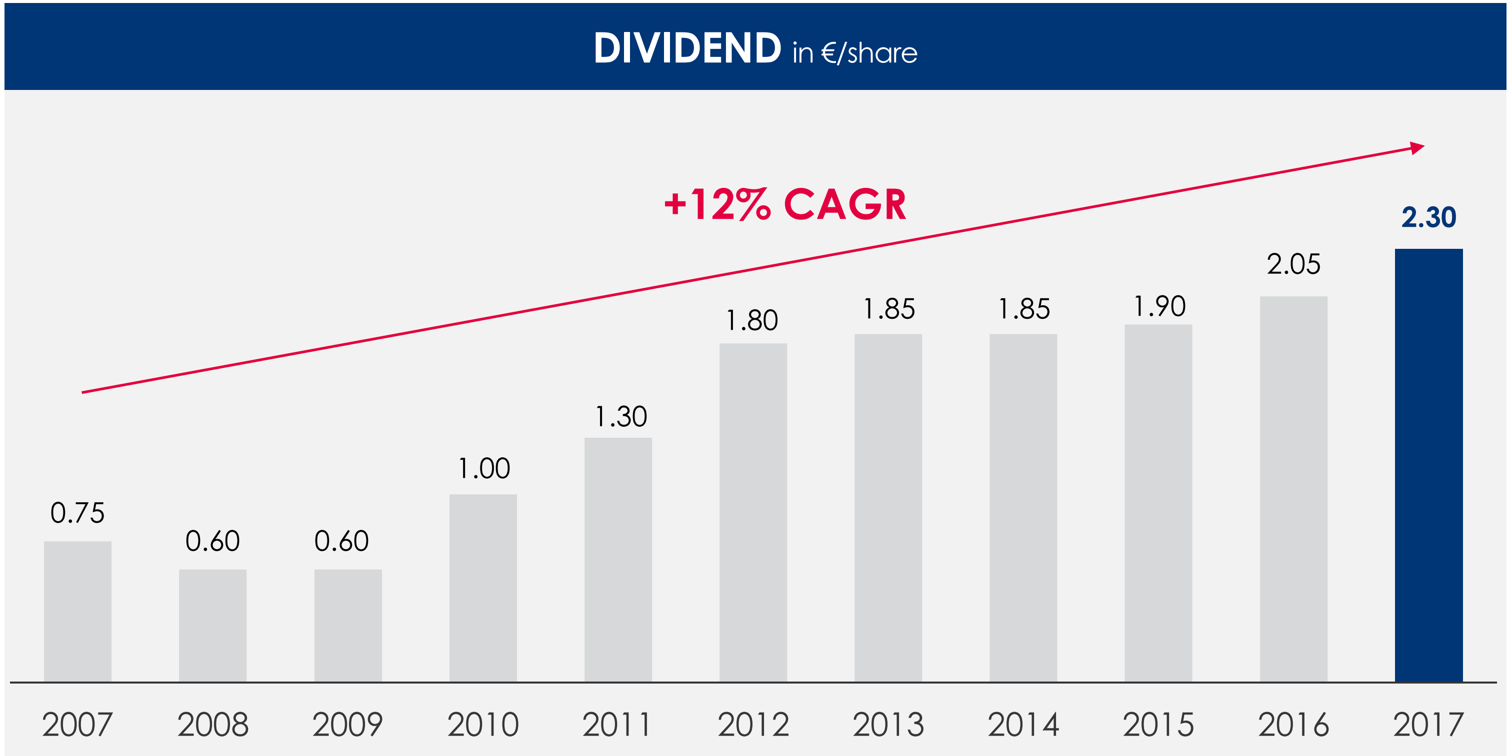
Divestments
Sunclear, activated carbon and filter aid and oxo alcohol businesses

Dividend

€0.4 bn

€1.1 NET DEBT AT 31/12/2017 REPRESENTING 0.8x 2017 EBITDA

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

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

ARKEMA INNOVATIVE CHEMISTRY

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 flow conversion: corresponds to free cash flow excluding exceptional investments divided by EBITDA. 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: (REBIT – current income taxes) / (net debt + shareholders' equity) under current IFRS rules.