

Paris La Défense, 26 February 2026

ARKEMA: FULL-YEAR 2025 RESULTS

High cash generation supported by strict management of operations in a challenging macroeconomic environment

- **EBITDA at €1,251 million**, within the guidance range, and EBITDA margin at 13.8%, in a weak demand environment in the US and Europe, while Asia remained more dynamic
 - Additional EBITDA contribution from major projects at around €60 million vs 2024
 - Good resilience of Specialty Materials, overshadowed by the cyclical impact of acrylics and the decline of old-generation refrigerants
 - Strict cost discipline offsetting fixed cost inflation while increasing R&D expenses
- **High recurring cash flow of €464 million**, well above the €300 million guidance, consolidating the strength of the balance sheet
- **Ongoing momentum with +16 % YoY sales growth in key attractive markets** such as batteries, sports, 3D printing, healthcare and fluorospecialties
- **Successful industrial start-up** of three capacity expansions, in the US (DMDS, 1233zd) and Asia (Rilsan® Clear), on schedule and on budget
- **Strong achievements in non-financial performance**, with further progress in several key sustainability indicators
- **Stability of the dividend** proposed at €3.60 per share
- **Revised segmentation from 2026** to better reflect the dynamics of the portfolio and enhance the transparency of the Specialty Materials performance (15.7% margin in 2025 ⁽¹⁾) and EBITDA decrease limited to 5% YoY at constant FX)
- **Outlook:** In a macroeconomic environment marked so far by overall weak demand, the Group targets for 2026 a slight EBITDA growth at constant currencies and will continue to strictly control its operations, targeting to offset fixed cost inflation while managing capex at around €600 million.

Chairman and CEO Thierry Le Hénaff said:

“In 2025 the macroeconomic environment was particularly demanding and more challenging than initially expected at the start of the year. Firstly, I would like to thank Arkema’s teams and management for their strong commitment and agility allowing us to address the headwinds we faced. On the one hand, we focused on tightly managing costs, capex and working capital. As a result, the Group generated strong recurring cash flow, strengthening further its balance sheet, that will be key when the market rebounds. At the same time, we continued to implement our long-term innovation strategy for more sustainable solutions and to execute our major projects in Asia and North America. Their contribution was lower than expected in 2025 but operationally the plants are living up to our high expectations and their long-term outlook remains promising. In an environment that continues to be uncertain, we will keep on focusing on our strengths and what is under our control, namely our cost discipline and our customer intimacy, as well as leveraging on our major projects and our strong innovation dynamics.”

(1) Before allocation of corporate costs

KEY FIGURES FOR 2025

<i>in millions of euros</i>	2025	2024	Change
Sales	9,068	9,544	-5.0%
EBITDA ^(a)	1,251	1,532	-18.3%
Specialty Materials	1,175	1,420	-17.3%
Intermediates	162	198	-18.2%
Corporate	-86	-86	
EBITDA margin ^(a)	13.8%	16.1%	
Specialty Materials	14.1%	16.2%	
Intermediates	23.8%	25.8%	
Recurring operating income (REBIT) ^(a)	564	895	-37.0%
REBIT margin ^(a)	6.2%	9.4%	
Adjusted net income ^(a)	328	616	-46.8%
Adjusted net income per share (in €) ^(a)	4.34	8.23	-47.3%
Operating income	288	586	-50.9%
Net income - Group share	63	354	-82.2%
Recurring cash flow ^(a)	464	419	+10.7%
Free cash flow ^(a)	390	358	+8.9%
Net debt and hybrid bonds ^(a)	3,170	3,241	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of December 2025 available the end of the document for reconciliation tables and definitions

2025 BUSINESS PERFORMANCE

At **€9,068 million**, Group **sales** were down 2.1% compared with 2024 at constant currencies. Volumes decreased by 1.6% on the previous year, reflecting the overall weak demand environment in Europe and North America as well as the tight inventory management by customers in the fourth quarter. On the other hand, Asia, notably China, remained more dynamic on the whole year. The price effect stood at a negative 2.1%, mainly impacted by the low cycle in upstream acrylics and the unfavorable mix effect in refrigerants linked to the transition from old to new generation, the pricing in other activities being overall resilient with a modest price decrease of 0.9% in a context of declining costs for certain raw materials. The dynamic observed in several key attractive markets at the heart of Arkema's growth and innovation strategy was confirmed with sales up 16% on average compared to last year in batteries, sports, 3D printing, healthcare and new-generation fluorospecialties with low Global Warming Potential. Group sales also benefited from a 1.6% positive scope effect corresponding essentially to the acquisition of Dow's laminating adhesives. Lastly, the currency effect was a negative 2.9%, reflecting mainly the devaluation of the US dollar and several Asian currencies against the euro since the second quarter of 2025.

The geographical breakdown of sales showed a slight increase of Asia and the rest of the world in 2025, accounting for 33% of Group sales (32% in 2024), while North America decreased to 34% (35% in 2024) and Europe stayed stable at 33%.

Group **EBITDA** amounted to **€1,251 million** in 2025 and the **EBITDA margin** stood at **13.8%**. Compared to the previous year, EBITDA was mostly impacted by low cycle conditions in upstream acrylics and significant decline in old-generation refrigerants, both businesses representing less than 15% of Group sales in 2025, and by an unfavorable currency effect of around €40 million. The other activities confirmed their resilience, showing a limited year-on-year EBITDA decrease at constant exchange rates despite the weak demand environment and the material destocking observed in the fourth quarter. The Group benefited indeed from

the strong momentum in its new business developments in attractive markets and by its volume growth in Asia, in particular in the battery and sports sectors. This performance was also supported by the ongoing ramp-up of the major projects, with an additional EBITDA contribution of around €60 million compared to 2024. Furthermore, the streamlining of operations as well as the strict control of costs through a number of initiatives enabled the Group to offset fixed cost inflation over the year and achieve around €90 million of fixed and variable cost savings. However, R&D expenses were up 4% at constant currencies, as innovation remains more important than ever, in order to stay differentiated and catch new opportunities linked to megatrends.

At €687 million, recurring depreciation and amortization were up compared to previous year, mainly due to the integration of Dow's laminating adhesives and the start-up of new production units, partially offset by a favorable currency effect. **Recurring operating income** (REBIT) therefore amounted to **€564 million** and REBIT margin came in at 6.2%.

Operating income amounted to €288 million, including a charge of €132 million in other income and expenses, which corresponds mainly to restructuring charges, notably linked to the Jarrie site reorganization, as well as acquisition and disposal costs. The operating income included also €144 million in depreciation and amortization related to the revaluation of assets as part of the allocation of the purchase price of businesses.

The **financial result** was a net expense of **€125 million**, more important than in 2024, reflecting mainly the increased cost of debt as well as lower interest on invested cash.

Excluding exceptional items, the effective tax rate stood at 20% of recurring operating income in 2025, and **adjusted net income** amounted to **€328 million**, representing **€4.34 per share**.

