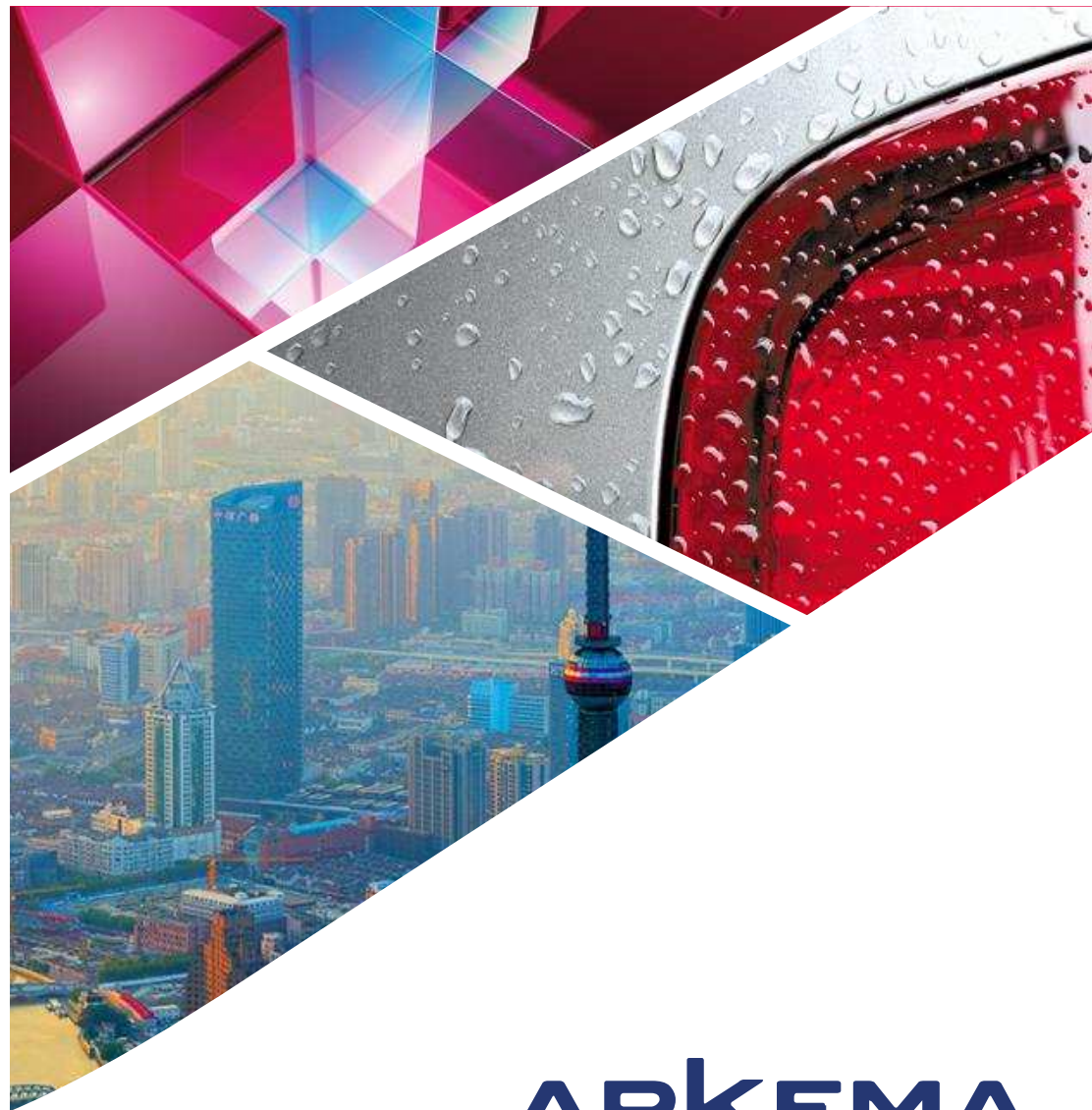


SECOND QUARTER 2018 RESULTS

1 AUGUST 2018



ARKEMA
INNOVATIVE CHEMISTRY

2Q'18 KEY TAKE-AWAYS

€2,270m sales

- ✦ **+3.3%** up YoY
- ✦ **+6.7%** at constant scope and FX

€430m EBITDA

- ✦ **+8%** up on strong 2Q'17 (€398m) despite stronger euro (**+12.6%** at constant FX) and higher raw materials
- ✦ An all time high in a quarter

