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Enriching lives through innovation

Earnings Summary

First Quarter 2018

Conference Call

Tuesday, May 1, 2018

10:00 a.m. ET

U.S. Participants:	(888) 713–4213
International Participants:	(617) 213–4865
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Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, business trends and other information that is not historical information. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “forecasts,” or future or conditional verbs, such as “will,” “should,” “could” or “may,” and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management’s examination of historical operating trends and data, are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will be achieved.

The forward-looking statements in this release are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the company's operations, markets, products, services, prices and other factors as discussed in the Huntsman companies' filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, reorganization or restructuring of Huntsman’s operations, including any delay of, or other negative developments affecting the ability to implement cost reductions and manufacturing optimization improvements in Huntsman businesses and realize anticipated cost savings, and other financial, economic, competitive, environmental, political, legal, regulatory and technological factors. Any forward-looking statement should be considered in light of the risks set forth under the caption “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2017.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date made. We undertake no obligation to update or revise forward-looking statements which may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

This presentation contains financial measures that are not in accordance with generally accepted accounting principles in the U.S. ("GAAP"), including EBITDA, adjusted EBITDA, adjusted EBITDA from discontinued operations, adjusted net income (loss), adjusted diluted income (loss) per share, free cash flow and net debt. The Company has provided reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures in the Appendix to this presentation.

Highlights

Note: Pigments & Additives business is treated as discontinued operations in all periods shown

($ in millions, except per share amounts)	1Q18	1Q17	4Q17
Revenues	$2,295	$1,932	$2,203
Net income	$ 350	$ 92	$ 287
Adjusted net income	$ 237	$ 110	$ 186
Diluted income per share	$ 1.11	$ 0.31	$ 1.00
Adjusted diluted income per share	$ 0.96	$ 0.45	$ 0.76
Adjusted EBITDA	$ 405	$ 260	$ 360
Net cash provided by operating activities from continuing operations	$ 111	$ 70	$ 304
Free cash flow	$ 56	$ 23	$ 190

See Appendix for reconciliations and important explanatory notes

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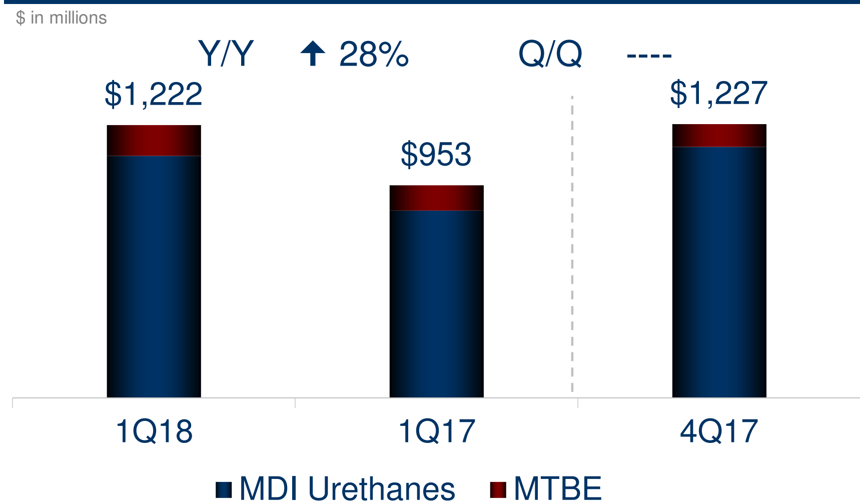
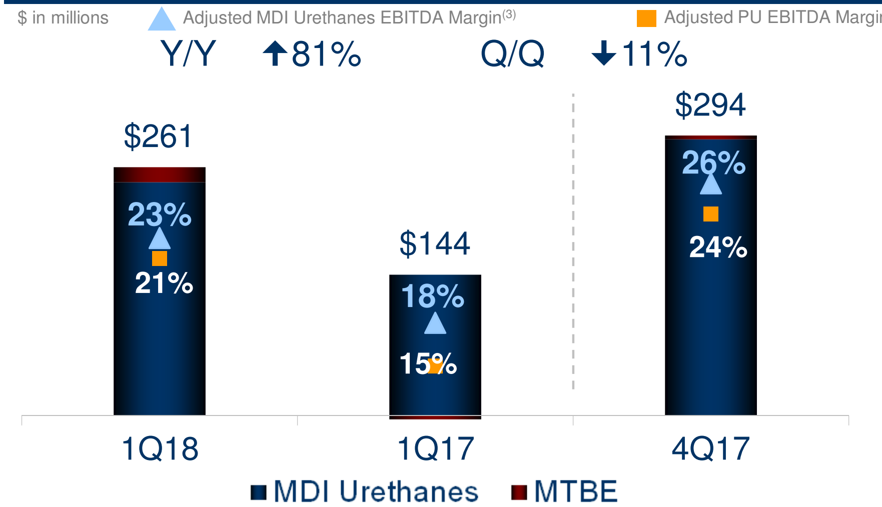
Polyurethanes

First Quarter 2018

Revenues



Adjusted EBITDA



Sales Factors

	Price: Local[1]	Price: FX[1]	Mix & Other	Volume[2]
Y/Y	↑15%	↑ 7%	↓ 3%	↑ 9%
Q/Q	↑ 2%	↑ 2%	↓ 5%	↑ 1%

(1) Excludes sales from tolling, by-products and raw materials
(2) Excludes sales volumes of by-products and raw materials
(3) Excludes MTBE

Highlights

Current Quarter

+ Strong demand for MDI globally
+ Strong volume growth and margins in downstream business
+ Improved MTBE margins