The Board of Directors has decided that it would recommend, at the annual general meeting of 21 May 2026, to maintain the **dividend** stable at **€3.60 per share** for 2025, in line with the group's attractive dividend policy and taking into consideration the strength of the balance sheet. The dividend will be paid entirely in cash as from 27 May 2026, with an ex-dividend date on 25 May 2026.

CASH FLOW AND NET DEBT AT 31 DECEMBER 2025

At **€1,100 million**, **operating cash flow** showed a limited decrease of 7% on the previous year despite the more pronounced decline in EBITDA, thanks to tight working capital management carried out by the teams, which led to €145 million inflow in 2025. Therefore, working capital reached 12.5% of annual sales at 31 December 2025. EBITDA to operating cash conversion rate stood at the excellent level of 88%, above last year and the Group's 70% target.

Capital expenditure was sharply down to €636 million in 2025, below the €650 million target. The Group also confirms its objective of around €600 million capital expenditure in 2026 after a significant wave of growth projects in the recent years.

As a consequence, the Group delivered a very solid **recurring cash flow**, higher than last year at **€464 million**, and well above the €300 million revised guidance.

Free cash flow amounted to **€390 million** on the year, including a non-recurring cash outflow of €74 million, linked essentially to restructuring costs and reorganization costs at the Jarrie site in France.

Net cash flow from portfolio management operations was limited to €9 million outflow in 2025.

Net debt and hybrid bonds was slightly down compared to end-2024 and came in at **€3,170 million** at end-2025, integrating notably the €3.60 dividend per share for 2024 for a total payout of €272 million, the €33 million cost of share buybacks carried out by the Group in 2025 and €24 million in interest paid on hybrid bonds. At end-2025, net debt and hybrid bonds represented 2.5x last twelve months EBITDA.

CSR PERFORMANCE

The Group continued to deliver its Corporate Social Responsibility roadmap and to make progress on its main indicators, achieving a strong performance in 2025.

In terms of safety, the Group maintained its high standards and reduced again the Process Safety Event Rate per million hours worked (PSER), reaching 2.1 (2.5 in 2024), moving closer to its 2030 target at 2.0. The Total Recordable Injury Rate per million hours worked (TRIR) remained stable at 0.8, positioning Arkema among the leaders of the industry.

As part of its commitment to the climate, the Group continued to reduce its Scopes 1 + 2 GHG emissions, reaching -48.7% at the end of 2025 compared to the 2019 reference, as well as its Scope 3 emissions reaching -64% versus 2019. This performance reflects notably the roll out of Arkema’s initiatives to support its climate plan, including a new biomethane supply agreement with Engie in 2025, covering some 85% of the annual gas consumption of the four main Bostik sites in France, as well as new long term renewable energy agreements in the United States, contributing to increase the share of renewable sources in total electricity consumed by the US sites to more than 70%.

The Group has also further reduced its water withdrawals and waste treated without recovery, and has set new 2030 targets for both indicators, in light of the strong achievements in 2025.

In terms of sustainable offering, ImpACT+ solutions continued to grow, reaching 57% of the Group’s sales (53% in 2024), and 73% of the Group’s sales are now covered by a life-cycle assessment (68% in 2024).

Finally, Arkema obtained for the 3rd consecutive year the Top Employer certification in 10 countries and the Top Employer Europe label, demonstrating the excellence of its practices and its commitment to a working environment that fosters inclusion and diversity. The proportion of women in senior management and leadership positions has also continued to increase, reaching 31% at the end of 2025 (30% at end-2024).

2025 PERFORMANCE BY SEGMENT

ADHESIVE SOLUTIONS (30% OF TOTAL GROUP SALES)

<i>in millions of euros</i>	2025	2024	Change
Sales	2,737	2,722	+0.6%
EBITDA ^(a)	365	412	-11.4%
EBITDA margin ^(a)	13.3%	15.1%	
Recurring operating income (REBIT) ^(a)	256	323	-20.7%
REBIT margin ^(a)	9.4%	11.9%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of December 2025 available the end of the document for reconciliation tables and definitions

Sales in the Adhesive Solutions segment came in at **€2,737 million**, up 3.6% on the previous year at constant currencies, benefiting in particular from a 7.0% positive scope effect related to the acquisition of Dow's flexible packaging laminating adhesives business. In an overall weak demand environment in industrial adhesives, volumes were down 2.5% on the previous year and were also impacted by the slowdown observed in the United States in the second half, particularly in packaging, transportation and construction. Price effect was limited to a negative 0.9%, reflecting notably the decrease of certain raw materials costs. Sales also included a 3.0% negative currency effect.

Segment **EBITDA** stood at **€365 million**, reflecting notably the lower volumes and the unfavorable currency effect. The **EBITDA margin** was down to **13.3%**, and close to 14.0% excluding the 60 bps dilutive effect of Dow's laminating adhesives business, which is in its integration phase.

ADVANCED MATERIALS (38% OF TOTAL GROUP SALES)

<i>in millions of euros</i>	2025	2024	Change
Sales	3,441	3,562	-3.4%
EBITDA ^(a)	616	707	-12.9%
EBITDA margin ^(a)	17.9%	19.8%	
Recurring operating income (REBIT) ^(a)	205	336	-39.0%
REBIT margin ^(a)	6.0%	9.4%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of December 2025 available the end of the document for reconciliation tables and definitions

At **€3,441 million, sales** in the Advanced Materials segment were broadly stable on the previous year at constant currencies, with overall volumes flat (negative 0.1%) and limited price effect (negative 0.3%). High Performance Polymers showed 2% organic growth on the year, weighted on the first half, and benefiting from the significant ongoing growth in key attractive markets such as batteries, sports, 3D printing, healthcare and fluorospecialties, as well as the positive dynamic in Asia, while volumes were down in Europe and in the US. This was globally offset by Performance Additives, whose volumes and prices were slightly down, reflecting beyond the demand environment, the impact of the reorganization of the Jarrie site in hydrogen peroxide, as well as the geographical mix. Segment sales included also a negative 3.0% currency effect.

Segment **EBITDA** amounted to **€616 million** and was mainly impacted by the negative currency effect, the unfavorable mix evolution in Performance Additives, as well as the lower volumes in Europe and in the US in High Performance Polymers. In this context, the **EBITDA margin** stayed at the good level of **17.9%**. At the same time, the Group pursued the execution of its major projects that will continue to ramp up over the coming years and has successfully started up the DMDS and 1233zd new capacities in the US, as well as the new Rilsan® Clear unit, downstream of its PA11 plant in Singapore, in January 2026.

COATING SOLUTIONS (24% OF TOTAL GROUP SALES)

<i>in millions of euros</i>	2025	2024	Change
Sales	2,176	2,455	-11.4%
EBITDA ^(a)	194	301	-35.5%
EBITDA margin ^(a)	8.9%	12.3%	
Recurring operating income (REBIT) ^(a)	68	174	-60.9%
REBIT margin ^(a)	3.1%	7.1%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of December 2025 available the end of the document for reconciliation tables and definitions

Sales in the Coating Solutions segment stood at **€2,176 million**, down 11.4% year-on-year. Volumes decreased by 4.9% in a weak demand environment in the coatings market, notably in construction and decorative paints, in Europe and North America. The price effect stood at a negative 4.0%, reflecting mostly the low cycle conditions in upstream acrylics. Lastly, sales were impacted by a negative 2.5% currency effect.

