

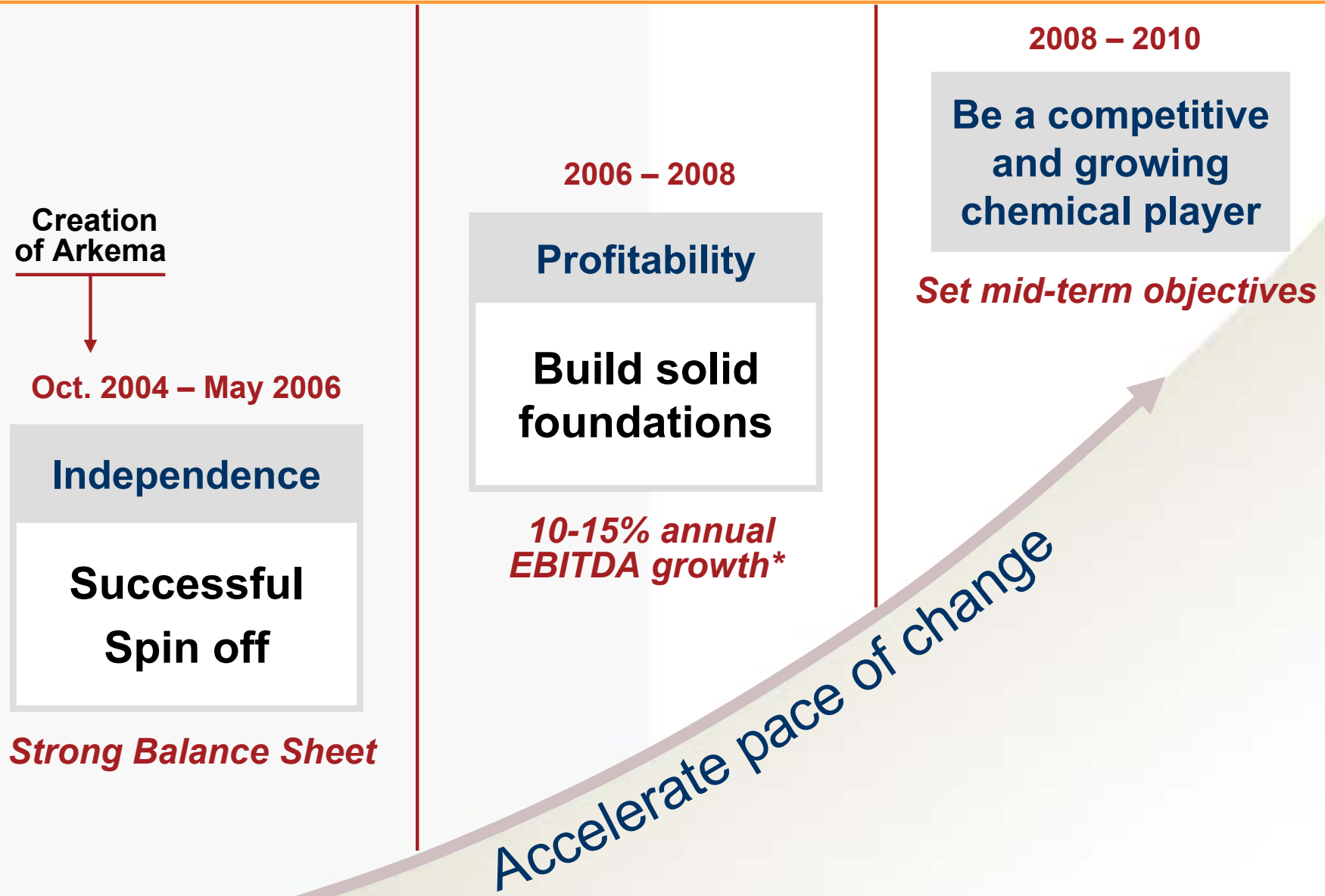


Results reflect momentum in transformation

Paris, March 14th, 2007

2006 overview and mid-term perspectives

Create step by step a strong company



2006 overview

“ Well above targets ”

Financial targets exceeded

	Targets		Achieved
EBITDA growth	+10 to 15% €390 to 408m	→	+20% €425m
Net income <i>(group share)</i>	> 0	→	€45m <i>(including €93m of NR items)</i>
Cash flow <i>(before pre-spin off non-recurring items*)</i>	> 0 from 2007	→	€79m in 2006
Gearing	30 to 40%	→	28%**

Note: All financial figures include Cerexagri in 2005 and 2006

* See slide 11 for further details

** Including €212m for pre-spin off NR items



A year of significant achievements

Spin off

- +45% since listing (end 2006)

Restructuring

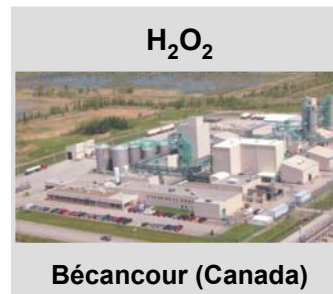
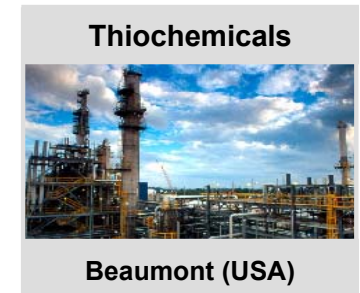
- 6 major plans *before spin off*
 - 6 new plans launched in 2006 *after spin off*
- €110m EBITDA impact in 2008 vs. 2005

Major growth projects

- Extension of best sites in Europe and North America
 - New production facilities in Asia
- €50m EBITDA impact in 2008 vs. 2005