Outlook

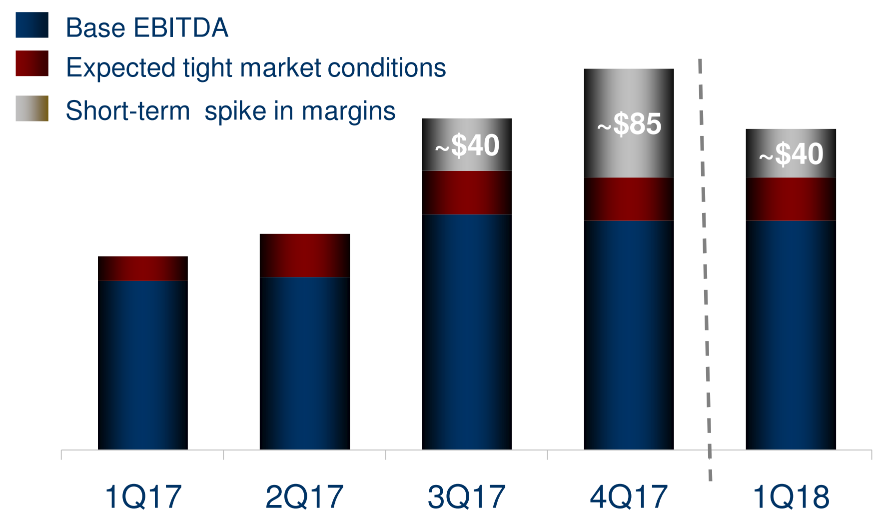
+ Favorable supply and demand dynamics
+ Growth in downstream differentiated systems (e.g. integrate Demilec)
– Remaining short-term spike in margins expected to decline
• MTBE margins remain depressed, but improved versus prior year

MDI Market Outlook

Industry status

- Current global effective operating rates are in the low 90s percent
- Component pricing:
  - As expected, during 1Q18, average China component polymeric pricing fell 20% versus the prior quarter, but then stabilized
  - Europe pricing softened slightly during 1Q and remain stable
  - US prices remain stable
- Differentiated margins and demand are strong and stable

Continued focus on growth in core business

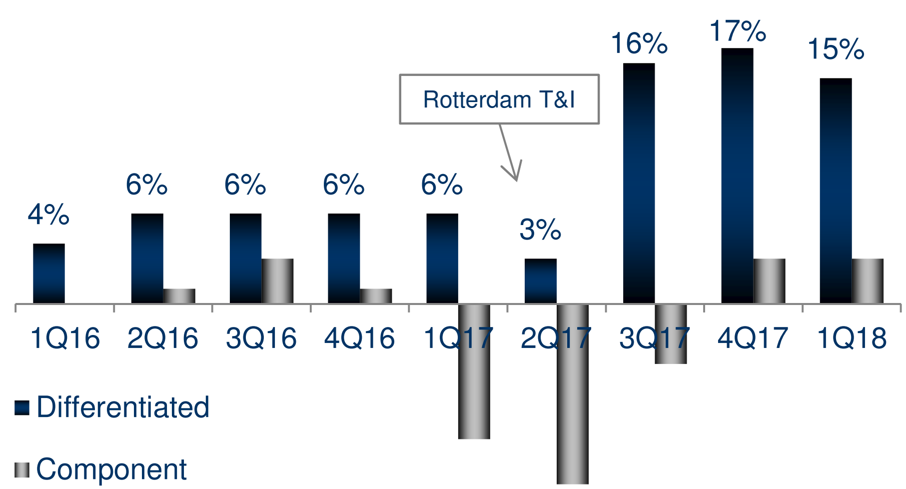


Longer-term market outlook remains tight

MDI Demand **MDI Capacity**

Focus on differentiated volume growth

Continued volume growth in more stable, high value differentiated business



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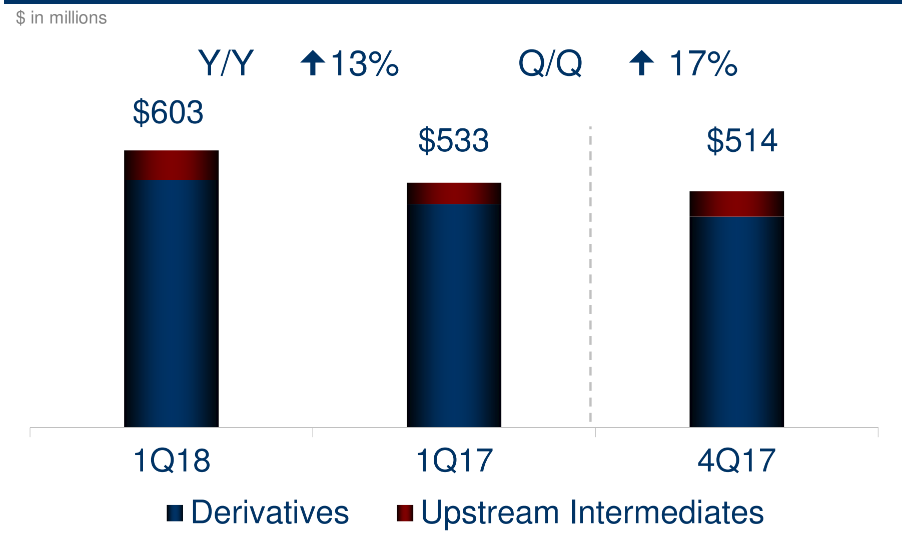
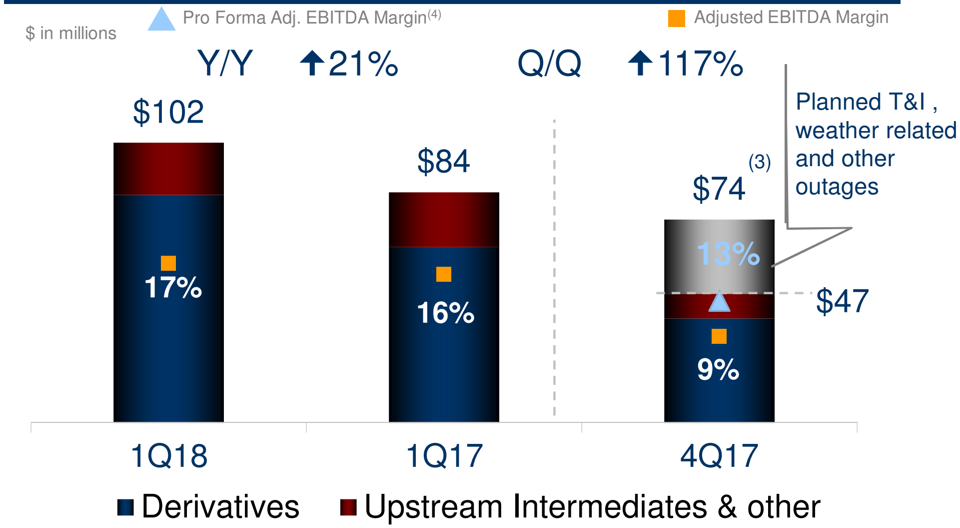
Performance Products