In this context, segment **EBITDA** decreased significantly to **€194 million**, despite the better resilience of downstream activities. **EBITDA margin** decreased to **8.9%**.

INTERMEDIATES (8% OF TOTAL GROUP SALES)

<i>in millions of euros</i>	2025	2024	Change
Sales	681	768	-11.3%
EBITDA ^(a)	162	198	-18.2%
EBITDA margin ^(a)	23.8%	25.8%	
Recurring operating income (REBIT) ^(a)	134	157	-14.6%
REBIT margin ^(a)	19.7%	20.4%	

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of December 2025 available the end of the document for reconciliation tables and definitions

At **€681 million, sales** in the Intermediates segment were down 11.3% compared to last year. They were impacted by a strong price decline at a negative 8.6%, mainly linked to refrigerants in the United States, which have nonetheless improved in the last quarter of the year. Volumes increased by 6.0%, supported essentially by acrylics in Asia, and to a lesser extent by refrigerants in the United States. The scope effect was a negative 5.4%, corresponding to the disposal of non-strategic assets in sebacic acid in China in 2024. The currency effect was a negative 3.3%.

At **€162 million, EBITDA** was impacted by the decline in refrigerants in the first half of the year, while acrylics in Asia improved slightly. The **EBITDA margin** stood at the high level of **23.8%**.

KEY FIGURES FOR FOURTH-QUARTER 2025

<i>in millions of euros</i>	Q4'25	Q4'24	Change
Sales	2,105	2,273	-7.4%
EBITDA ^(a)	248	324	-23.5%
Specialty Materials	215	311	-30.9%
Adhesive Solutions	70	91	-23.1%
Advanced Materials	113	166	-31.9%
Coating Solutions	32	54	-40.7%
Intermediates	46	24	+91.7%
Corporate	-13	-11	
EBITDA margin ^(a)	11.8%	14.3%	
Specialty Materials	11.2%	14.8%	
Adhesive Solutions	11.1%	13.9%	
Advanced Materials	13.8%	18.8%	
Coating Solutions	6.8%	9.6%	
Intermediates	26.3%	14.5%	
Recurring operating income (REBIT) ^(a)	64	145	-55.9%
REBIT margin ^(a)	3.0%	6.4%	
Adjusted net income ^(a)	33	96	-65.6%
Adjusted net income per share (in €) ^(a)	0.43	1.27	-66.1%
Operating income	-25	50	
Net income - Group share	-68	12	
Recurring cash flow ^(a)	284	157	+80.9%
Free cash flow ^(a)	269	148	+81.8%

(a) Alternative performance indicator : refer to sections 6 and 8 of the consolidated financial information at the end of December 2025 available at the end of the document for reconciliation tables and definitions

At **€2,105 million**, Group **sales** in fourth-quarter 2025 decreased by 2.4% compared to last year at constant currencies. Volumes were down 2.3%, affected by the ongoing weakness of the demand in the United States and in Europe as well as by the tight year-end inventory management by customers, while Asia, notably China, continued to be more resilient. The price effect stood at a negative 1.5% in a declining raw materials environment, impacted mostly by the low cycle in upstream acrylics. Group sales also benefited from a 1.4% positive scope effect corresponding to the integration of Dow's laminating adhesives. Lastly, sales were impacted by a strongly negative 5.0% currency effect linked to the devaluation of the US dollar and several Asian currencies against the euro.

In this particularly low volume environment, the Group focused on self-help initiatives to control costs, optimize working capital and maximize cash generation. As a result, **EBITDA** amounted to **€248 million** in fourth-quarter 2025, and the **EBITDA margin** stood at **11.8%**. This performance was also impacted by low cycle conditions in upstream acrylics and included an unfavorable currency effect of around €15 million.

At **€631 million**, **sales** in the **Adhesive Solutions** segment in fourth-quarter 2025 were up 1.1% year-on-year excluding the negative currency effect of 4.6%. They were supported by a 4.9% positive scope effect corresponding to the acquisition of Dow's laminating adhesives business in December 2024. Down 1.8%, volumes decreased in most end-markets in the United States, while they were broadly stable in Europe and Asia. The price effect stood at a negative 2.0%, reflecting the evolution of the mix and the decrease of certain raw material costs.

Segment **EBITDA** factored these elements and came in at **€70 million** in fourth-quarter 2025 with an **EBITDA margin** at **11.1%**, also reflecting a more pronounced seasonality at the end of the year.

At **€820 million, sales** in the **Advanced Materials** segment in fourth-quarter 2025 decreased by 1.8% year-on-year at constant currencies. Volumes were down 2.8% in a continuing weak demand environment and were impacted by the tight year-end inventory management at customers, in particular in High Performance Polymers. Despite this challenging environment, prices were up 1.0% compared to last year, supported notably by new business developments in attractive markets. Lastly, the currency effect stood at a negative 5.1%.

In this low volume environment, segment **EBITDA** amounted to **€113 million** and **EBITDA margin** came in at **13.8%** in fourth-quarter 2025. This performance reflected also the combination of an unfavorable geographical mix in High Performance Polymers due to lower volumes in Europe and North America, the tight management of inventories and a negative currency effect.

Coating Solutions segment **sales** stood at **€472 million** in fourth-quarter 2025, down 16.5% year-on-year. Volumes decreased by 4.7%, reflecting the weak construction and decorative paints markets, in both Europe and North America. Prices declined 7.2%, impacted by market conditions in upstream acrylics and reflecting also the decrease of raw material costs in downstream activities. Lastly, currency effect was a negative 4.6%.

In this context, segment **EBITDA** decreased to **€32 million** in fourth-quarter 2025, and the **EBITDA margin** came in at **6.8%**.

At **€175 million, sales** of the **Intermediates** segment increased by 6.1% compared to the fourth quarter of 2024. The segment's sales benefited from volumes up 6.9% and prices up 6.3%, driven essentially by a better performance in refrigerant gases in both Europe and North America compared to last year. The currency effect was a negative 7.1%.

Fourth-quarter 2025 **EBITDA** was therefore significantly up year-on-year, amounting to **€46 million** and the **EBITDA margin** stood at the high level of **26.3%**.

FOURTH-QUARTER 2025 HIGHLIGHTS

On 4 December 2025, Arkema signed a strategic partnership in battery separators with Semcorp to establish a collaboration aimed at accelerating innovation in battery separator technologies and supporting Semcorp in its international expansion. This collaboration also aims to support joint development initiatives focused on next-generation separators, leveraging both companies' innovative solutions to enhance performance and safety.

On 23 December 2025, Arkema announced the proposed divestment to the Indian group Praana of some of its businesses in impact modifiers and processing aids, additives used in the manufacture of PVC profiles, pipes and packaging as well as engineering plastics. This project entails the divestment of the Vlissingen production facility in the Netherlands which employs 50 people. This proposed divestment is expected to be finalized in the first half of 2026. With this project, the Group continues to refocus its portfolio on its strategic activities.