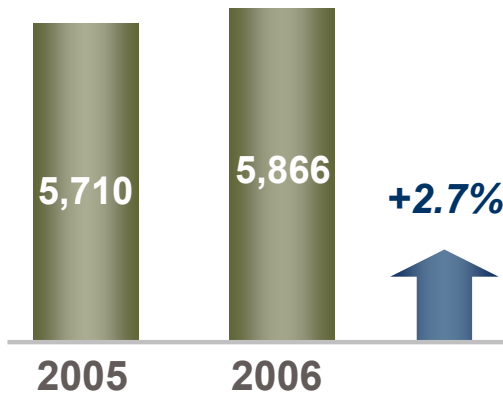
Portfolio

- Cerexagri divested
- Process started to sell UF resins

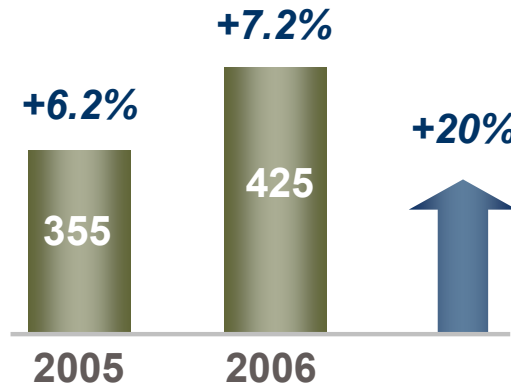


Key figures

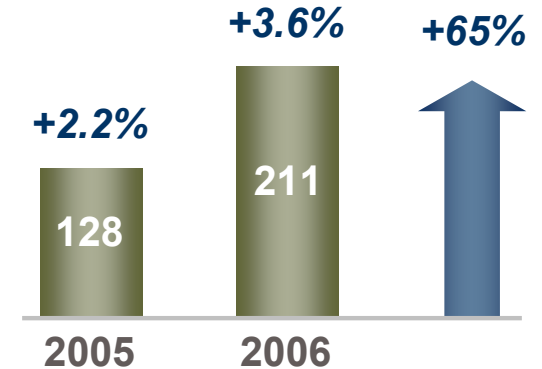
Sales (€m)



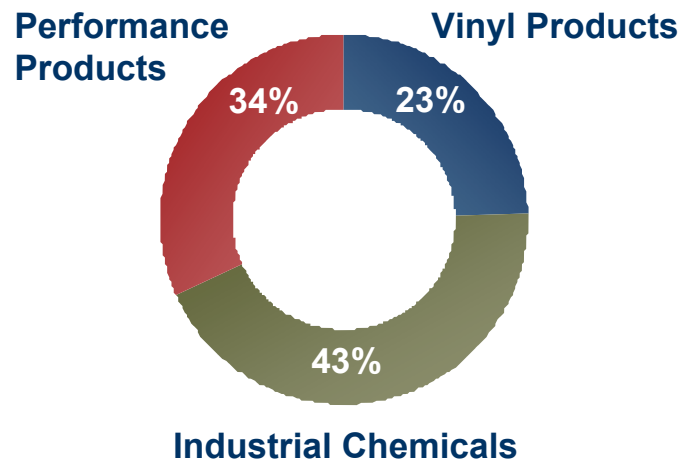
EBITDA (€m) & EBITDA margin*



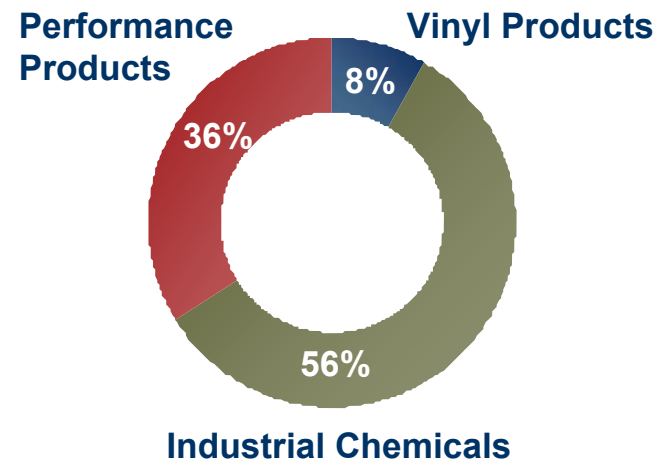
Operating income (€m) & Operating income margin*



Sales by segment**



EBITDA by segment**



Note: All financial figures include Cerexagri in 2005 and 2006

* Recurring

** Excluding Corporate

Financials: a highly positive trend

In €m	2004	2005	2006	'05 -'06 Variation
Sales	5,318	5,710	5,866	+2.7%
EBITDA (recurring)	301	355	425	+20%
<i>EBITDA margin</i>	5.7%	6.2%	7.2%	
Operating income (recurring)	11	128	211	+65%
NR items	(605)	(514)	(93)	
Net income (group share)	(618)	(427)	45	
Net debt (end of year)	241	567	324	<i>n.m.</i>
Capital employed (end of year)	2,929	3,106	3,115	
ROCE*	0.4%	4.2%	6.8%	
Headcount (end of year)	19,167	18,377	17,044	(7%)

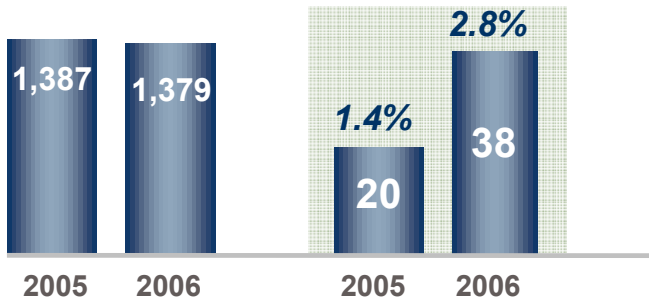
Note: All financial figures include Cerexagri in 2005 and 2006

* Calculated as recurring operating income divided by average capital employed



Improved profitability of Performance Products

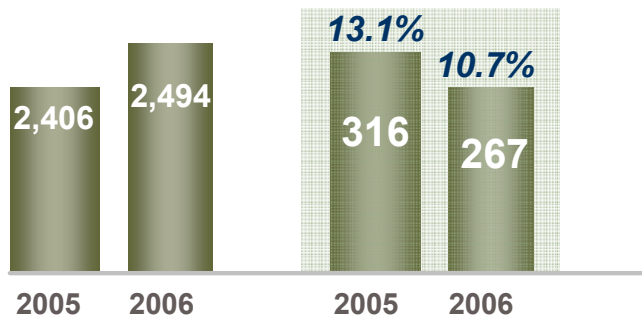
Vinyl Products



Chlorochemicals restructuring plan on track

- Still limited benefit from plan as expected
- Volume reduction due to closure of loss-making units
- Good demand for PVC in Europe

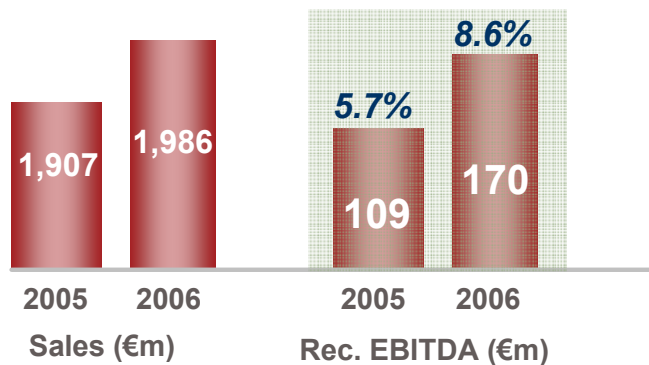
Industrial Chemicals



Good resistance under less favorable market conditions

- Improved profitability of Thiochemicals and PMMA
- Sharp decline of Acrylics margins
- Successful capacity expansions (Acrylics, H₂O₂,...)