18.9% EBITDA margin

- ✦ 18.1% in 2Q'17

€226m adjusted net income

- ✦ **+31%** up YoY on higher EBITDA and lower taxes
- ✦ **€2.97** adjusted EPS (€2.28 on 2Q'17)

€1,372m net debt

- ✦ **+€41m** free cash flow
- ✦ Including €176 m dividend payment in May
- ✦ **29%** gearing and **0.9x** EBITDA of last 12 months

MAIN ANNOUNCEMENTS SINCE 1 JANUARY 2018



BOLT-ON ACQUISITIONS WITHIN BOSTIK

Closing of XL Brands acquisition on 2 January

- US\$205m enterprise value
- A leader in floor covering adhesives in the US
- Growing and promising start of the year

Proposed acquisition of Nitta-Gelatin's industrial adhesives (~€30m annual sales)

Construction of a new nonwoven and industrial adhesives plant in Japan

Markets

Hygiene and industrial adhesives (packaging, labelling, transportation and electronics)



INVESTMENTS IN ADVANCED MATERIALS

+25% PA12 global production capacities in China

- For lightweight materials in automotive, sports, electronics
- Start-up expected mid-2020

+20% PVDF expansion in the United States

- For water filtration, CPI and high performance cables
- Started in April 2018

+50% global capacity of specialty polyamides powders in France

- For coatings, composites and 3D-printing
- Start-up expected in 2H'19

Partnership with Hexcel

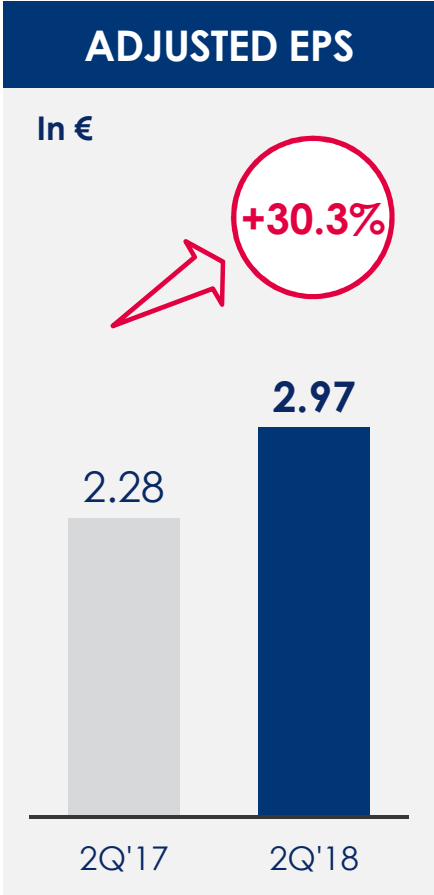
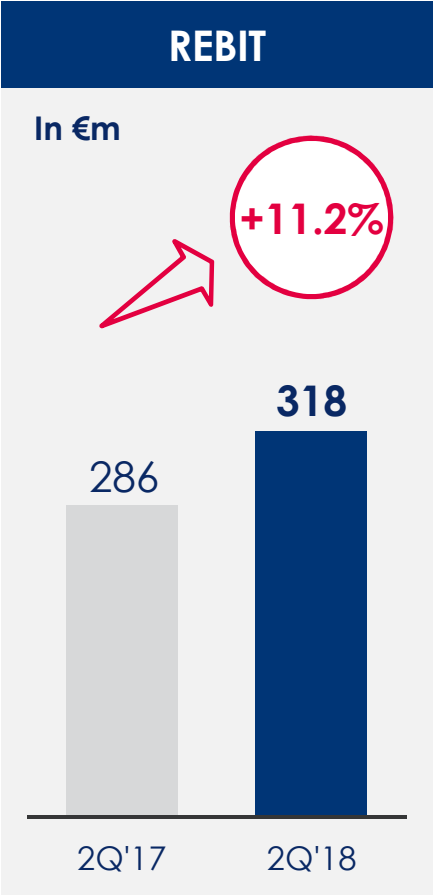
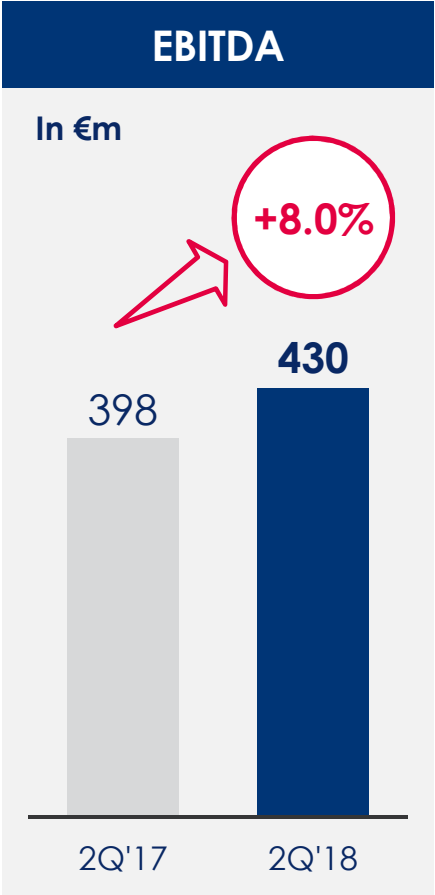
- In thermoplastic composites solutions for aerospace
- Joint R&D laboratory in France