SUBSEQUENT EVENTS

On 13 January 2026, Arkema successfully started up its new Rilsan® Clear transparent polyamide unit in Singapore, strengthening Arkema's leadership in high-performance polymers and giving the Group the largest transparent polyamide production capacity in Asia. The new unit triples the Group's global production capacity of Rilsan® Clear transparent polyamides. This investment of around US\$20 million is part of the major growth projects in which Arkema has recently invested to support its strategic roadmap on Specialty Materials.

On 3 February 2026, Arkema signed a Memorandum of Understanding (MoU) with Senior to further strengthen their long-term strategic cooperation and jointly advance innovation across the battery value chain. This collaboration aims to accelerate the development, validation and industrial deployment of innovative material solutions for next-generation batteries in the fast-growing global new energy sector.

OUTLOOK

In a global macroeconomic environment marked so far by overall weak demand, adverse currency effects and limited visibility, the Group will continue to focus on the elements under its control.

Arkema will rely on the ramp-up of its major projects in high value-added innovative applications in the US and in Asia in which it has invested in the last few years. Their additional EBITDA contribution is expected to reach around €50 million in 2026 versus 2025, supported also by the three new production capacities recently started up.

The Group will also continue to tightly control its working capital and operating costs with the aim to offset fixed cost inflation in 2026. Furthermore, Arkema will pursue the streamlining and simplification of its organization and anticipates headcount to decline by around 3% per year over the next three years. In addition, the Group will manage its capital expenditure at around €600 million in 2026, leaving space for targeted investments in attractive markets.

Based on these elements, the Group targets a slight EBITDA growth in 2026 at constant currencies.

Arkema will also continue to implement its strategic roadmap on Specialty Materials, leveraging its cutting-edge innovation, strengthening partnerships with its customers, and deploying its portfolio of technologies to support the development of solutions for a less carbon-intensive and more sustainable world.

REVISED SEGMENTATION FROM 2026

In a global landscape that is both increasingly volatile and rich in new opportunities, Arkema continues to advance its roadmap toward innovative, high performance materials. To better reflect the dynamics of its portfolio and enhance the transparency of its performance, the Group will implement a new segmentation of its activities starting in 2026.

This evolution will help better highlight:

- the resilient, structurally growing platforms within Specialty Materials, which remain central to Arkema's long term value creation;
- the distinct dynamics of more cyclical, large scale industrial activities, now consolidated under a dedicated segment, Primary Materials.

Starting in 2026, Arkema will therefore introduce a Primary Materials segment alongside the three existing Specialty Materials segments whose perimeters will be slightly adjusted. The current Intermediates segment will be discontinued.

The Primary Materials segment will include:

- the global acrylic monomers business comprising of its European, North American and Asian activities, whose earnings have shown increased cyclicity in recent years, but whose profitability is expected to rebound mid-term from the current low-cycle conditions, relying notably on its strong industrial and commercial positions;
- legacy refrigerants, largely expected to phase out around 2030, differentiating themselves from the high growth, next generation solutions, which will now be consolidated under Specialty Materials; and
- the hydrogen peroxide business and some of its derivatives, whose local and cyclical profile is better aligned with the characteristics of this segment.

Conversely, next generation, low GWP (Global Warming Potential), high value-added refrigerants will be integrated into the Fluorospecialties portfolio within High Performance Polymers. This shift underscores the strong growth potential of these technologies, supported by rising demand, in particular in North America, and by their expanding applications such as high temperature heat pumps and thermal management for data centers, for which the Group has recently broadened its product offering and further enhanced a strong positioning following several years of innovation.

Under this revised structure, the three Specialty Materials segments account for approximately 85% of Group sales in 2025 and demonstrate solid resilience, with an EBITDA margin range limited to 210 bps since 2019 and only a moderate year on year EBITDA decline in 2025 (5% at constant exchange rate) despite a challenging macro environment.

This new segmentation will provide the financial community with greater transparency regarding Arkema's business drivers, earnings quality, and long-term value creation profile.

Reflecting these changes, key figures by segment for the year 2025, are as follows:

<i>in millions of euros</i>	Adhesive Solutions	Advanced Materials	Coating Solutions	Primary Materials	Corporate	FY'25
Sales	2,737	3,376	1,542	1,380	33	9,068
EBITDA	365	658	181	133	-86	1,251
EBITDA margin	13.3%	19.5%	11.7%	9.6%		13.8%
Recurring depreciation and amortization	-109	-368	-64	-133	-13	-687
Recurring operating income (REBIT)	256	290	117	0	-99	564
REBIT margin	9.4%	8.6%	7.6%	0.0%		6.2%
CAPEX intensity	3.0%	8.6%	3.0%	13.6%*		7.0%

Non audited estimates provided for information purposes only

** including decarbonization capex for the acrylics plant in France, down to 8.8% excluding this project*

Further details concerning the Group's 2025 results are provided in the "Full-year 2025 results and outlook" presentation and the "Factsheet", both available on Arkema's website at: www.arkema.com/global/en/investor-relations/

The consolidated financial statements at 31 December 2025 have been audited, and an unqualified certification report has been issued by the Company's statutory auditors. These financial statements and the statutory auditors' report have been posted on the Company's website at: www.arkema.com/global/en/investor-relations/

FINANCIAL CALENDAR

- 6 May 2026: Publication of first-quarter 2026 results
- 21 May 2026: Annual general meeting
- 30 July 2026: Publication of first-half 2026 results
- 5 November 2026: Publication of third-quarter 2026 results

DISCLAIMER

The information disclosed in this press release may contain forward-looking statements with respect to the financial position, results of operations, business and strategy of Arkema.

In a context of significant geopolitical tensions, where the outlook for the global economy remains uncertain, the retained assumptions and forward-looking statements could ultimately prove inaccurate. Such statements are based on management's current views and assumptions that could ultimately prove inaccurate and are subject to risk factors such as (but not limited to) changes in raw materials prices, currency fluctuations, and the pace at which cost-reduction projects are implemented, escalating geopolitical tensions, and changes in general economic and financial 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.

Balance sheet, income statement and cash flow statement data, as well as data relating to the statement of changes in shareholders' equity and information by segment included in this press release are extracted from the consolidated financial statements at 31 December 2025 as approved by Arkema's Board of Directors on 25 February 2026. Quarterly financial information is not audited. Information by segment is presented in accordance with Arkema's internal reporting system used by management.

Definitions and reconciliation tables for the main alternative performance indicators used by the Group are provided in Sections 6 and 8 of the consolidated financial information at the end of December 2025 available at the end of this document.