Performance Products

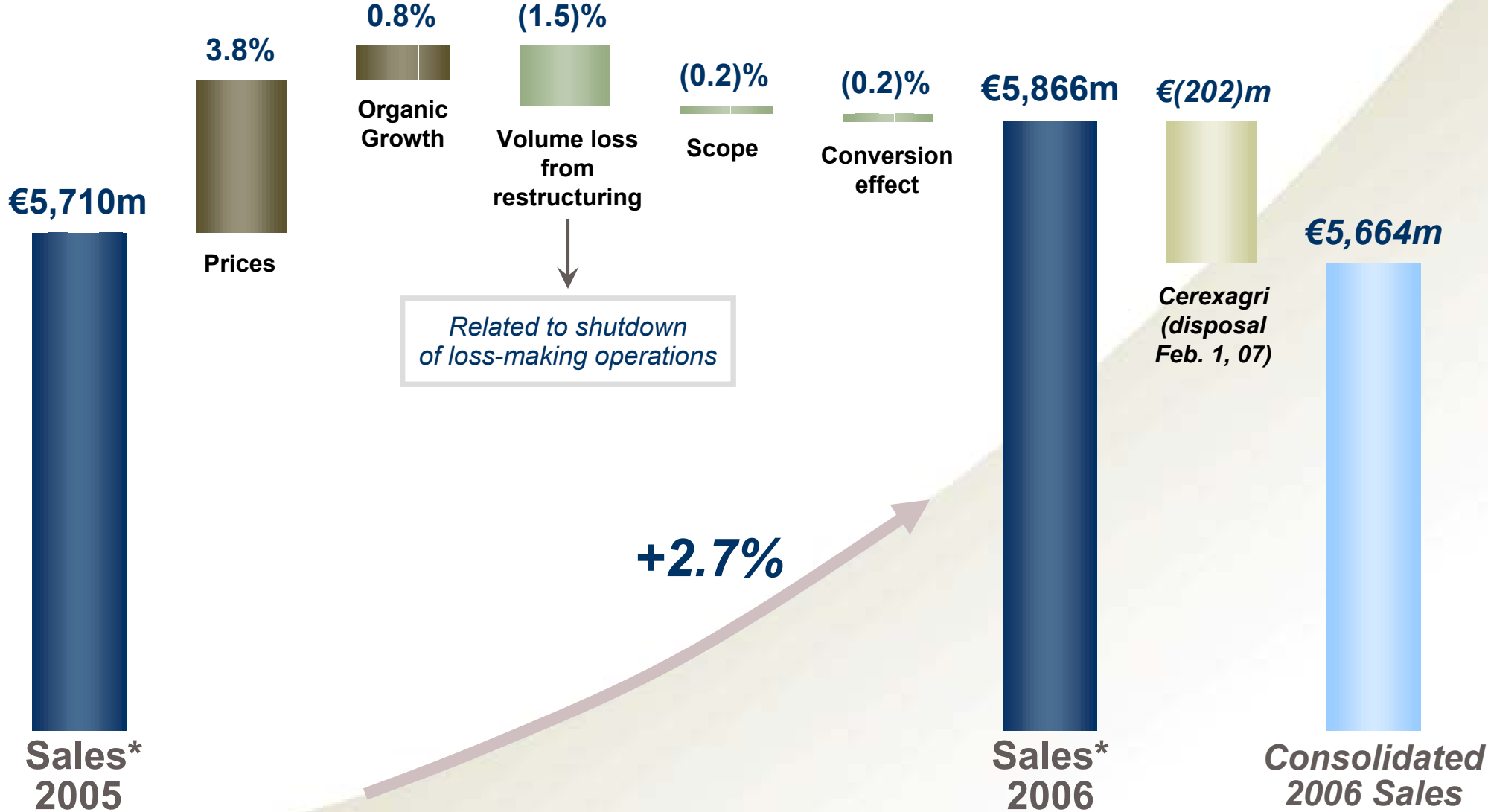


Strong improvement of margin

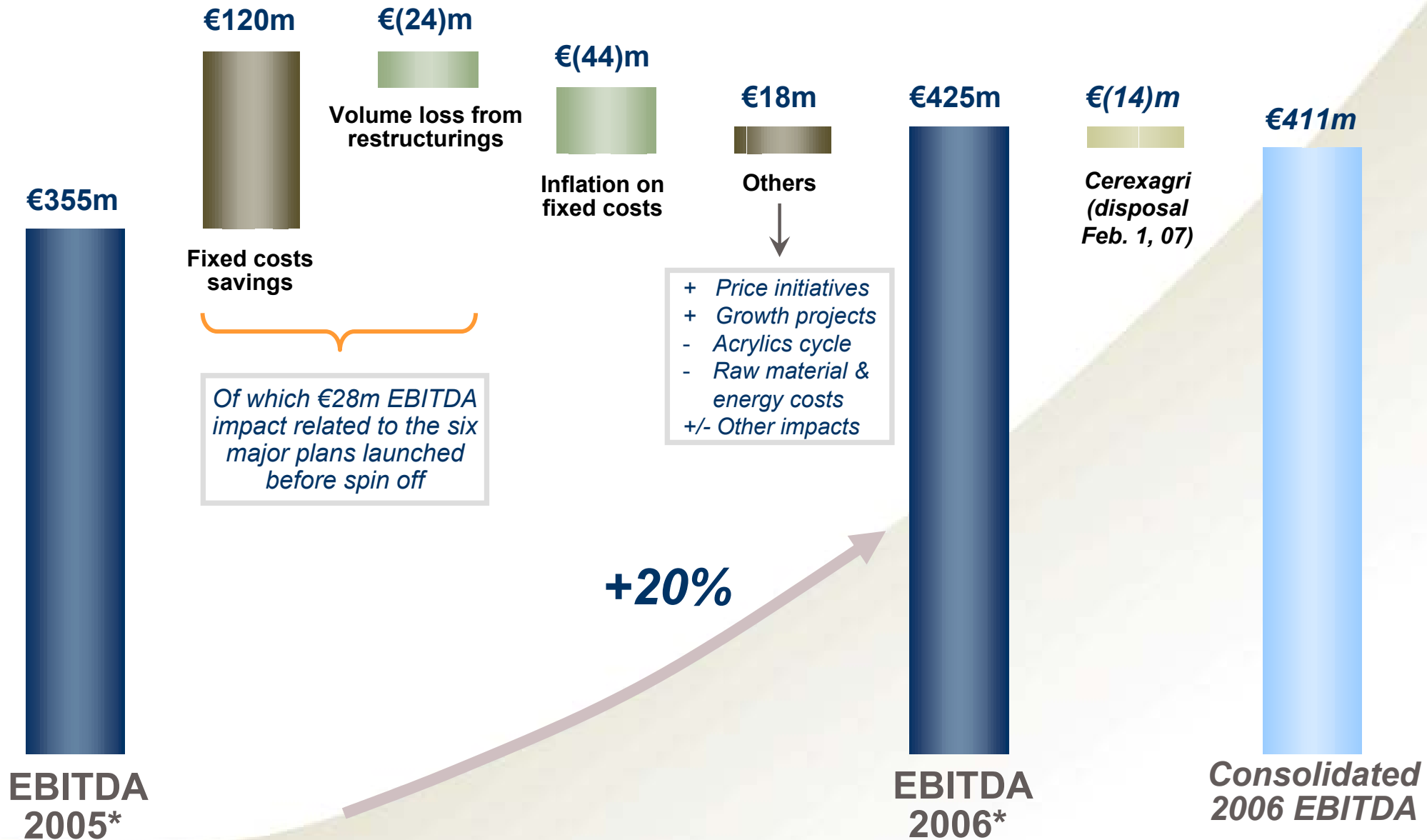
- 10% sales growth in Technical Polymers and Specialty Chemicals
- Portfolio simplification: from 6 to 3 BUs
- Combination of new businesses and productivity initiatives