LONG TERM GROWTH SUPPORTED BY A NEW WAVE OF SIGNIFICANT PROJECTS

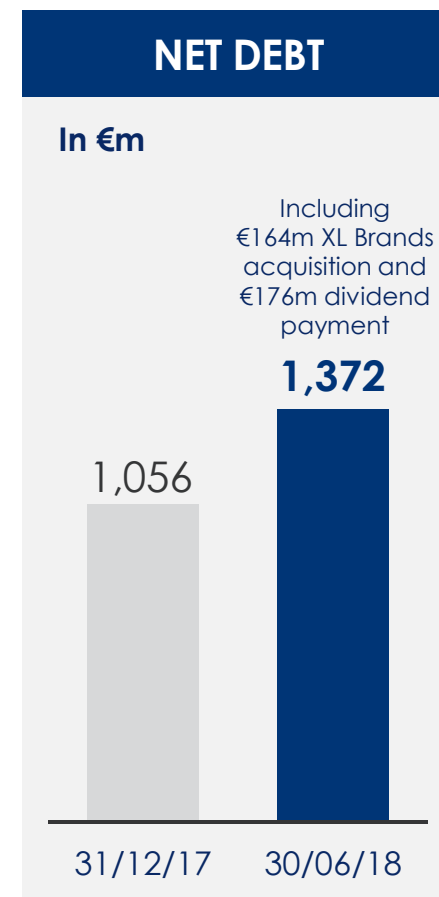