First Quarter 2018

Revenues



Adjusted EBITDA



Sales Factors

	Price: Local[1]	Price: FX[1]	Mix & Other	Volume[2]
Y/Y	↑ 8%	↑ 3%	↓ 8%	↑10%
Q/Q	↑ 1%	↑ 1%	↓13%	↑28%
Q/Q[3]	↑ 6%	↑ 1%	↓ 3%	↑ 4%

Highlights

Current Quarter

\+ Positive underlying trends in derivatives businesses
\+ Innovation across several markets adds to growth

Outlook

\+ Continued positive trends in derivatives businesses
– Some margin pressure in upstream intermediates
– 2Q18 planned Port Neches maintenance: ~$15mm-$20mm EBITDA

(1) Excludes sales from tolling, by-products and raw materials
(2) Excludes sales volumes of by-products and raw materials
(3) Pro forma adjusted to exclude the impact weather related and other outages .

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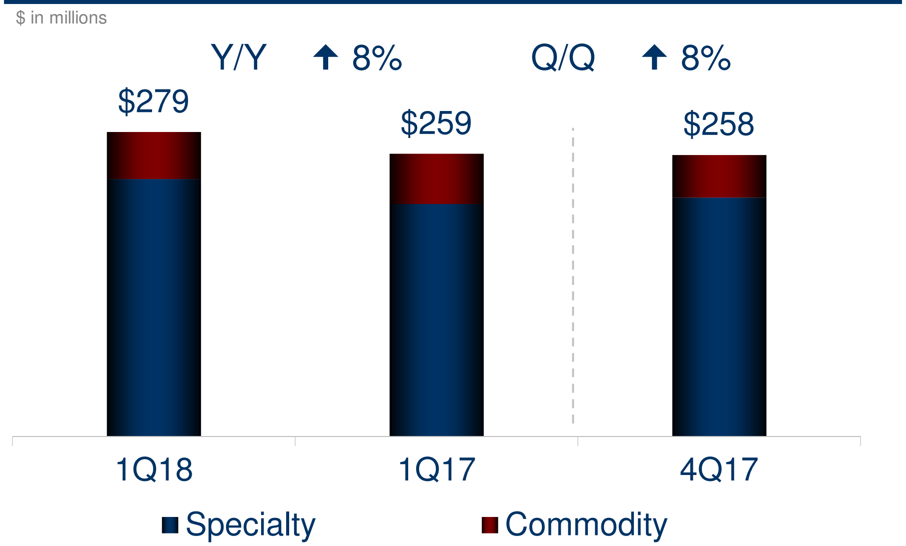
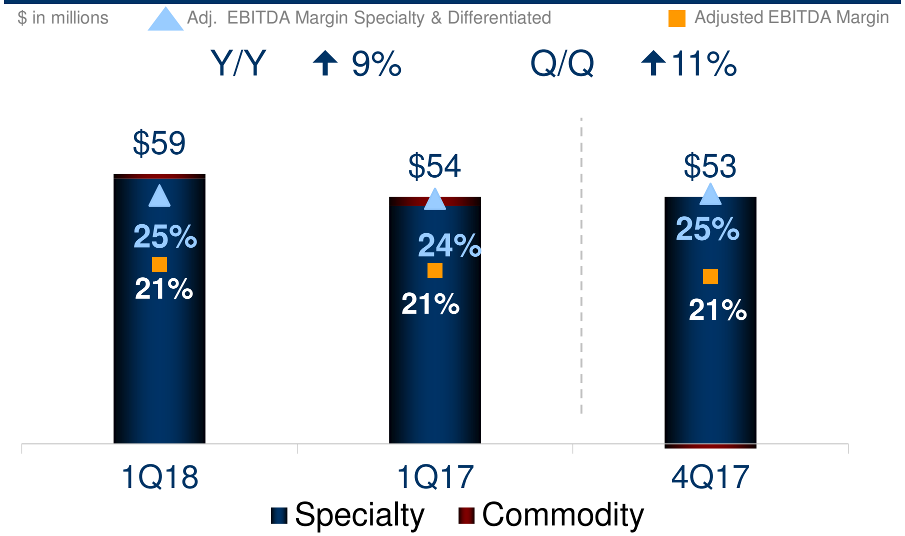
Advanced Materials

First Quarter 2018

Revenues



Adjusted EBITDA



Sales Factors

	Price: Local(1)	Price: FX(1)	Mix & Other	Volume(2)
Y/Y	↑ 2%	↑ 7%	↑ 2%	↓ 3%
Q/Q	↑ 1%	↑ 2%	↑ 1%	↑ 4%

Highlights

Current Quarter

+ Core specialty volume 4% higher YOY
+ Record EBITDA in the specialty business
– Minimal EBITDA contribution from commodity business

Outlook

+ Growth in the specialty business

(1) Excludes sales from tolling, by-products and raw materials
(2) Excludes sales volumes of by-products and raw materials