Sales growth supported by price increases



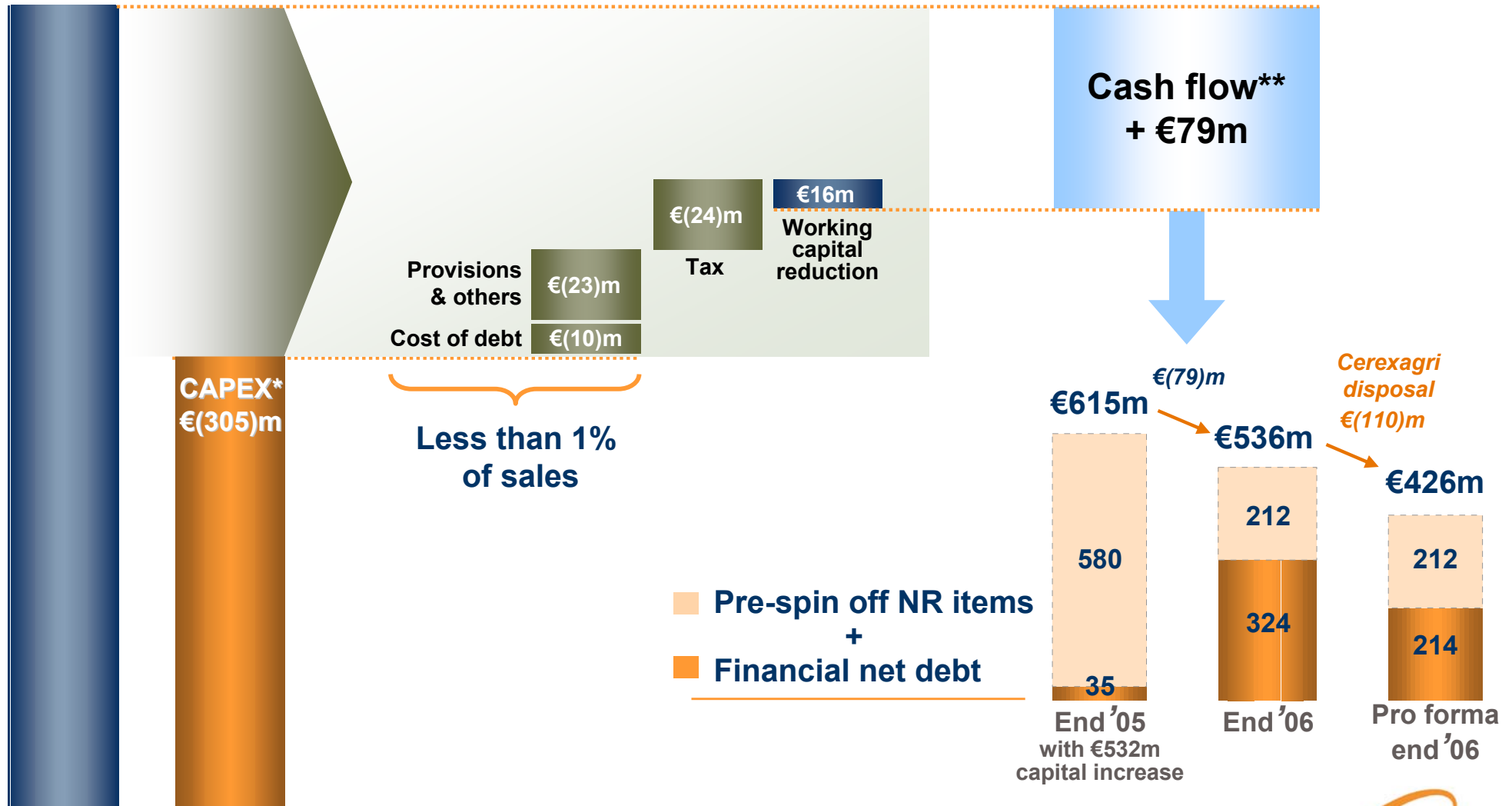
High impact of productivity initiatives



A positive cash flow *(before pre-spin off NR items)*

Positive cash balance already at 7.2% EBITDA margin

EBITDA
€425m

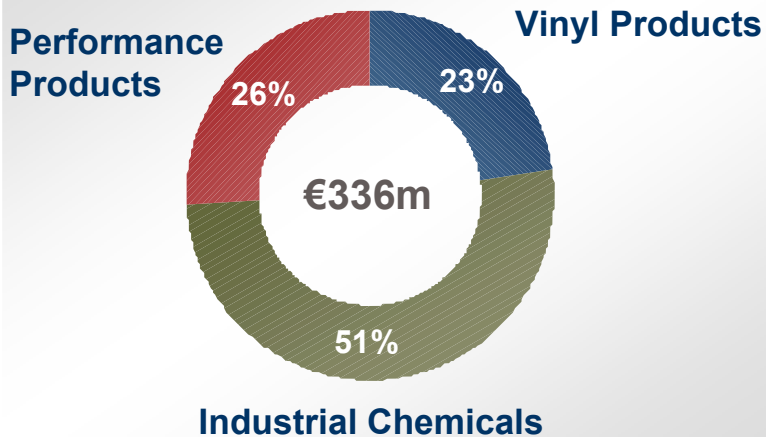


* Excluding €31m CAPEX related to Vinyl Products restructuring plan (included in pre-spin off NR items)

** Including Cerexagri and calculated as cash flows before pre-spin off NR items

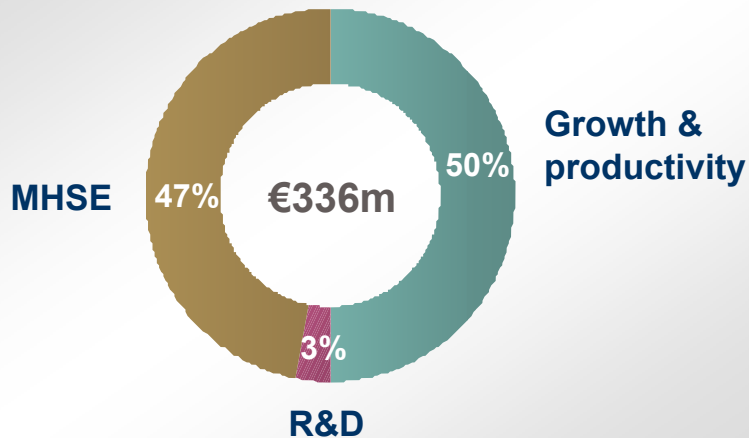
CAPEX in line with guidance

CAPEX by segment*



- ▶ **€336m CAPEX include €31m for Vinyl Products consolidation plan**
(part of pre-spin off NR items)
- ▶ **Balanced spendings between maintenance and growth & productivity**
- ▶ **IRR of major growth projects between 15-30%**

CAPEX by nature*



Example of growth project
H₂O₂ in Bécancour (Canada): +20 KT



H₂O₂ LT strategy: reach a capacity > 100 KT per site

* Including Cerexagri CAPEX and €1m CAPEX in Corporate

End 2006: already a different company

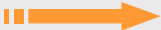
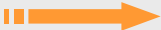
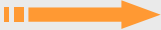





- **Successful spin off**
- **Achievements exceed targets**
- **Reduced fixed costs base**
- **A simplified and more efficient organization**
- **Many value creating projects across the company**
- **Further significant potential of EBITDA growth**
- **Very strong balance sheet**

“ A solid basis to build on ”

2007 priority

“ Sustain the pace of transformation ”

2007: a very active start

January	Pipes & Profiles Chantonnay* (France)		Restore competitiveness*	28 positions
	Thiochemicals Lacq* (France)		Site optimization*	48 positions +30% DMDS capacity
	Acrylics India		MOU with Essar (JV 50/50)	World-scale plant in Asia
	Exeltium		Access to electricity based on nuclear power (MOU signed)	LT supply of electricity
February	Cerexagri		Closing of Cerexagri disposal	€110m proceeds
	Technical Polymers Mont (France)		Start-up of Orgasol® expansion	Capacity +40%
	Vinyl Compounds* Dorlyl (France) & Novellara (Italy)		Closure of non-profitable sites*	76 positions
March	Acrylics Carling* (France)		Site optimization*	58 positions
	H₂O₂ Jarrie (France)		Expansion of the site	Capacity +10%



2007 priorities: a clear path forward

Lower fixed cost base

- **Finalize the implementation of plans launched in 2006** (Chlorochemicals, Loison, headquarters, ...)
- **Implement new productivity initiatives announced in early 2007*** (Chantonay, Lacq, Dorlyl, Carling)
- **Continue to upgrade manufacturing assets**

Growth projects

- **Benefit from recent investments** (Bécancour, Carling, Mont, Changshu)
- **Succeed in 2007 start-ups** (Calvert City, Mont, Inowroclaw, Changshu,...)
- **Get benefits from recent two years R&D efforts**

Portfolio management

- **Finalize divestment of UF resins**
- **Divest further €100m of sales**
- **Start process of focused acquisitions**

Streamlined organization

- **Simplify internal processes**
- **Decrease working capital**
- **Optimize G&A**

