

## Arkema announces the proposed divestment of its PMMA business to Trinseo

**Arkema announces the proposed divestment of its PMMA business to Trinseo for an enterprise value of €1,137 million.**

- This project is a **new step in the Group's transformation**, and is fully in line with Arkema's ambition to become a pure Specialty Materials player by 2024
- **The offer values this activity at €1,137 million**, i.e. 9.3 times estimated 2020 EBITDA
- **The project offers great development opportunities for the PMMA business** over the long term

Arkema's PMMA activity is an integrated business, from production of methyl methacrylate to polymethyl methacrylate, marketed under the well-known brands Plexiglas® on the American continent and Altuglas® in the rest of the world. This activity benefits from leading commercial positions with products primarily dedicated to the automotive, construction, signs & displays, and sanitary ware markets.

The business under divestment is very competitive, employs some 860 people and operates 7 production sites (4 in Europe and 3 in North America). Sales in 2020 are estimated at around €510 million for an EBITDA around €122 million, a solid performance in the context of Covid-19. In 2019, EBITDA was close to its historic high, at €160 million.

Trinseo, a global materials solutions provider and manufacturer of plastics, latex binders, and synthetic rubber, generated sales of US\$3.8 billion in 2019, and operates 17 production sites worldwide, with a workforce of 2,700 people. Arkema's PMMA activity will complement Trinseo's range of performance plastics (ABS, PC, etc.), and strengthen its positions in the automotive, construction and lighting markets. Hence, these highly complementary activity portfolios will offer new growth and development opportunities.

The offer received is based on an enterprise value of €1,137 million, and the capital gains tax is expected at around 15% of this amount.

With this proposed divestment, which comes after the sale of the functional polyolefins business to Korean group SK last June, the share of Specialty Materials sales within Arkema increases from 79% to 87% based on the 2019 proforma figures. The Group thus takes another major step in its transformation, with the ambition of becoming a pure Specialty Materials player by 2024, centered only around Adhesive Solutions, Advanced Materials, and Coating Solutions.

"This proposed divestment is fully in line with the Group's strategy presented at our Capital Markets Day last April. It will allow Arkema to continue to significantly reduce the share of its Intermediates segment and to consolidate its foothold in specialty materials with high technological content. Trinseo is a high-quality company which will be able to welcome in the best possible way PMMA's management and highly professional teams, support its customers and partners over the long term, and capture the many growth opportunities for this sustainable and high performance material" stated Thierry Le Hénaff, the Group's Chairman and CEO.

The proposed disposal is subject to the approval of the relevant antitrust authorities and to an information and consultation process involving Arkema's employee representative bodies. The deal is expected to be finalized mid-2021.

Building on its unique set of expertise in materials science, **Arkema** offers a portfolio of first-class technologies to address ever-growing demand for new and sustainable materials. With the ambition to become in 2024 a pure player in Specialty Materials, the Group is structured into 3 complementary, resilient and highly innovative segments dedicated to Specialty Materials -Adhesive solutions, Advanced Materials, and Coating Solutions- accounting for some 80% of Group sales, and a well-positioned and competitive Intermediates segment. Arkema offers cutting-edge technological solutions to meet the challenges of, among other things, new energies, access to water, recycling, urbanization and mobility, and fosters a permanent dialogue with all its stakeholders. The Group reported sales of €8.7 billion in 2019, and operates in some 55 countries with 20,500 employees worldwide. [www.arkema.com](http://www.arkema.com)

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