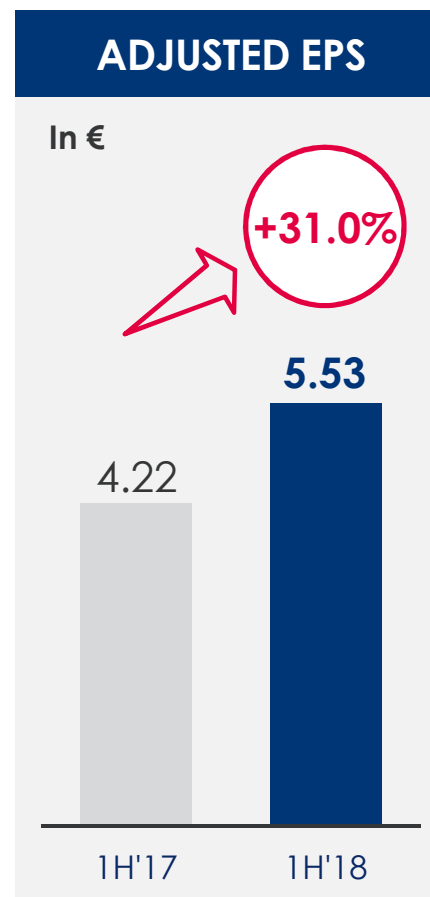
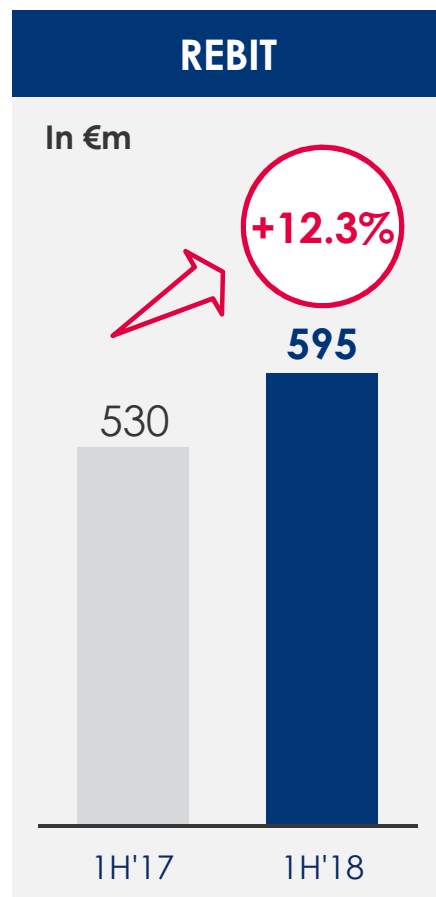
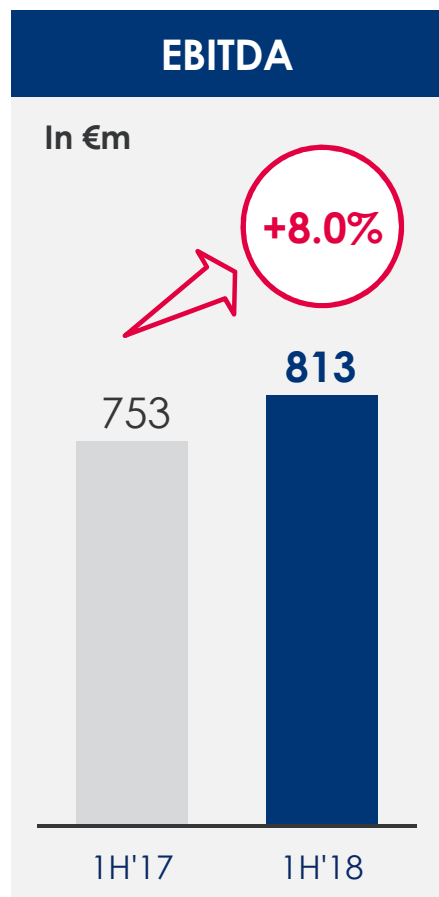