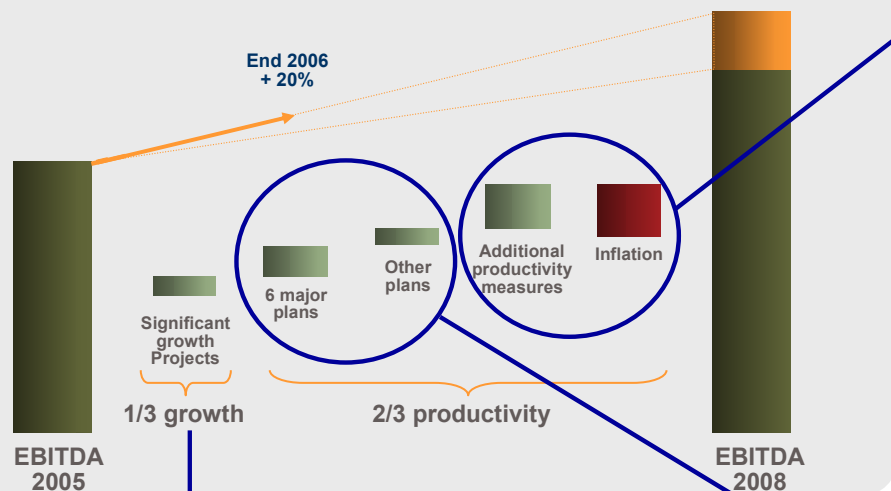


Example of turnarounds

	Thiochemicals	Specialty Chemicals
Lower fixed cost base	<ul style="list-style-type: none"> • Closure of sulfonyls in Riverview (US) • Restructuring of MLPC (F) • Convert Lacq into a competitive site (F)* 	<ul style="list-style-type: none"> • Closure of Pierrefitte (F) • Reduction by 20% of G&A expenses
Growth projects	<ul style="list-style-type: none"> • Building on the site of Beaumont(US) • Innovation: DMDS for fumigation of soils 	<ul style="list-style-type: none"> • Expansion of molecular sieves capacity in Poland and Honfleur (F) • Innovation: oil chemicals additives, asphalt additives
Portfolio management	<ul style="list-style-type: none"> • Focus on hydrogen sulfur derivatives • €50m sales divested (bromine, phosphorus,...) 	<ul style="list-style-type: none"> • Portfolio simplification <ul style="list-style-type: none"> → 1/5 of portfolio sold → sterates, phenolic resins,...
Streamlined organization	<ul style="list-style-type: none"> • Partial relocation of Paris team on production sites (F) 	<ul style="list-style-type: none"> • Managed as an independent profit center • New management team

'06-'08: in line with the 10-15% annual EBITDA growth*

Mid-year review presentation - September 2006



Additional productivity measures

- ➔ Offset $\pm \frac{3}{4}$ of inflation on fixed costs
- ➔ ~ **€100m** fixed costs savings achieved in 2008 vs. 2005
- ➔ Of which > **€60m** achieved in 2006 vs. 2005

Growth projects launched €50 m EBITDA impact in 2008

Thiochemicals (Beaumont),	Acrylics (Carling),
Fluorochemicals (Calvert City, Changshu),	Technical Polymers (Balan, Mont, Changshu, Calvert City),
Hydrogen Peroxide (Bécancour, Shanghai, Jarrie),	Specialty Chemicals (Inowroclaw)

Productivity projects launched €120m EBITDA impact in 2008

	Fixed costs savings	EBITDA
Pre-spin off plans	€125m	€80m
Plans launched in 2006 after spin off	€40m	€30m
Plans launched early 2007	€15m	€10m
TOTAL	€180m	€120m

“ 2006-2008 total fixed costs savings: €280m ”

Arkema in 2010

“ A competitive player of the chemical industry ”

Accelerate the implementation of strategy

Strategic priorities

- Manufacturing excellence
- Increased presence in Asia
- Market-driven innovation

2010

Solid foundations

Culture &
organization

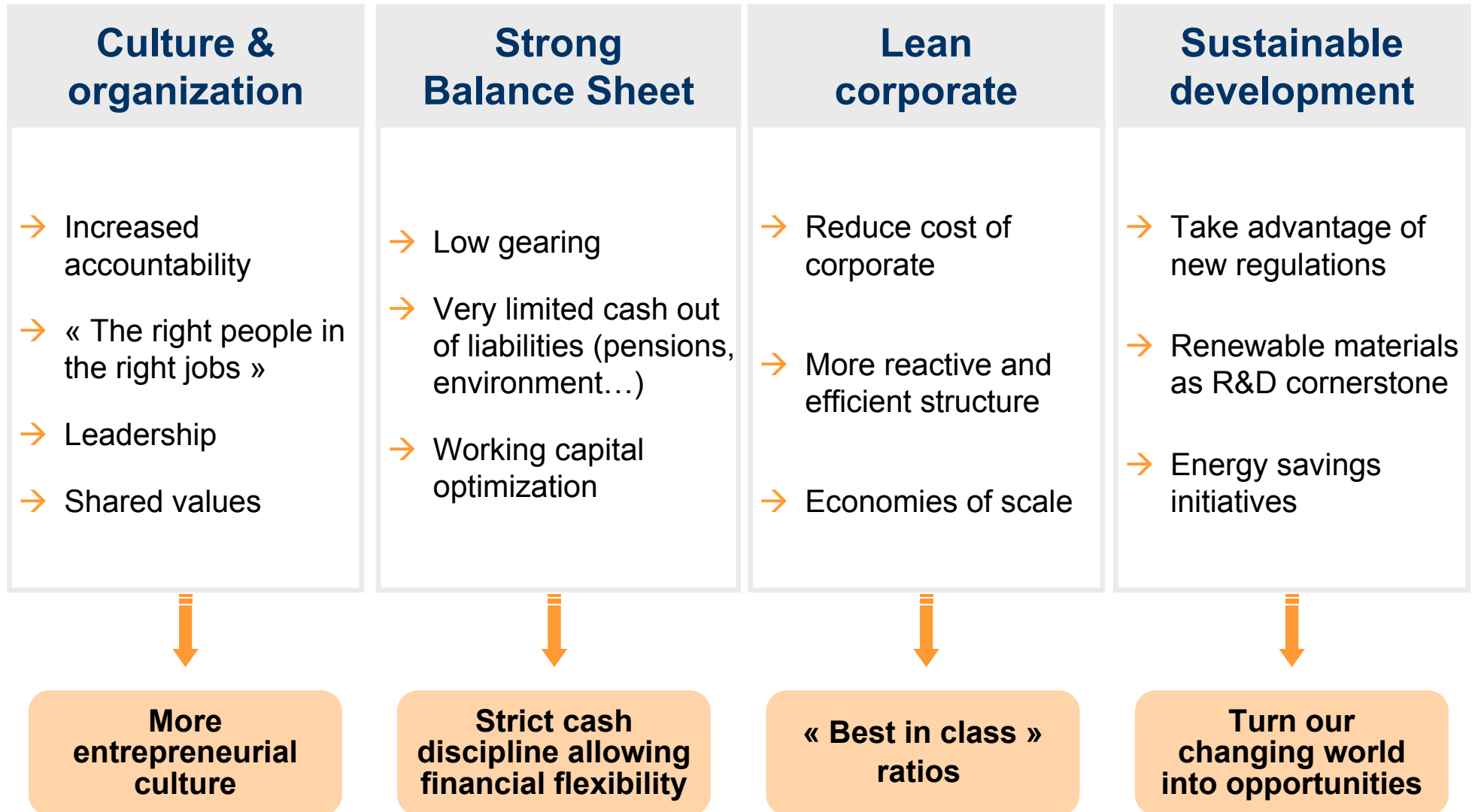
Strong
Balance Sheet

Lean
corporate

Sustainable
development

Oct. 2004

Rely on solid foundations



Achieve manufacturing excellence

Develop world-scale sites

• Carling:	Acrylics	240KT	→	275KT
• Lavéra:	VCM	475KT	→	525KT
• Jarrie:	H ₂ O ₂	105KT	→	115KT
• Shanghai:	H ₂ O ₂	38KT	→	77KT