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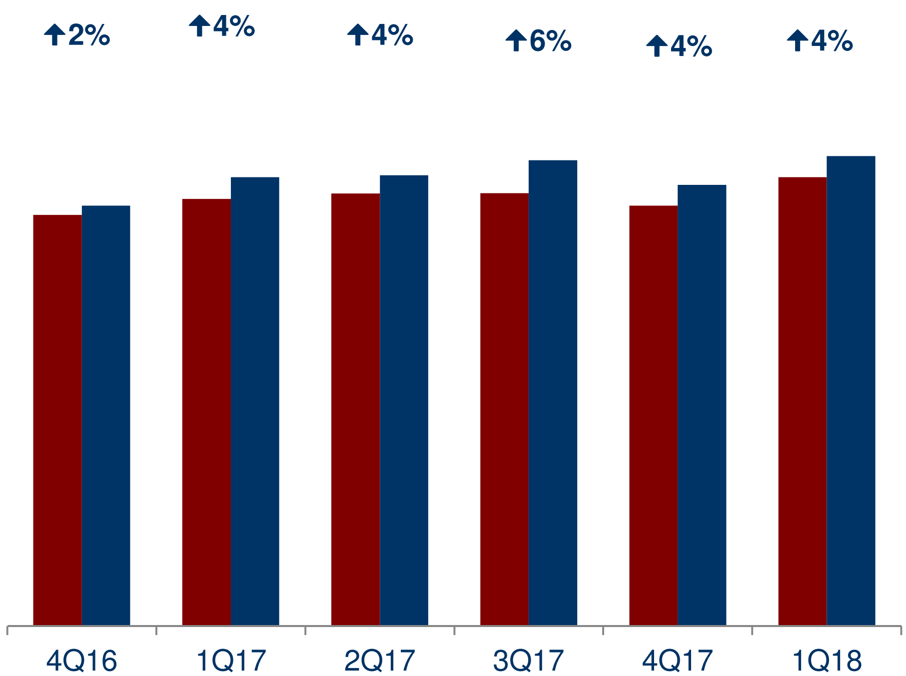
Advanced Materials

Consistent Specialty volume growth

Six consecutive quarters of YoY Specialty growth



Specialty EBITDA Margins:

4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
23%	**25%**	**26%**	**25%**	**25%**	**25%**

■ Prior year ■ Current Year

Focus on Specialty Portfolio

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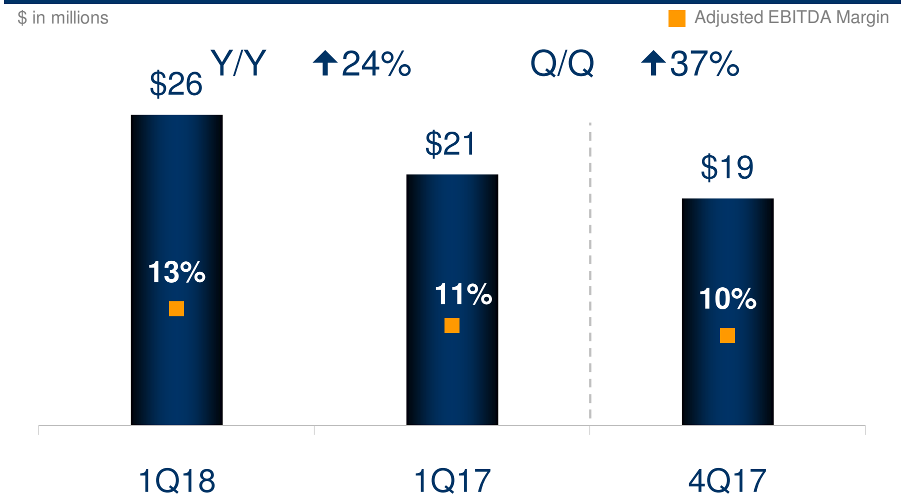
Textile Effects

First Quarter 2018

Revenues

Adjusted EBITDA



Sales Factors

	Price: Local[1]	Price: FX[1]	Mix & Other	Volume[2]
Y/Y	↓ 3%	↑ 4%	↑ 2%	↑ 3%
Q/Q	↑ 1%	↑ 1%	↓ 2%	↑ 5%

(1) Excludes sales from tolling, by-products and raw materials
(2) Excludes sales volumes of by-products and raw materials

Highlights

Current Quarter

+ 8 consecutive quarters of YOY volume growth
+ Strong 6% YOY growth in the Specialty and Differentiated portfolios

Outlook

+ Solid demand for Sustainable solutions continues well into the future
• Upward pressure on raw material prices (most notably in China), offset by price increases