For the purpose of tracking changes in its results, and particularly its sales figures, the Group analyzes the following effects (unaudited analyses):

- **scope effect:** the impact of changes in the Group's scope of consolidation, which arise from acquisitions and divestments of entire businesses or as a result of the first-time consolidation or deconsolidation of entities. Increases or reductions in capacity are not included in the scope effect;
- **currency effect:** the mechanical impact of consolidating accounts denominated in currencies other than the euro at different exchange rates from one period to another. The currency effect is calculated by applying the foreign exchange rates of the prior period to the figures for the period under review;
- **price effect:** the impact of changes in average selling prices is estimated by comparing the weighted average net unit selling price of a range of related products in the period under review with their weighted average net unit selling price in the prior period, multiplied, in both cases, by the volumes sold in the period under review; and
- **volume effect:** the impact of changes in volumes is estimated by comparing the quantities delivered in the period under review with the quantities delivered in the prior period, multiplied, in both cases, by the weighted average net unit selling price in the prior period.

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 more sustainable materials. In line with the Group's ambition to become a world leader in Specialty Materials, Arkema's business is focused around three complementary, resilient and highly innovative segments dedicated to Specialty Materials - Adhesive Solutions, Advanced Materials, and Coating Solutions. 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 around €9.1 billion in 2025 and operates in some 55 countries with 20,700 employees worldwide.

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ARKEMA financial statements

Consolidated financial information - At the end of December 2025

Consolidated financial statements as of December 2024 and 2025 have been audited

1. CONSOLIDATED INCOME STATEMENT

<i>(In millions of euros)</i>	<u>4th quarter 2025</u>	<u>4th quarter 2024</u>
Sales	2,105	2,273
Operating expenses	(1,793)	(1,873)
Research and development expenses	(74)	(71)
Selling and administrative expenses	(213)	(225)
Other income and expenses	(50)	(54)
Operating income	(25)	50
Equity in income of affiliates	0	(2)
Financial result	(34)	(20)
Income taxes	(11)	(20)
Net income	(70)	8
Attributable to non-controlling interests	(2)	(4)
Net income - Group share	(68)	12
<i>Earnings per share (amount in euros)</i>	<i>(0.90)</i>	<i>0.15</i>
<i>Diluted earnings per share (amount in euros)</i>	<i>(0.90)</i>	<i>0.15</i>

<i>(In millions of euros)</i>	<u>End of December 2025</u>	<u>End of December 2024</u>
Sales	9,068	9,544
Operating expenses *	(7,454)	(7,605)
Research and development expenses *	(284)	(278)
Selling and administrative expenses	(910)	(920)
Other income and expenses	(132)	(155)
Operating income	288	586
Equity in income of affiliates	(1)	(6)
Financial result	(125)	(73)
Income taxes	(100)	(150)
Net income	62	357
Attributable to non-controlling interests	(1)	3
Net income - Group share	63	354
<i>Earnings per share (amount in euros)</i>	<i>0.52</i>	<i>4.51</i>
<i>Diluted earnings per share (amount in euros)</i>	<i>0.51</i>	<i>4.49</i>

* Includes a correction of Q3'24 data (transfer between "Operating expenses" and "Research and development expenses")

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(In millions of euros)</i>	<u>4th quarter 2025</u>	<u>4th quarter 2024</u>
Net income	(70)	8
Hedging adjustments	(16)	(13)
Other items	0	—
Deferred taxes on hedging adjustments and other items	0	0
Change in translation adjustments	(11)	237
Other recyclable comprehensive income	(27)	224
Impact of remeasuring unconsolidated investments	0	(2)
Actuarial gains and losses	4	4
Deferred taxes on actuarial gains and losses	(3)	(1)
Other non-recyclable comprehensive income	1	1
Total other comprehensive income	(26)	225
Total comprehensive income	(96)	233
Attributable to non-controlling interest	(12)	(18)
Total comprehensive income - Group share	(84)	251

<i>(In millions of euros)</i>	<u>End of December 2025</u>	<u>End of December 2024</u>
Net income	62	357
Hedging adjustments	(6)	(3)
Other items	0	—
Deferred taxes on hedging adjustments and other items	0	(1)
Change in translation adjustments	(569)	153
Other recyclable comprehensive income	(575)	149
Impact of remeasuring unconsolidated investments	(15)	(3)
Actuarial gains and losses	21	8
Deferred taxes on actuarial gains and losses	(5)	(2)
Other non-recyclable comprehensive income	1	3
Total other comprehensive income	(574)	152
Total comprehensive income	(512)	509
Attributable to non-controlling interest	(42)	(22)
Total comprehensive income - Group share	(470)	531

3. CONSOLIDATED CASH FLOW STATEMENT

End of December 2025

End of December 2024

(In millions of euros)

Net income	62	357
Depreciation, amortization and impairment of assets	838	802
Other provisions and deferred taxes	(63)	2
(Gains)/Losses on sales of long-term assets	(11)	(1)
Undistributed affiliate equity earnings	1	7
Change in working capital	156	(87)
Other changes	14	41
Cash flow from operating activities	997	1,121
Intangible assets and property, plant, and equipment additions	(636)	(761)
Change in fixed asset payables	(32)	34
Acquisitions of operations, net of cash acquired	2	(150)
Increase in long-term loans	(58)	(132)
Total expenditures	(724)	(1,009)
Proceeds from sale of intangible assets and property, plant and equipment	20	10
Change in fixed asset receivables	8	(7)
Proceeds from sale of operations, net of cash transferred	—	3
Repayment of long-term loans	80	63
Total divestitures	108	69
Cash flow from investing activities	(616)	(940)
Issuance/(Repayment) of shares and paid-in surplus	—	63
Acquisition/sale of treasury shares	(33)	(35)
Issuance of hybrid bonds	399	399
Redemption of hybrid bonds	—	(400)
Dividends paid to parent company shareholders	(272)	(261)
Interest paid to bearers of subordinated perpetual notes	(24)	(16)
Dividends paid to non-controlling interests and buyout of minority interests	(4)	(2)
Increase in long-term debt	505	502
Decrease in long-term debt	(448)	(791)
Increase / (Decrease) in short-term debt	(409)	334
Cash flow from financing activities	(286)	(207)
Net increase/(decrease) in cash and cash equivalents	95	(26)
Effect of exchange rates and changes in scope	80	(6)
Cash and cash equivalents at beginning of period	2,013	2,045
Cash and cash equivalents at end of the period	2,188	2,013

4. CONSOLIDATED BALANCE SHEET

31st December 2025

31st December 2024

(In millions of euros)

	31st December 2025	31st December 2024
ASSETS		
Goodwill	2,865	3,071
Other intangible assets, net	2,142	2,373
Property, plant and equipment, net	3,935	4,227
Investments in equity affiliates	9	11
Other investments	33	50
Deferred tax assets	151	155
Other non-current assets	285	327
TOTAL NON-CURRENT ASSETS	9,420	10,214
Inventories	1,142	1,348
Accounts receivable	1,185	1,312
Other receivables and prepaid expenses	202	201
Income taxes recoverable	100	101
Current financial derivative assets	8	20
Cash and cash equivalents	2,188	2,013
Assets held for sale	—	—
TOTAL CURRENT ASSETS	4,825	4,995
TOTAL ASSETS	14,245	15,209
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	761	761
Paid-in surplus and retained earnings	6,292	6,439
Treasury shares	(30)	(22)
Translation adjustments	(180)	348
SHAREHOLDERS' EQUITY - GROUP SHARE	6,843	7,526
Non-controlling interests	189	235
TOTAL SHAREHOLDERS' EQUITY	7,032	7,761
Deferred tax liabilities	429	435
Provisions for pensions and other employee benefits	340	391
Other provisions and non-current liabilities	382	456
Non-current debt	3,802	3,680
TOTAL NON-CURRENT LIABILITIES	4,953	4,962
Accounts payable	971	1,074
Other creditors and accrued liabilities	438	424
Income tax payables	71	82
Current financial derivative liabilities	24	32
Current debt	756	874
Liabilities associated with assets held for sale	—	—
TOTAL CURRENT LIABILITIES	2,260	2,486
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	14,245	15,209

5. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(In millions of euros)	Shares issued				Retained earnings	Translation adjustments	Treasury shares		Shareholders' equity - Group share	Non-controlling interests	Shareholders' equity
	Number	Amount	Paid-in surplus	Hybrid bonds			Number	Amount			
At 1st January 2025	76,060,831	761	1,117	700	4,622	348	(257,160)	(22)	7,526	235	7,761
Cash dividend	—	—	—	—	(296)	—	—	—	(296)	(8)	(304)
Issuance of share capital	—	—	—	—	—	—	—	—	—	—	—
Capital reduction by cancellation of treasury shares	—	—	—	—	—	—	—	—	—	—	—
Acquisition/sale of treasury shares	—	—	—	—	—	—	(484,940)	(33)	(33)	—	(33)
Grants of treasury shares to employees	—	—	—	—	(25)	—	318,027	25	0	—	0
Share-based payments	—	—	—	—	16	—	—	—	16	—	16
Issuance of hybrid bonds	—	—	—	400	(1)	—	—	—	399	—	399
Redemption of hybrid bonds *	—	—	—	(300)	—	—	—	—	(300)	—	(300)
Other	—	—	—	—	1	—	—	—	1	4	5
Transactions with shareholders	—	—	—	100	(305)	—	(166,913)	(8)	(213)	(4)	(217)
Net income	—	—	—	—	63	—	—	—	63	(1)	62
Total income and expense recognized directly through equity	—	—	—	—	(5)	(528)	—	—	(533)	(41)	(574)
Total comprehensive income	—	—	—	—	58	(528)	—	—	(470)	(42)	(512)
At 31st December 2025	76,060,831	761	1,117	800	4,375	(180)	(424,073)	(30)	6,843	189	7,032

* The €300 million hybrid bond issued in 2020 has been reclassified under "Current-debt" following the announcement in the fourth quarter 2025 of the Group's intention to exercise the optional redemption on 21 January 2026.

6. ALTERNATIVE PERFORMANCE INDICATORS

The Group uses performance indicators that are not directly defined in the consolidated financial statements under IFRS and which are used as monitoring and analysis tools. The purpose of these indicators is to provide additional information to illustrate the Group's financial performance and its various activities, notably by eliminating exceptional or non-recurring items in certain cases, to ensure period-on-period comparability. In some cases, the indicators may also provide a consistent basis for comparison with the financial performance of our peers. A reconciliation with the aggregates of the IFRS consolidated financial statements is presented in this note.

RECURRING OPERATING INCOME (REBIT) AND EBITDA

(In millions of euros)	End of December 2025	End of December 2024	4 th quarter 2025	4 th quarter 2024
OPERATING INCOME	288	586	(25)	50
- Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(144)	(154)	(39)	(41)
- Other income and expenses	(132)	(155)	(50)	(54)
RECURRING OPERATING INCOME (REBIT)	564	895	64	145
- Recurring depreciation and amortization of property, plant and equipment and intangible assets	(687)	(637)	(184)	(179)
EBITDA	1,251	1,532	248	324

Details of depreciation and amortization of property, plant and equipment and intangible assets:

(In millions of euros)	End of December 2025	End of December 2024	4 th quarter 2025	4 th quarter 2024
Depreciation and amortization of property, plant and equipment and intangible assets	(838)	(802)	(231)	(220)
Of which: Recurring depreciation and amortization of property, plant and equipment and intangible assets	(687)	(637)	(184)	(179)
Of which: Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(144)	(154)	(39)	(41)
Of which: impairment included in other income and expenses	(7)	(11)	(8)	0

ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE

(In millions of euros)	End of December 2025	End of December 2024	4 th quarter 2025	4 th quarter 2024
NET INCOME - GROUP SHARE	63	354	(68)	12
- Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(144)	(154)	(39)	(41)
- Other income and expenses	(132)	(155)	(50)	(54)
- Other income and expenses attributable to non-controlling interests	—	—	—	—
- Taxes on depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	31	34	9	9
- Taxes on other income and expenses	20	21	13	4
- One-time tax effects	(40)	(8)	(34)	(2)
ADJUSTED NET INCOME	328	616	33	96
Weighted average number of ordinary shares	75,515,945	74,869,439		
Weighted average number of potential ordinary shares	75,966,858	75,204,737		
ADJUSTED EARNINGS PER SHARE (in euros)	4.34	8.23	0.43	1.27
DILUTED ADJUSTED EARNINGS PER SHARE (in euros)	4.32	8.19	0.44	1.27

RECURRING CAPITAL EXPENDITURE

(In millions of euros)	End of December 2025	End of December 2024	4 th quarter 2025	4 th quarter 2024
INTANGIBLE ASSETS AND PROPERTY, PLANT, AND EQUIPMENT ADDITIONS	636	761	265	325
- Exceptional capital expenditure	—	—	—	—
- Investments relating to portfolio management operations	—	—	—	—
- Capital expenditure with no impact on net debt	—	—	—	—
RECURRING CAPITAL EXPENDITURE	636	761	265	325

CASH FLOWS AND CONVERSION RATE

(In millions of euros)	End of December 2025	End of December 2024	4 th quarter 2025	4 th quarter 2024
+ Cash flow from operating activities	997	1,121	424	407
+ Cash flow from investing activities	(616)	(940)	(159)	(394)
NET CASH FLOW	381	181	265	13
- Net cash flow from portfolio management operations	(9)	(177)	(4)	(135)
FREE CASH FLOW	390	358	269	148
- Exceptional capital expenditure	—	—	—	—
- Non-recurring cash flow	(74)	(61)	(15)	(9)
RECURRING CASH FLOW	464	419	284	157
- Recurring capital expenditure	(636)	(761)	(265)	(325)
OPERATING CASH FLOW	1,100	1,180	549	482

(In millions of euros)	End of December 2025	End of December 2024
RECURRING CASH FLOW	464	419
EBITDA	1,251	1,532
EBITDA TO CASH CONVERSION RATE	37.1%	27.3%

(In millions of euros)	End of December 2025	End of December 2024
OPERATING CASH FLOW	1,100	1,180
EBITDA	1,251	1,532
EBITDA TO OPERATING CASH CONVERSION RATE	87.9 %	77.0 %