Europe North America Asia

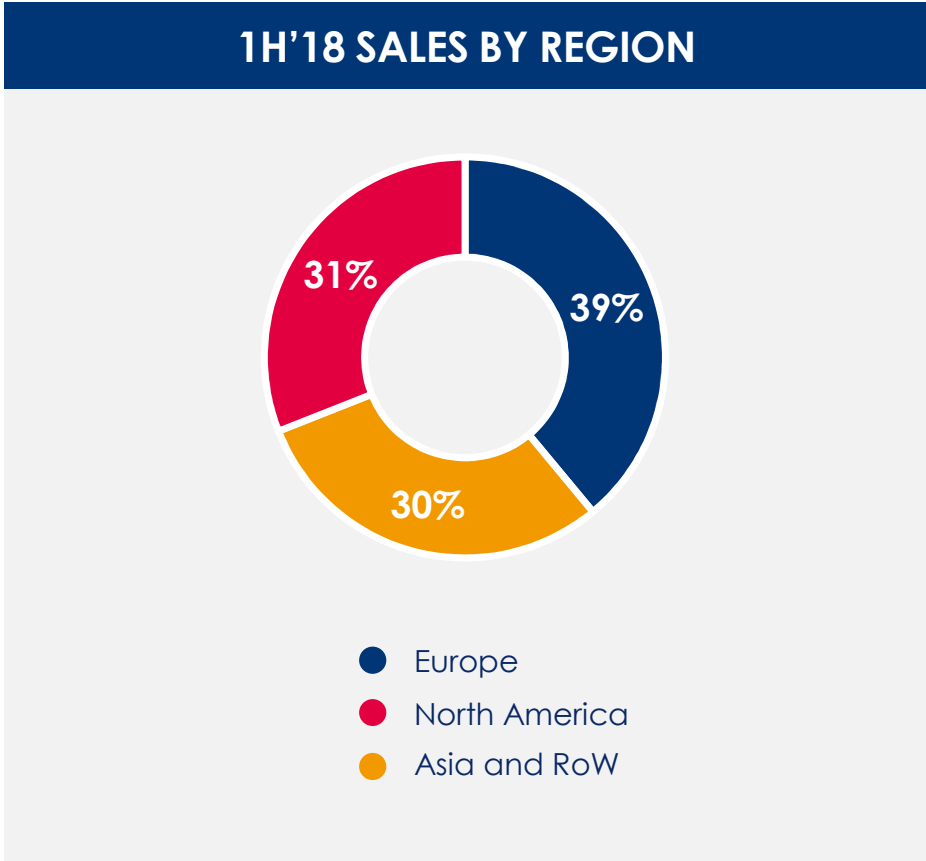
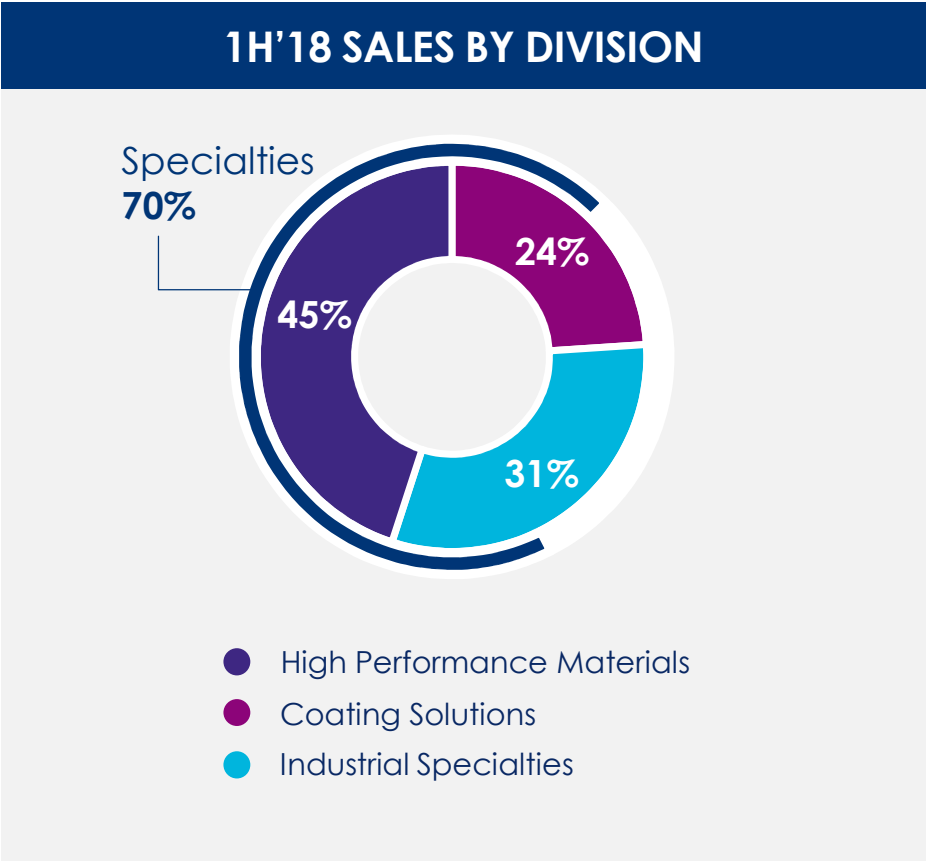
EXCELLENT PERFORMANCE IN 2Q'18