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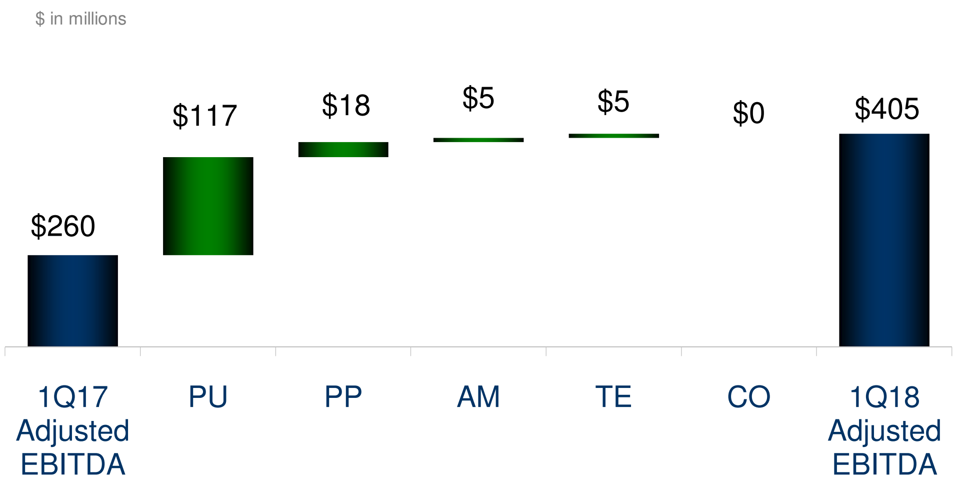
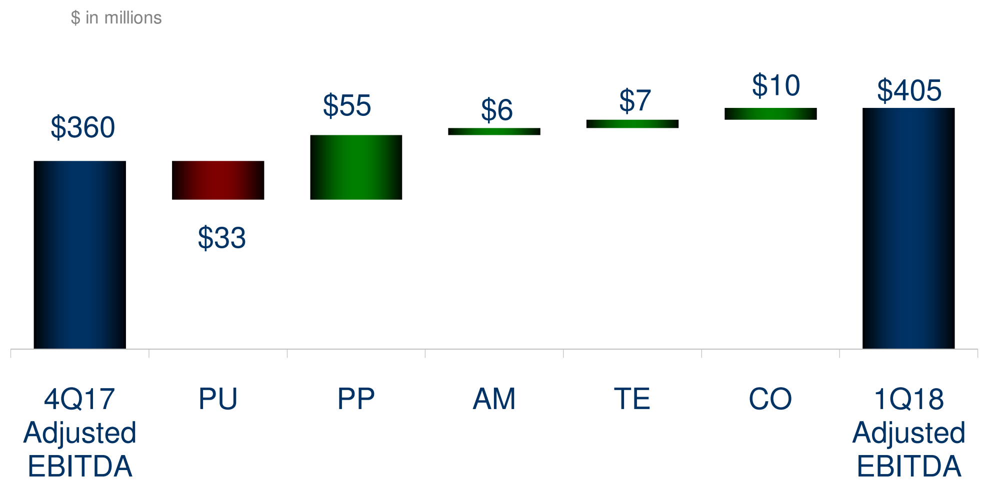
Adjusted EBITDA Bridge

First Quarter 2018

Year / Year by Segment

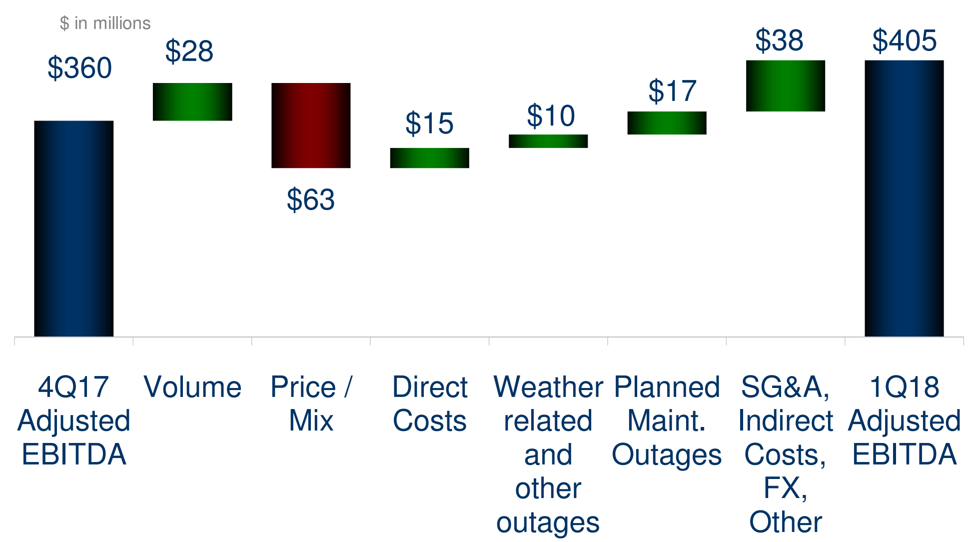


Quarter / Quarter by Segment



Year / Year Total Company

Quarter / Quarter Total Company



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Finance and Cash Considerations

Consistent Strong Free Cash Flow

Annual free cash flow target of $450mm-$650mm

$ in millions	1Q18	1Q17
Adjusted EBITDA	$405	$ 260
Capital expenditures, net	(54)	(50)
Cash interest	(12)	(36)
Cash income taxes	(26)	(8)
Primary working capital change	(173)	(81)
Restructuring	-	(9)
Pension	(31)	(15)
Maintenance & other	(53)	(38)
Free Cash Flow	**$ 56**	**$ 23**

Note: All periods exclude Pigments & Additives business

Consistent Working Capital Metrics

- First quarter experiences a seasonal build of working capital
- Working capital metrics remain consistent with prior year
  - Days Inventory Outstanding (DIO)reduced by 1 day
  - Days Sales Outstanding (DSO) up 2 days due to regional mix, with higher sales in China, which traditionally has higher DSO

Liquidity, Debt & Cash Considerations

- Debt & Liquidity
  - Net debt / 1Q18LTM adj. EBITDA = 1.3x
  - $1,249mm combined cash and unused borrowing capacity
- Taxes
  - 1Q18 Adj. effective tax rate at 19%
  - 2018 tax rate 20%-22%, long-term rate 23%-25%
  - Possible future release of valuation allowances in Switzerland and the United Kingdom
- Board Authorized $450mm Share Repurchase Program
  - 2018 repurchases ~$103mm, or approximately 3.5mm shares through April 19
- Demilec – Polyurethanes systems house acquisition
  - Polyurethanes spray foam bolt-on acquisition completed on April 23, 2018
  - $350mm, plus customary working capital adj., purchase price funded through available liquidity, including borrowing on the revolver
  - Pro forma net debt / 1Q18LTM adj. EBITDA = 1.6x
- Venator
  - 53% remaining stake
  - noncontrolling interest on the balance sheet includes $625mm related to Venator