NET DEBT

<i>(In millions of euros)</i>	<u>End of December 2025</u>	<u>End of December 2024</u>
Non-current debt	3,802	3,680
+ Current debt	756	874
- Cash and cash equivalents	2,188	2,013
NET DEBT	2,370	2,541
+ Hybrid bonds	800	700
NET DEBT AND HYBRID BONDS	3,170	3,241
Last twelve months EBITDA	1,251	1,532
NET DEBT AND HYBRID BONDS TO EBITDA RATIO	2.5	2.1

WORKING CAPITAL

<i>(In millions of euros)</i>	<u>End of December 2025</u>	<u>End of December 2024</u>
Inventories	1,142	1,348
+ Accounts receivable	1,185	1,312
+ Other receivables including income taxes recoverable	302	302
+ Current financial derivative assets	8	20
- Accounts payable (operating suppliers)	971	1,074
- Other liabilities including income taxes	509	506
- Current financial derivative liabilities	24	32
WORKING CAPITAL	1,133	1,370

CAPITAL EMPLOYED

<i>(In millions of euros)</i>	<u>End of December 2025</u>	<u>End of December 2024</u>
Goodwill, net	2,865	3,071
+ Intangible assets (excluding goodwill), and property, plant and equipment, net	6,077	6,600
+ Investments in equity affiliates	9	11
+ Other investments and other non-current assets	318	377
+ Working capital	1,133	1,370
CAPITAL EMPLOYED	10,402	11,429
Adjustment *	—	—
ADJUSTED CAPITAL EMPLOYED	10,402	11,429

*Adjustment related to acquisitions finalized during the year and divestments announced during the year but not finalized at 31 December.

No adjustment in 2024 for the acquisition of Dow's flexible packaging laminating adhesives, as the capital employed relating to this business is not material for the Group.

RETURN ON CAPITAL EMPLOYED (ROCE)

<i>(In millions of euros)</i>	<u>End of December 2025</u>	<u>End of December 2024</u>
Recurring operating income (REBIT)	564	895
Capital employed	10,402	11,429
RETURN ON CAPITAL EMPLOYED (ROCE)	5.4 %	7.8 %

RETURN ON ADJUSTED CAPITAL EMPLOYED

<i>(In millions of euros)</i>	<u>End of December 2025</u>	<u>End of December 2024</u>
Recurring operating income (REBIT)	564	895
Adjusted capital employed	10,402	11,429
RETURN ON ADJUSTED CAPITAL EMPLOYED	5.4 %	7.8 %

7. INFORMATION BY SEGMENT

4th quarter 2025

<i>(In millions of euros)</i>	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	631	820	472	175	7	2,105
EBITDA ^(a)	70	113	32	46	(13)	248
Recurring depreciation and amortization of property, plant and equipment and intangible assets ^(a)	(31)	(112)	(32)	(7)	(2)	(184)
Recurring operating income (REBIT) ^(a)	39	1	0	39	(15)	64
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(29)	(8)	(2)	—	—	(39)
Other income and expenses	(9)	(21)	(14)	0	(6)	(50)
Operating income	1	(28)	(16)	39	(21)	(25)
Equity in income of affiliates	—	(1)	—	—	1	0
Intangible assets and property, plant, and equipment additions	37	136	67	14	11	265
Of which: recurring capital expenditure ^(a)	37	136	67	14	11	265

4th quarter 2024

<i>(In millions of euros)</i>	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	654	881	565	165	8	2,273
EBITDA ^(a)	91	166	54	24	(11)	324
Recurring depreciation and amortization of property, plant and equipment and intangible assets ^(a)	(24)	(108)	(34)	(9)	(4)	(179)
Recurring operating income (REBIT) ^(a)	67	58	20	15	(15)	145
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(27)	(13)	(1)	—	—	(41)
Other income and expenses	(18)	(25)	2	5	(18)	(54)
Operating income	22	20	21	20	(33)	50
Equity in income of affiliates	—	(2)	—	—	—	(2)
Intangible assets and property, plant, and equipment additions	41	183	70	7	24	325
Of which: recurring capital expenditure ^(a)	41	183	70	7	24	325

(a) Alternative performance indicator: refer to sections 6 and 8 for reconciliation tables and definitions.

7. INFORMATION BY SEGMENT

End of December 2025

(In millions of euros)

	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	2,737	3,441	2,176	681	33	9,068
EBITDA ^(a)	365	616	194	162	(86)	1,251
Recurring depreciation and amortization of property, plant and equipment and intangible assets ^(a)	(109)	(411)	(126)	(28)	(13)	(687)
Recurring operating income (REBIT) ^(a)	256	205	68	134	(99)	564
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(102)	(35)	(7)	—	—	(144)
Other income and expenses	(28)	(75)	(14)	3	(18)	(132)
Operating income	126	95	47	137	(117)	288
Equity in income of affiliates	—	(1)	—	—	0	(1)
Intangible assets and property, plant, and equipment additions	83	326	177	23	27	636
Of which: recurring capital expenditure ^(a)	83	326	177	23	27	636

End of December 2024

(In millions of euros)

	Adhesive Solutions	Advanced Materials	Coating Solutions	Intermediates	Corporate	Total
Sales	2,722	3,562	2,455	768	37	9,544
EBITDA ^(a)	412	707	301	198	(86)	1,532
Recurring depreciation and amortization of property, plant and equipment and intangible assets ^(a)	(89)	(371)	(127)	(41)	(9)	(637)
Recurring operating income (REBIT) ^(a)	323	336	174	157	(95)	895
Depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses	(108)	(40)	(6)	—	—	(154)
Other income and expenses	(43)	(89)	2	4	(29)	(155)
Operating income	172	207	170	161	(124)	586
Equity in income of affiliates	—	(6)	—	—	—	(6)
Intangible assets and property, plant, and equipment additions	89	459	141	21	51	761
Of which: recurring capital expenditure ^(a)	89	459	141	21	51	761

(a) Alternative performance indicator: refer to sections 6 and 8 for reconciliation tables and definitions.

8. DEFINITIONS OF ALTERNATIVE PERFORMANCE INDICATORS

- **Recurring depreciation and amortization of property, plant and equipment and intangible assets**

This alternative performance indicator corresponds to depreciation, amortization and impairment of property, plant and equipment and intangible assets before taking into account:

- i. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses, and
- ii. impairment included in other income and expenses.

The indicator facilitates period-to-period comparisons by eliminating non-recurring items.

- **Working capital**

This alternative performance indicator corresponds to the net amount of current assets and liabilities relating to operating activities, capital expenditure and financing activities. It reflects the Group's short-term financing requirements resulting from cash flow timing differences between outflows and inflows relating to operating activities.

- **Capital employed**

This alternative performance indicator corresponds to the sum of the following:

- i. the net book value of goodwill,
- ii. the net book value of intangible assets (excluding goodwill) and property, plant and equipment,
- iii. the amount of investments in equity affiliates,
- iv. the amount of other investments and other non-current assets, and
- v. working capital.

Capital employed is used to analyze the amount of capital invested by the Group to conduct its business.

- **Adjusted capital employed**

This alternative performance indicator corresponds to capital employed adjusted for divestments and acquisitions, to ensure consistency between the numerator and denominator items used to calculate ROCE.