STRONG FIRST HALF 2018



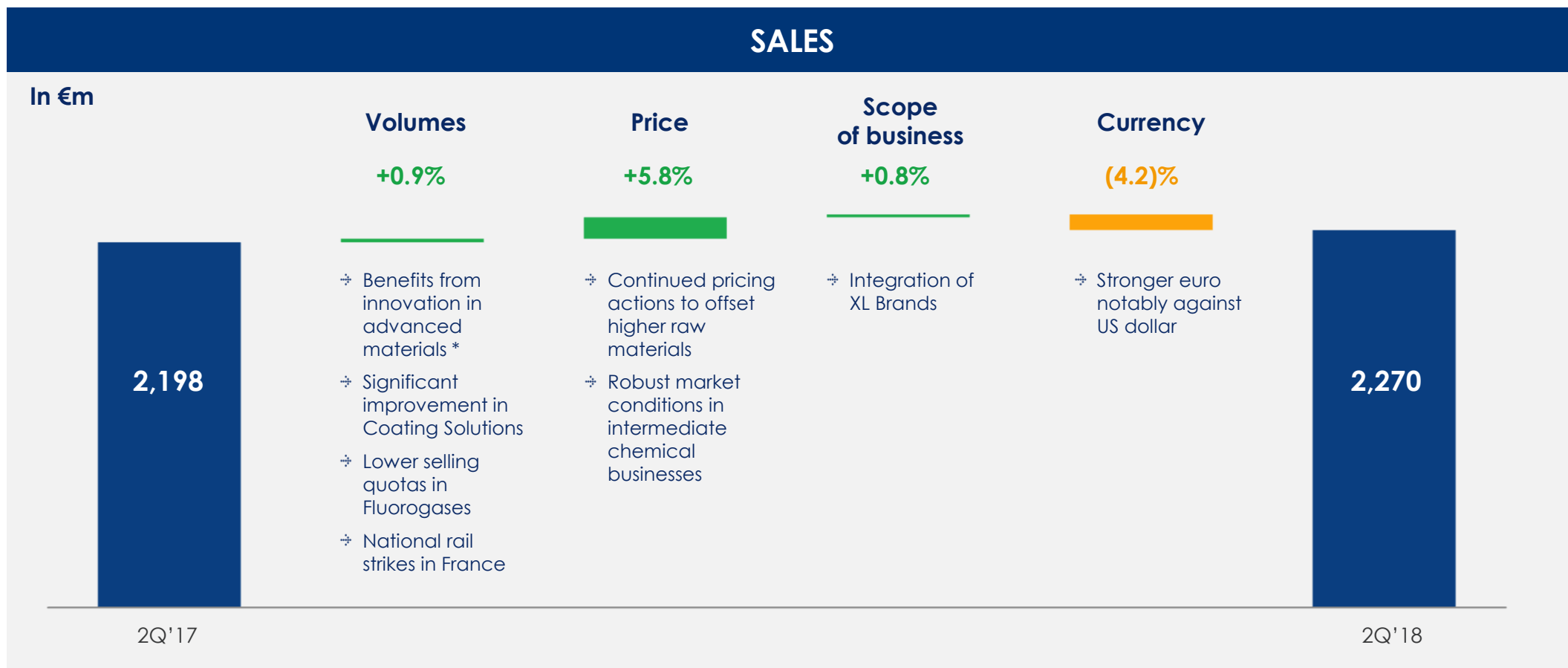
BREAKDOWN BY DIVISION AND REGION



2Q'18 KEY FIGURES

| In €m (except EPS) | 2Q'17 | 2Q'18 | CHANGE |
|---|-------|--------------|--------|
| Sales | 2,198 | 2,270 | +3.3% |
| EBITDA | 398 | 430 | +8.0% |
| EBITDA margin | 18.1% | 18.9% | |
| Recurring operating income (REBIT) | 286 | 318 | +11.2% |
| REBIT margin | 13.0% | 14.0% | |
| Adjusted net income | 172 | 226 | +31.4% |
| Net income – Group share | 160 | 219 | +36.9% |
| Adjusted EPS (in euros) | 2.28 | 2.97 | +30.3% |

2Q'18 SALES BRIDGE



* Advanced materials include Technical Polymers and Performance Additives

HIGH PERFORMANCE MATERIALS (45% OF GROUP SALES)