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Appendix

Reconciliation of U.S. GAAP to Non-GAAP Measures

Quarterly

In millions, except per share amounts	EBITDA Three months ended March 31, 2018	EBITDA Three months ended March 31, 2017	Income Tax Expense Three months ended March 31, 2018	Income Tax Expense Three months ended March 31, 2017	Net Income Three months ended March 31, 2018	Net Income Three months ended March 31, 2017	Diluted Income Per Share Three months ended March 31, 2018	Diluted Income Per Share Three months ended March 31, 2017
Net income	$ 350	$ 92			$ 350	$ 92	$ 1.42	$ 0.38
Net income attributable to noncontrolling interests	(76)	(16)			(76)	(16)	(0.31)	(0.07)
Net income attributable to Huntsman Corporation	274	76			274	76	1.11	0.31
Interest expense from continuing operations	27	48						
Interest expense from discontinued operations	9	-						
Income tax expense from continuing operations	53	19	$ (53)	$ (19)				
Income tax expense from discontinued operations	20	3						
Depreciation and amortization from continuing operations	82	76						
Depreciation and amortization from discontinued operations	-	30						
Acquisition and integration expenses	1	3	-	(1)	1	2	-	0.01
EBITDA / Income from discontinued operations, net of tax	(143)	(26)	N/A	N/A	(114)	7	(0.46)	0.03
Noncontrolling interest of discontinued operations	55	3	N/A	N/A	55	3	0.22	0.01
Certain legal and other settlements and related expenses	7	-	(1)	-	6	-	0.02	-
Amortization of pension and postretirement actuarial losses	17	19	(4)	(4)	13	15	0.05	0.06
Restructuring, impairment and plant closing and transition costs	3	9	(1)	(2)	2	7	0.01	0.03
Adjusted	$ 405	$ 260	$ (59)	$ (26)	$ 237	$ 110	$ 0.96	$ 0.45
Adjusted income tax expense (1)					$ 59	$ 26		
Net income attributable to noncontrolling interests, net of tax					76	16		
Noncontrolling interest of discontinued operations					(55)	(3)		
Adjusted pre-tax income					$ 317	$ 149		
Adjusted effective tax rate					19%	17%		

(1) Pro forma adjusted for the sale of our European surfactants business to Innospec on December 30, 2016 as if it had occurred at the beginning of the periods shown.

Reconciliation of U.S. GAAP to Non-GAAP Measures

Prior Quarter

In millions, except per share amounts	EBITDA Three months ended December 31, 2017	Income Tax Expense Three months ended December 31, 2017	Net Income Three months ended December 31, 2017	Diluted Income Per Share Three months ended December 31, 2017
Net income	$ 287		$ 287	$ 1.17
Net income attributable to noncontrolling interests	(41)		(41)	(0.17)
Net income attributable to Huntsman Corporation	246		246	1.00
Interest expense from continuing operations	31			
Interest expense from discontinued operations	11			
Income tax expense from continuing operations	(14)	$ 14		
Income tax expense from discontinued operations	26			
Depreciation and amortization from continuing operations	84			
Acquisition and integration expenses	2	(1)	1	-
EBITDA / Income from discontinued operations, net of tax	(94)	N/A	(57)	(0.23)
Noncontrolling interest of discontinued operations	31	N/A	31	0.13
U.S. tax reform impact on noncontrolling interest	(6)	N/A	(6)	(0.02)
U.S. tax reform impact on tax expense	N/A	(52)	(52)	(0.21)
Gain on disposition of businesses/assets	(1)	-	(1)	-
Loss on early extinguishment of debt	18	(7)	11	0.04
Expenses associated with merger	10	(9)	1	-
Certain legal and other settlements and related credits	(12)	4	(8)	(0.03)
Net plant incident costs	3	(2)	1	-
Amortization of pension and postretirement actuarial losses	18	(5)	13	0.05
Restructuring, impairment and plant closing and transition costs	7	(1)	6	0.02
Adjusted	$ 360	$ (59)	$ 186	$ 0.76
Adjusted income tax expense			$ 59	
Net income attributable to noncontrolling interests, net of tax			41	
Noncontrolling interest of discontinued operations			(31)	
U.S. tax reform impact on noncontrolling interest			6	
Adjusted pre-tax income			$ 261	
Adjusted effective tax rate			23%	

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Reconciliation of U.S. GAAP to Non-GAAP Measures

Free Cash Flow

	Three months ended March 31, 2018	Three months ended March 31, 2017
Free cash flow:		
Net cash provided by operating activities	$ 111	$ 70
Capital expenditures	(55)	(51)
All other investing activities, excluding acquisition and disposition activities[b]	-	4
Total free cash flow	$ 56	$ 23
Adjusted EBITDA	$ 405	$ 260
Capital expenditures	(55)	(51)
Capital reimbursements	1	1
Interest	(12)	(36)
Income taxes	(26)	(8)
Primary working capital change	(173)	(81)
Restructuring	-	(9)
Pensions	(31)	(15)
Maintenance & other	(53)	(38)
Total free cash flow	$ 56	$ 23

(a) Includes restricted cash and cash held in discontinued operations.

(b) Represents "Acquisition of business, net of cash acquired", "Cash received from purchase price adjustment for business acquired", and "Proceeds from sale of business/assets".