Production efficiency

- Safety performance (-15% per year)
- Strong momentum of productivity initiatives
- Increase operating reliability

Shutdown of non-profitable product lines

- Analysis of profitability site by site
- Closure of Loison and Villers-Saint-Paul (France)
- Closure of sulfonyls in Riverview (US)

Better focus on variable costs

- Reinforce interface between R&D and process
- Projects coming on-stream for energy savings

Amongst the largest sites worldwide



Acrylics, Carling (France)

Increase production of polyamide monomers through better operating reliability: + 10% in 3 years



Technical Polymers, Mont/Marseille (France)

Increase presence in Asia

13% of Arkema's sales
8% of Arkema's workforce

Main sites in Asia



High value of LT industrial partnerships

- Daikin (Japan): Fluorochemicals development
- Shanghai Cooking (China): H₂O₂ expansion
- Essar (India): MOU to produce Acrylics in India

Focused approach

Example of the platform of Changshu (China)

Fluorochemicals :
+50% of HCFC 22 capacity

Organic Peroxides:
new unit started end 2005

Polyamides: capacity **x2**



Increase pace of development

- CAPEX : >€50m in average for the next 3 years

Local R&D support

- R&D center in Kyoto (Japan)
- Increase progressively technical support in China
- Regional approach: LCD screen, flat glass CVD technology, Pebax® in sport...

Enhance market-driven innovation



((50% of R&D spent in Performance Products))

Corporate Research

4 main cornerstones



- Nanostructured materials
- Products from renewable resources
- Materials for energy/environment applications
- Process intensification

Industrial Chemicals

Develop downstream



- DMDS for fumigation of soils
- PMMA for signs and displays
- H₂O₂ for detergents

Performance Products

Increase generation of new business



- Orevac[®] extension in 2006
- Orgasol[®] extension in 2007
- Molecular sieves extension in 2007
- CVD technology for flat glass

20% of sales coming from new products*



A more focused, less cyclical portfolio

Disposals of non core assets

~ €400m of sales

- €200m (sales) - Divestment of Cerexagri
- €90m (sales) - Process of disposal of UF resins
- €100m (sales) - Small size non-core activities

Mid 2008

Acquisitions in our core activities

€500 to 800m of sales

- Small to mid-size acquisitions
- Acrylics, Fluorochemicals, Technical polymers, Specialty Chemicals
- Increase part of non-cyclical, low capital intensive businesses

End 2009

Financial flexibility

- Current gearing at 28%*
- Positive cash flows from activities
- ~ €200m: proceeds from disposals
- > €200m: working capital decrease