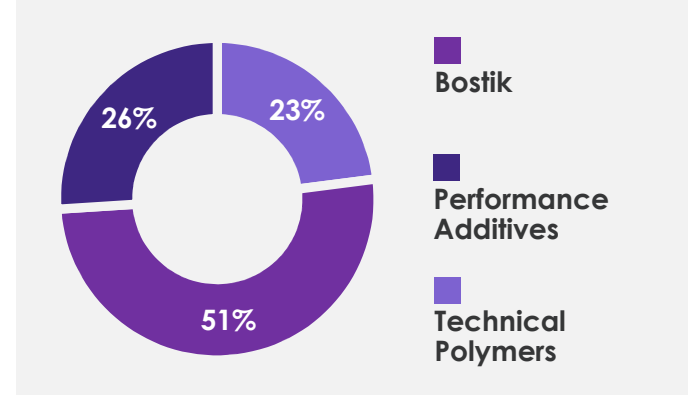
2Q'18 KEY FIGURES

| In €m | 2Q'17 | 2Q'18 | Change |
|-----------------------|-------|-------|--------|
| Sales | 990 | 1,007 | +1.7% |
| EBITDA | 174 | 177 | +1.7% |
| EBITDA margin | 17.6% | 17.6% | |
| Rec. operating income | 135 | 137 | +1.5% |

2Q'18 SALES DEVELOPMENT

| | |
|----------|--------|
| Volumes | +1.5% |
| Prices | +2.7% |
| Currency | (4.2)% |
| Scope | +1.7% |

2Q'18 SALES BY BUSINESS LINE



2Q'18 HIGHLIGHTS

❖ Sales up 4.2% at constant FX and scope of business

- +2.7% prices (+1.2% in 1H'18) reflecting Group's pricing initiatives to offset higher raw material costs
- +1.5% volumes (+4.4% in 1H'18) driven by innovation and new units in advanced materials but limited by the impact of France's national rail strikes on certain French production units

❖ Highest EBITDA in a quarter at €177m, up 1.7% YoY

- Despite stronger euro and higher raw materials
- Strong demand for advanced materials in the areas of lightweight materials, new energies, 3D printing and consumer goods (sports, electronics)
- Integration of XL Brands and CMP in adhesives
- Growing benefit from pricing actions

❖ 17.6% EBITDA margin, stable at high level

INDUSTRIAL SPECIALTIES (31% OF GROUP SALES)

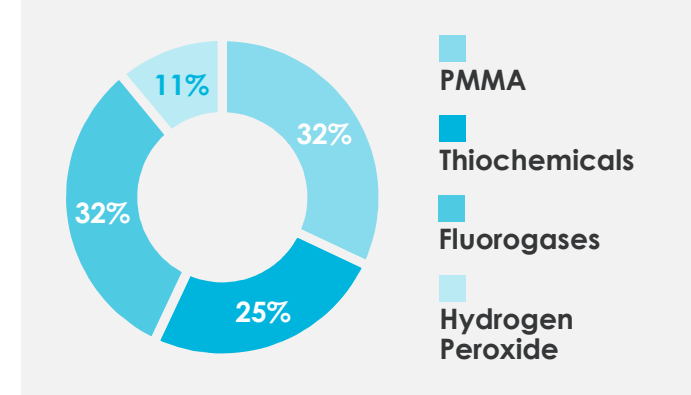
2Q'18 KEY FIGURES

| In €m | 2Q'17 | 2Q'18 | Change |
|-----------------------|-------|-------|--------|
| Sales | 701 | 709 | +1.1% |
| EBITDA | 176 | 208 | +18.2% |
| EBITDA margin | 25.1% | 29.3% | |
| Rec. operating income | 131 | 163 | +24.4% |

2Q'18 SALES DEVELOPMENT

| | |
|----------|--------|
| Volumes | (5.7)% |
| Prices | +10.9% |
| Currency | (4.1)% |
| Scope | - |

2Q'18 SALES BY BUSINESS LINE



2Q'18 HIGHLIGHTS

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

- +10.9% prices driven by:
 - Strong positions in Thiochemicals
 - F-Gas implementation in Europe in Fluorogases
 - Tight market conditions in MMA/PMMA
 - Favorable market conditions for Hydrogen Peroxide in China
- Volumes down 5.7% on lower selling quotas for Fluorogases in Europe and in the United States

❖ EBITDA up 18.2% YoY at €208m with material EBITDA increases in each of the 4 Business Lines of the division

❖ EBITDA margin up YoY at 29.3%

COATING SOLUTIONS (24% OF GROUP SALES)