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Reconciliation of U.S. GAAP to Non-GAAP Measures

Net Debt

In millions	March 31, 2018	December 31, 2017
Debt:		
Senior credit facilities	$ -	$ -
Accounts receivable programs	184	180
Senior notes	1,964	1,927
Variable interest entities	105	107
Other debt	81	84
Total debt - excluding affiliates	2,334	2,298
Total cash	453	481
Net debt- excluding affiliates	$ 1,881	$ 1,817

Adjusted EBITDA Reconciliation

($ in millions)	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17
Net Income	$ 62	$ 94	$ 64	$ 137	$ 92	$ 183	$ 179	$ 287
Net income attributable to noncontrolling interests	(6)	(7)	(9)	(9)	(16)	(16)	(32)	(41)
Net income (loss) attributable to Huntsman Corporation	$ 56	$ 87	$ 55	$ 128	$ 76	$ 167	$ 147	$ 246
Interest expense, net	49	52	52	50	48	47	39	31
Income tax expense (benefit)	33	26	6	44	19	24	35	(14)
Depreciation and amortization	77	78	83	80	76	79	80	84
Interest, income taxes, depreciation and amortization in discontinued operations	17	35	23	14	33	50	34	37
Acquisition and integration expenses, purchase accounting adjustments	3	2	6	1	3	4	10	2
EBITDA from discontinued operations	6	(22)	(47)	(18)	(26)	(95)	(97)	(94)
Noncontrolling interest of discontinued operations	2	3	3	3	3	3	12	31
U.S. tax reform impact on Noncontrolling interest	-	-	-	-	-	-	-	(6)
Loss (gain) on disposition of businesses/assets	-	-	-	(97)	-	(8)	-	(1)
Loss on early extinguishment of debt	-	2	1	-	-	1	35	18
Certain legal and other settlements and related (income) expenses	-	-	-	1	-	1	-	(12)
Plant incident remediation costs	-	-	-	-	-	-	13	3
Expenses associated with merger	-	-	-	-	-	6	12	10
Amortization of pension and postretirement actuarial losses	14	14	14	13	19	17	19	18
Restructuring, impairment, plant closing and transition costs (credits)	2	17	38	(9)	9	3	1	7
Adjusted EBITDA	259	294	234	210	260	299	340	360
Sale of European differentiated surfactants business[2]	(7)	(8)	(7)	(6)	-	-	-	-
Proforma adjusted EBITDA	$ 252	$ 286	$ 227	$ 204	$ 260	$ 299	$ 340	$ 360

	2012	2013	2014	2015	2016	2017	1Q18 LTM
Net Income	$ 373	$ 149	$ 345	$ 126	$ 357	$ 741	$ 999
Net income attributable to noncontrolling interests	(10)	(21)	(22)	(33)	(31)	(105)	(165)
Net income attributable to Huntsman Corporation	$ 363	$ 128	$ 323	$ 93	$ 326	$ 636	$ 834
Interest expense, net	226	190	205	205	203	165	144
Income tax (benefit) expense	104	109	59	60	109	64	98
Depreciation and amortization	350	364	358	298	318	319	325
Interest, income taxes, depreciation and amortization in discontinued operations	144	98	77	85	89	154	150
Acquisition and integration expenses, purchase accounting adjustments	5	11	7	9	12	19	17
(Gain) loss on initial consolidation of subsidiaries	4	-	-	-	-	-	-
EBITDA from discontinued operations	(350)	(78)	63	217	(81)	(312)	(429)
Noncontrolling interest of discontinued operations	-	-	1	7	11	49	101
U.S. tax reform impact on Noncontrolling interest	-	-	-	-	-	(6)	(6)
(Gain) loss on disposition of businesses/assets	-	-	(2)	1	(97)	(9)	(9)
Loss on early extinguishment of debt	80	51	28	31	3	54	54
Extraordinary (gain) loss on the acquisition of a business	(2)	-	-	-	-	-	-
Certain legal and other settlements and related (income) expenses	2	4	-	1	1	(11)	(4)
Plant incident remediation costs	-	-	-	-	-	16	16
Purchase accounting inventory adjustments	-	1	2	-	-	-	-
Expenses associated with merger	-	-	-	-	-	28	28
Amortization of pension and postretirement actuarial losses	33	64	41	66	55	73	71
Restructuring, impairment, plant closing and transition costs	105	160	102	87	48	20	14
Adjusted EBITDA	1,064	1,102	1,264	1,160	997	1,259	1,404
Acquisition of PU Systems house from Rockwood[1]	5	6	7	-	-	-	-
Sale of European differentiated surfactants business[2]	(13)	(10)	(8)	(21)	(28)	-	-
Proforma adjusted EBITDA	$ 1,056	$ 1,098	$ 1,263	$ 1,139	$ 969	$ 1,259	$ 1,404

(1) Pro forma adjusted to include the Polyurethanes system house acquired from Rockwood in October 2014.
(2) Pro forma adjusted for the sale of the European Surfactants business on December 30, 2016.

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Revenue, Adjusted EBITDA & Margin by Segment

($ in millions)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)	Pro Forma(2)			
Revenue	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
Polyurethanes	$ 836	$ 976	$ 891	$ 964	$ 953	$ 1,022	$ 1,197	$ 1,227	$ 1,222
Performance Products	475	507	451	452	533	561	501	514	603
Advanced Materials	266	261	247	246	259	260	263	258	279
Textile Effects	185	198	184	184	188	205	193	190	200
Corporate, LIFO and other	(8)	(33)	-	(5)	(1)	6	15	14	(9)
Total	$ 1,754	$ 1,909	$ 1,773	$ 1,841	$ 1,932	$ 2,054	$ 2,169	$ 2,203	$ 2,295

	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)	Pro Forma(2)
Revenue	2012	2013	2014	2015	2016	2017	1Q18 LTM
Polyurethanes	$ 4,915	$ 4,991	$ 5,053	$ 3,811	$ 3,667	$ 4,399	$ 4,668
Performance Products	2,574	2,566	2,695	2,251	1,885	2,109	2,179
Advanced Materials	1,325	1,267	1,248	1,103	1,020	1,040	1,060
Textile Effects	752	811	896	804	751	776	788
Corporate, LIFO and other	(285)	(251)	(219)	(80)	(46)	34	26
Total	$ 9,281	$ 9,384	$ 9,673	$ 7,889	$ 7,277	$ 8,358	$ 8,721