In the case of an announced divestment of a business announced and not finalized by 31 December, the operating income of this business remains consolidated in the income statement, and is therefore included in the calculation of REBIT, whereas items relating to capital employed are classified as assets/liabilities held for sale and are therefore excluded from the calculation of capital employed. To ensure consistency between the numerator and denominator items used to calculate ROCE, capital employed at 31 December is increased by the capital employed relating to the business being sold.

When an acquisition is finalized during the year, operating results are only consolidated in the income statement from the date of acquisition, and not for the full year, while capital employed is recognized in full at 31 December. When the acquisition has not generated a material contribution to the year's earnings, in order to ensure consistency between the numerator and denominator items used to calculate ROCE, capital employed at 31 December is reduced by the capital employed relating to the acquired business, unless they are considered as not material.

- **Net debt**

This alternative performance indicator corresponds to the sum of current and non-current debt less cash and cash equivalents.

- **Net debt and hybrid bonds**

This alternative performance indicator corresponds to the amount of net debt and hybrid bonds.

- **Net debt and hybrid bonds to EBITDA ratio**

This alternative performance indicator corresponds to the ratio of net debt and hybrid bonds to EBITDA. The indicator measures the level of debt in relation to the Group's operating performance, and provides a consistent basis for comparison with our peers.

- **Earnings Before Interest Taxes Depreciation & Amortization (EBITDA)**

The IFRS item most similar to this alternative performance indicator is operating income.

The indicator corresponds to operating income before taking into account:

- i. recurring depreciation and amortization of property, plant and equipment and intangible assets,
- ii. other income and expenses, and
- iii. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses.

This indicator is used to assess the Group's operating profitability and its ability to generate operating cash flow before changes in working capital, capital expenditure and cash flow from financing and tax expenses. It also facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **Recurring cash flow**

This alternative performance indicator corresponds to free cash flow excluding non-recurring or exceptional items, i.e., non-recurring cash flow and exceptional capital expenditure. The indicator enables period-to-period comparisons by eliminating the impact of exceptional or non-recurring items and portfolio management, and provides a consistent basis for comparison with our peers. It is used to assess the Group's ability to generate cash to finance its shareholder returns, non-recurring or exceptional items and acquisitions.

- **Free cash flow**

This alternative performance indicator corresponds to net cash flow before taking into account net cash flow from portfolio management operations. It enables period-to-period comparisons by eliminating portfolio management, and provides a consistent basis for comparison with our peers.

- **Net cash flow**

This alternative performance indicator corresponds to the sum of two IFRS items, cash flow from operations and cash flow from net investments. It provides an estimate of Group cash flow before changes in cash flow from financing activities.

- **Net cash flow from portfolio management operations**

This alternative performance indicator corresponds to cash flows from acquisitions and divestments as described in notes 3.2.2 "Acquisitions during the year" and 3.3 "Business divestments".

- **Non-recurring cash flow**

This alternative performance indicator corresponds to cash flow from other income and expenses, as described in note 6.1.5 "Other income and expenses".

- **Operating cash flow**

This alternative performance indicator corresponds to free cash flow before taking into account intangible assets and property, plant and equipment additions, adjusted for non-recurring cash flows. It is used to assess the Group's ability to generate cash to finance its intangible assets and property, plant and equipment additions, shareholder returns and acquisitions. It corresponds to and replaces the "Operating cash flow" indicator defined at the Capital Markets Day on 27 September 2023.

- **Recurring capital expenditure**

The IFRS item most similar to this alternative performance indicator is intangible assets and property, plant and equipment additions. Recurring capital expenditure includes all intangible assets and property, plant and equipment additions, adjusted for exceptional capital expenditure, investments linked to portfolio management operations and investments with no impact on net debt (financed by third parties). This indicator enables period-to-period comparisons by eliminating exceptional items, and provides a consistent basis for comparison with our peers.

- **Exceptional capital expenditure**

Alternative performance indicator corresponding to a very limited number of capital expenditure items for major development projects that the Group presents separately in its financial communication due to their size and nature.

- **REBIT margin**

This alternative performance indicator corresponds to the recurring operating income (REBIT) to sales ratio. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **EBITDA margin**

This alternative performance indicator corresponds to the EBITDA to sales ratio. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers. It is also one of the financial performance criteria linked to performance share plans.

- **Recurring operating income (REBIT)**

The IFRS item most similar to this alternative performance indicator is operating income. The indicator corresponds to operating income before taking into account:

- i. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses, and
- ii. other income and expenses.

The indicator assesses the Group's operating profitability before tax and excluding non-recurring items, whatever the financing structure, since it does not take into account financial result. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **Adjusted net income**

The IFRS item most similar to this alternative performance indicator is net income – Group share. This indicator corresponds to net income – Group share before non-recurring items. Exceptional or non-recurring items correspond to:

- i. other income and expenses, net of applicable taxes,
- ii. depreciation and amortization related to the revaluation of property, plant and equipment and intangible assets as part of the allocation of the purchase price of businesses, net of applicable taxes, and
- iii. one-time tax effects unrelated to other income and expenses and relating to events that are exceptional in terms of frequency and amount, such as the recognition or impairment of deferred tax assets, or the impact of a change in tax rates on deferred taxes.

This indicator enables us to assess the Group's profitability by taking account of not only operating items, but also the Group's financing structure and income taxes. It facilitates period-to-period comparisons by eliminating non-recurring items, and provides a consistent basis for comparison with our peers.

- **Adjusted earnings per share**

This alternative performance indicator is calculated by dividing adjusted net income for the period by the weighted average number of ordinary shares outstanding during the period.

- **Diluted adjusted earnings per share**

This alternative performance indicator corresponds to earnings per share adjusted for the dilutive effect of all potential ordinary shares. It is calculated by dividing adjusted net income for the period by the weighted average number of potential ordinary shares outstanding during the period.

- **Return on capital employed (ROCE)**

This alternative performance indicator corresponds to the ratio of recurring operating income (REBIT) for the period to capital employed at the end of the period. It is used to assess the profitability of capital expenditure over time.

- **Return on adjusted capital employed**

This alternative performance indicator corresponds to the ratio of recurring operating income (REBIT) for the period to the adjusted capital employed at the end of the period. It is used to assess the profitability of capital expenditure over time, by adjusting items relating to capital employed acquired during the period or in the course of disposal to bring them into line with the items used in REBIT.

- **EBITDA to cash conversion rate**

This alternative performance indicator corresponds to the ratio of recurring cash flow to EBITDA. The indicator is used to assess the Group's ability to generate cash to finance, in particular, returns to shareholders, exceptional capital expenditure and acquisitions.

- **EBITDA to operating cash conversion rate**

This alternative performance indicator corresponds to the ratio of operating cash flow to EBITDA. The indicator provides a consistent basis for comparison between periods and with our peers, whatever the growth strategy adopted, whether external growth through acquisitions or internal growth through capital expenditure. It is also one of the financial performance criteria linked to performance share plans. It corresponds to and replaces the "Operating cash conversion rate" indicator defined at the Capital Markets Day on 27 September 2023.