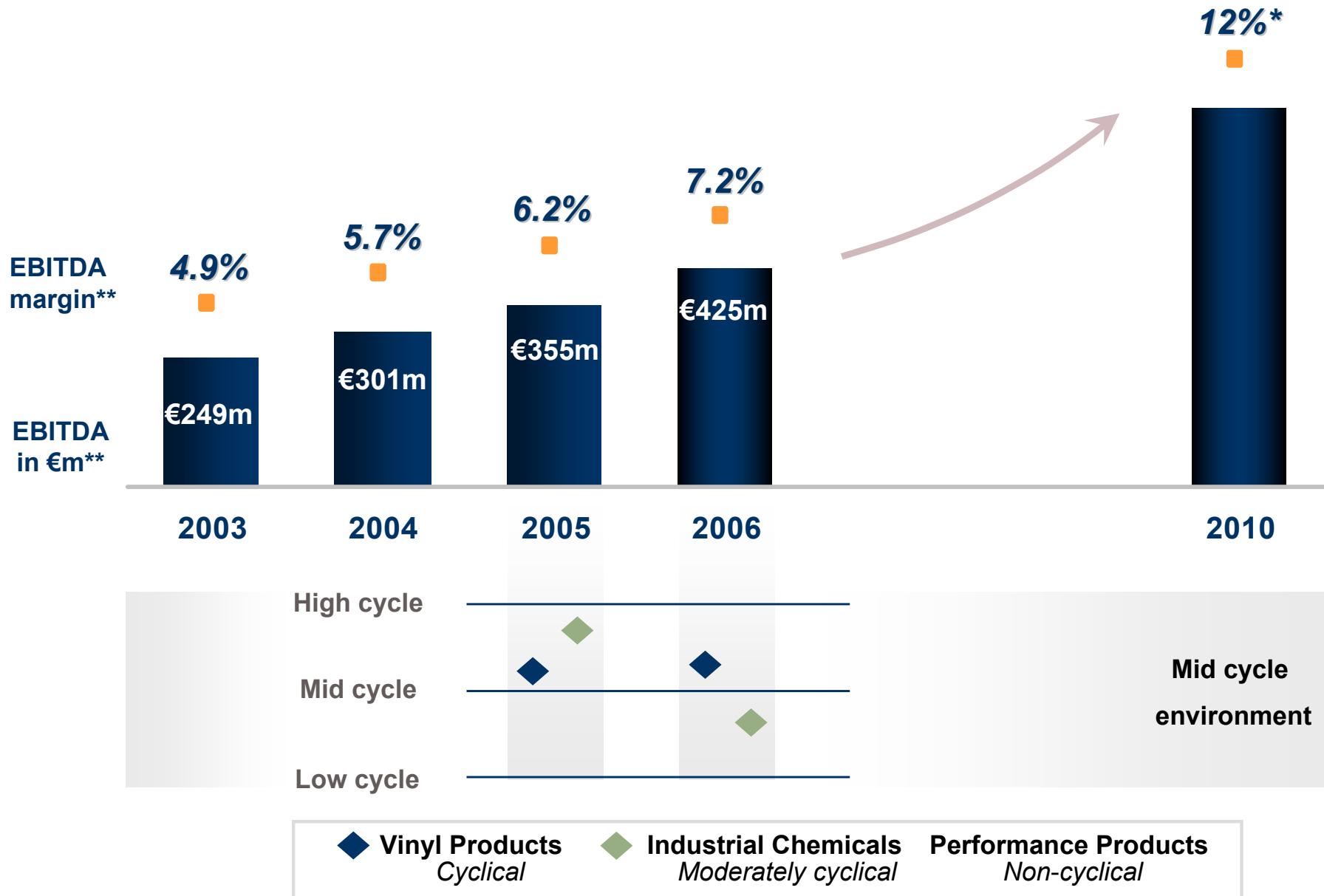
Maintain
low gearing

Financial targets for 2010

- ▶ EBITDA margin at 12%*
- ▶ Working capital down to 18% of sales
- ▶ Gearing below 40%

“Dramatic improvement of financials in 5 years”

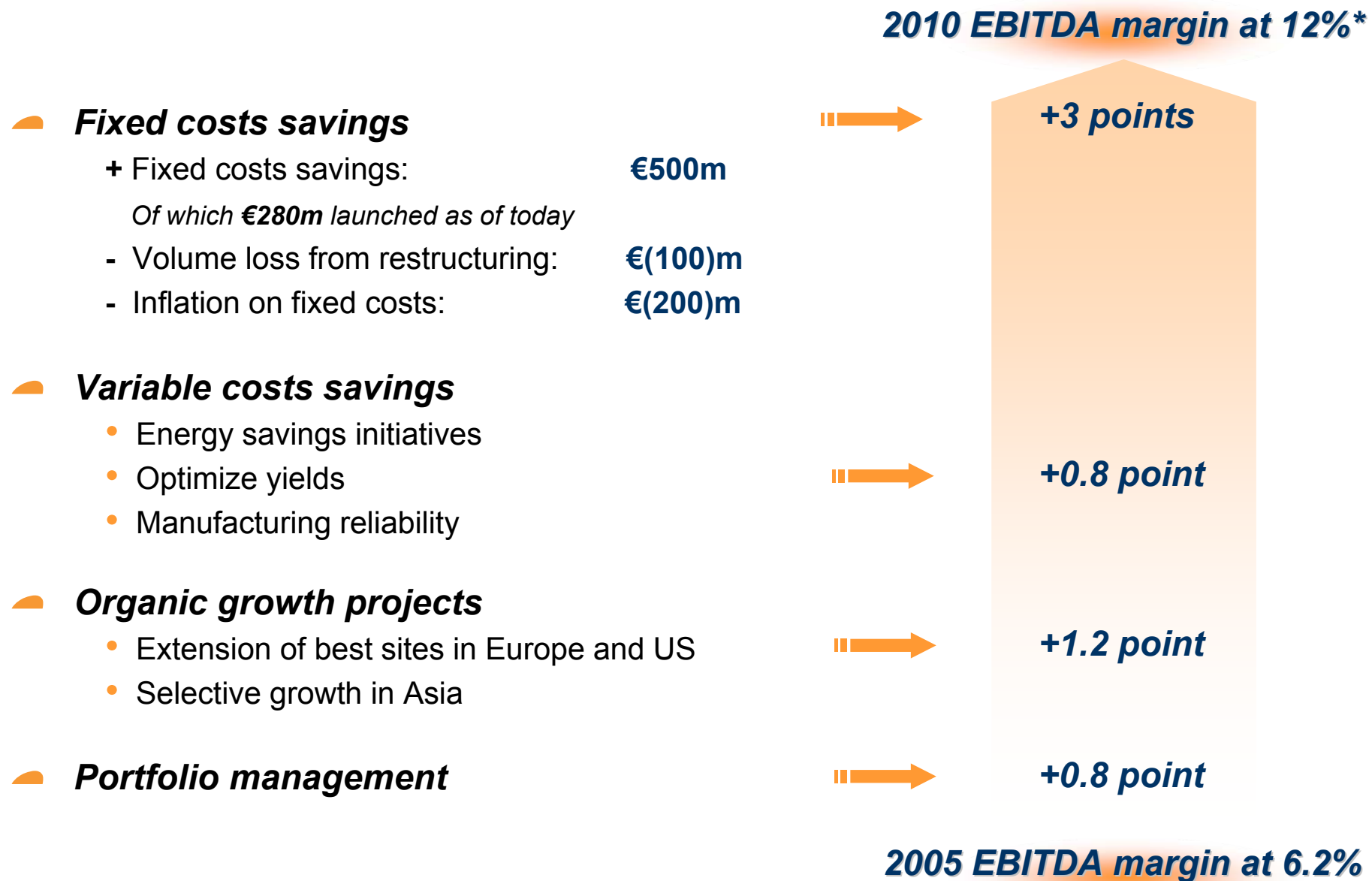
12%* EBITDA margin in 2010



* In mid-cycle conditions under a normalized environment

** Including Cerexagri

2005-2010 EBITDA evolution



Our ambition

3 strategic priorities

- Achieve manufacturing excellence
- Increase presence in Asia
- Enhance market-driven innovation

Strong foundations

- Entrepreneurial culture
- Pro-active organization
- Strong balance sheet
- Sustainable development

2010 targets

- EBITDA margin at 12%*
- Working capital down to 18% of sales
- Gearing below 40%

“ **Committed**
to value creation ”



Q&A session

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 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.

Financial information related to 2005 are extracted from pro forma financial statements prepared for the purpose of the listing of ARKEMA SA. Financial information for 2006 is extracted from the consolidated financial statements of ARKEMA. The business segment information is presented in accordance with ARKEMA's internal reporting system used by the management.

In accordance with IFRS5, Cerexagri was considered as a discontinued activity. 2006 financial statements presented in this presentation include Cerexagri figures.

A global chemical player, ARKEMA consists of 3 coherent and related business segments: Vinyl Products, Industrial Chemicals, and Performance Products. Present in over 40 countries with 17,000 employees, ARKEMA achieves sales of 5.7 billion euros. With its 6 research centers in France, the United States and Japan, and internationally recognized brands, ARKEMA holds leadership positions in its principal markets