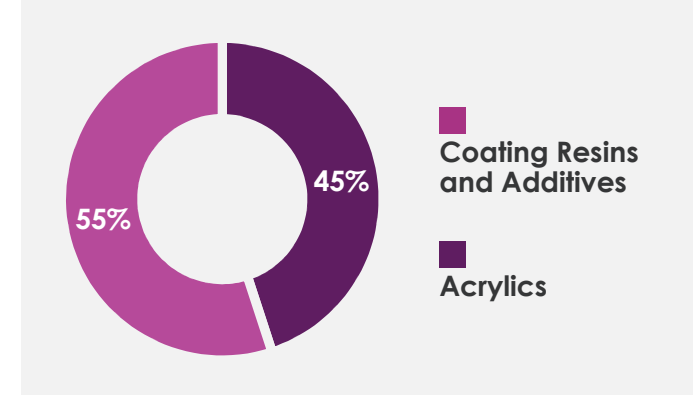
2Q'18 KEY FIGURES

| In €m | 2Q'17 | 2Q'18 | Change |
|-----------------------|-------|-------|--------|
| Sales | 499 | 547 | +9.6% |
| EBITDA | 64 | 68 | +6.3% |
| EBITDA margin | 12.8% | 12.4% | |
| Rec. operating income | 36 | 42 | +16.7% |

2Q'18 SALES DEVELOPMENT

| | |
|----------|--------|
| Volumes | +9.2% |
| Prices | +5.0% |
| Currency | (4.4)% |
| Scope | - |

2Q'18 SALES BY BUSINESS LINE



2Q'18 HIGHLIGHTS

❖ Sales up 14.2% at constant FX and scope of business

- +9.2% volumes versus a 2Q'17 impacted by a large maintenance turnaround in the US in Acrylics
- +5.0% price effect reflecting continued actions to raise selling prices across the entire chain in particular to pass on higher propylene prices

❖ EBITDA up 6.3% YoY at €68m

- Solid results despite higher propylene prices and unfavorable FX impact
- Mixed performance by region: robust in the US and still disappointing in China

❖ 12.4% EBITDA margin reflecting the mechanical impact of the higher selling prices on EBITDA margin ratio

2Q'18 CASH FLOW

| In €m | 2Q'17 | 2Q'18 | 2Q'18 highlights |
|--|------------|------------|---|
| EBITDA | 398 | 430 | |
| Change in working capital ⁽¹⁾ | (42) | (152) | <ul style="list-style-type: none"> Reflects usual seasonality and impact of higher selling prices and raw material costs 16.5% working capital over annualized sales ratio vs low 15.5% point at 30 June 2017 (17.2% at 30 June 2016) |
| Change in fixed assets payables ⁽¹⁾ | (2) | 0 | |
| Current taxes | (81) | (64) | Benefits from US tax reform |
| Cost of debt | (24) | (22) | |
| Recurring capital expenditure ⁽²⁾ | (82) | (99) | |
| Others | (2) | (32) | Including -€21m loans granted to employees as part of the share capital increase reserved for employees achieved in April 2018 |
| RECURRING CASH FLOW | 165 | 61 | |
| Exceptional capital expenditure ⁽²⁾ | (1) | (13) | Mainly related to Thiochemicals in Malaysia and specialty polyamides in Asia |
| Other non-recurring items in operating and investing cash flow | (6) | (7) | Mainly restructuring expenses |
| FREE CASH FLOW | 158 | 41 | For FY'18, cash generation expected to be consistent with the Group's ambition of 35% EBITDA to free cash flow conversion |
| Impact of portfolio management | (22) | (9) | |
| NET CASH FLOW | 136 | 32 | |

⁽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

❖ External environment: in 2H, Arkema will remain attentive to:

- Macro-economic and geopolitical developments
- Volatility in currencies and raw material prices

❖ Internal drivers: Arkema will continue to benefit from:

- Strong innovation drive in advanced materials
- Integration of bolt-on acquisitions in adhesives
- Globally robust market environment for 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

For 2018, assuming that the current macro-economic environment remains unchanged, Arkema now expects a mid-single digit ⁽¹⁾ EBITDA growth compared to the excellent 2017 performance.

⁽¹⁾ Of around 5%

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: $(\text{REBIT} - \text{current income taxes}) / (\text{net debt} + \text{shareholders' equity})$ under current IFRS rules.