($ in millions)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)	Pro Forma(2)			
Adjusted EBITDA[(1)]	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
Polyurethanes	$ 131	$ 171	$ 137	$ 130	$ 144	$ 167	$ 245	$ 294	$ 261
Performance Products	85	78	63	62	84	102	63	47	102
Advanced Materials	60	58	55	50	54	56	56	53	59
Textile Effects	18	24	17	14	21	24	19	19	26
Corporate, LIFO and other	(42)	(45)	(45)	(52)	(43)	(50)	(43)	(53)	(43)
Total	$ 252	$ 286	$ 227	$ 204	$ 260	$ 299	$ 340	$ 360	$ 405

	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)	Pro Forma(2)
Adjusted EBITDA[(1)]	2012	2013	2014	2015	2016	2017	1Q18 LTM
Polyurethanes	$ 793	$ 746	$ 728	$ 573	$ 569	$ 850	$ 967
Performance Products	356	393	465	439	288	296	314
Advanced Materials	98	131	199	220	223	219	224
Textile Effects	(20)	16	58	63	73	83	88
Corporate, LIFO and other	(171)	(188)	(187)	(156)	(184)	(189)	(189)
Total	$ 1,056	$ 1,098	$ 1,263	$ 1,139	$ 969	$ 1,259	$ 1,404

	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)	Pro Forma(2)			
Adj. EBITDA Margin	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18
Polyurethanes	16%	18%	15%	13%	15%	16%	20%	24%	21%
Performance Products	18%	15%	14%	14%	16%	18%	13%	9%	17%
Advanced Materials	23%	22%	22%	20%	21%	22%	21%	21%	21%
Textile Effects	10%	12%	9%	8%	11%	12%	10%	10%	13%
Total	14%	15%	13%	11%	13%	15%	16%	16%	18%

	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)(3)	Pro Forma(2)	Pro Forma(2)
Adj. EBITDA Margin	2012	2013	2014	2015	2016	2017	1Q18 LTM
Polyurethanes	16%	15%	14%	15%	16%	19%	21%
Performance Products	14%	15%	17%	20%	15%	14%	14%
Advanced Materials	7%	10%	16%	20%	22%	21%	21%
Textile Effects	-3%	2%	6%	8%	10%	11%	11%
Total	11%	12%	13%	14%	13%	15%	16%

Explanatory Notes

1) We use adjusted EBITDA to measure the operating performance of our business and for planning and evaluating the performance of our business segments. We provide adjusted net income because we feel it provides meaningful insight for the investment community into the performance of our business. We believe that net income (loss) is the performance measure calculated and presented in accordance with generally accepted accounting principles in the U.S. ("GAAP") that is most directly comparable to adjusted EBITDA and adjusted net income. Additional information with respect to our use of each of these financial measures follows:

   Adjusted EBITDA, adjusted net income (loss) and adjusted diluted income (loss) per share, as used herein, are not necessarily comparable to other similarly titled measures of other companies.

   Adjusted EBITDA is computed by eliminating the following from net income (loss): (a) net income attributable to noncontrolling interest, net of tax; (b) interest; (c) income taxes; (d) depreciation and amortization; (e) acquisition and integration expenses; (f) EBITDA from discontinued operations; (g) noncontrolling interest of discontinued operations; (h) U.S. tax reform impact on noncontrolling interest; (i) loss (gain) on disposition of businesses/assets; (j) loss on early extinguishment of debt; (k) expenses associated with merger, net of tax; (l) certain legal and other settlements and related expenses (credits); (m) net plant incident costs; (n) amortization of pension and postretirement actuarial losses (gains) and; (p) restructuring, impairment and plant closing costs (credits). The reconciliation of adjusted EBITDA to net income (loss) is set in this appendix.

   Adjusted net income (loss) and adjusted diluted income (loss) per share are computed by eliminating the after tax impact of the following items from net income (loss): (a) net income attributable to noncontrolling interest; (b) acquisition and integration expenses; (c) loss (income) from discontinued operations; (d) noncontrolling interest of discontinued operations; (e) U.S. tax reform impact on noncontrolling interest; (f) U.S. tax reform impact on tax expense; (g) loss (gain) on disposition of businesses/assets; (h) loss on early extinguishment of debt; (i) expenses associated with merger, net of tax; (j) certain legal and other settlements and related expenses (credits); (k) net plant incident costs; (l) amortization of pension and postretirement actuarial losses (gains); and (m) restructuring, impairment and plant closing costs (credits). The income tax impacts, if any, of each adjusting item represent a ratable allocation of the total difference between the unadjusted tax expense and the total adjusted tax expense, computed without consideration of any adjusting items using a with and without approach. We do not adjust for changes in tax valuation allowances because we do not believe it provides more meaningful information than is provided under GAAP. The reconciliation of adjusted net income (loss) to net income (loss) is set forth in this appendix.

2) Pro forma adjusted to exclude the sale of our European differentiated surfactants business to Innospec Inc. on December 30, 2016 as if it had occurred at the beginning of the relevant period.

3) Management internally uses a free cash flow measure: (a) to evaluate the Company's liquidity, (b) to evaluate strategic investments, (c) to plan stock buyback and dividend levels and (d) to evaluate the Company's ability to incur and service debt. Free cash flow is not a defined term under U.S. GAAP, and it should not be inferred that the entire free cash flow amount is available for discretionary expenditures. The Company defines free cash flow as cash flow provided by operating activities less cash flow used in investing activities, excluding acquisition/disposition activities and non-recurring separation costs. Free cash flow is typically derived directly from the Company's condensed consolidated statement of cash flows; however, it may be adjusted for items that affect comparability between periods.

4) During the third quarter of 2017 we separated our Pigments and Additives division through an Initial Public Offering of Venator Materials PLC; Additionally, during the first quarter 2010 we closed our Australian styrenics operations. Results from these associated businesses are treated as discontinued operations.