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# Earnings Summary

## First Quarter 2020

**Conference Call**

Friday, May 1, 2020
10:00 a.m. ET

Webcast link:
https://78449.themediaframe.com/dataconf/productusers/hun/mediaframe/37217/indexl.html

Participant dial-in numbers:
Domestic callers: (877) 402-8037
International callers: (201) 378-4913

# General Disclosure

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, timing of proposed transactions, 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, 2019, which may be supplemented by other risks and uncertainties disclosed in any subsequent reports filed or furnished by us from time to time.

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 adjusted EBITDA, adjusted EBITDA from discontinued operations, adjusted net income (loss), adjusted diluted income (loss) per share, free cash flow and net debt. Reconciliations of non-GAAP measures to GAAP are provided in the financial schedules attached to the earnings news release and available on the Company's website at http://ir.huntsman.com/.

The Company does not provide reconciliations of forward-looking non-GAAP financial measures to the most comparable GAAP financial measures on a forward-looking basis because the Company is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and amount of certain items, such as, but not limited to, (a) business acquisition and integration expenses, (b) merger costs, and (c) certain legal and other settlements and related costs. Each of such adjustments has not yet occurred, are out of the Company's control and/or cannot be reasonably predicted. For the same reasons, the Company is unable to address the probable significance of the unavailable information.

# Highlights

## First Quarter 2020

| *($ in millions, except per share amounts)* | 1Q20 | 1Q19 |
|---|---|---|
| Revenues | $ 1,593 | $ 1,669 |
| Net income | $ 708 | $ 131 |
| Adjusted net income | $ 65 | $ 85 |
| Diluted income per share | $ 3.16 | $ 0.51 |
| Adjusted diluted income per share | $ 0.29 | $ 0.36 |
| Adjusted EBITDA | $ 165 | $ 204 |
| Net cash used in operating activities from continuing operations | $ (40) | $ (40) |
| Free cash flow from continuing operations | $ (101) | $ (101) |

*Note: Chemical Intermediates and Surfactants businesses treated as discontinued operations until the completion of the sale on January 3, 2020.*

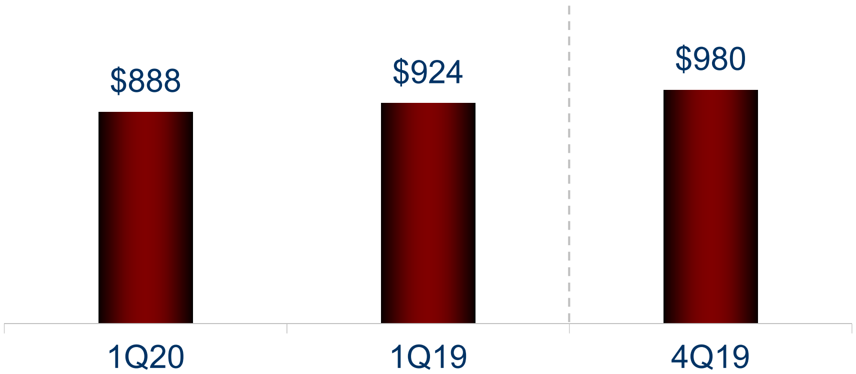
*See Appendix and earnings press release for reconciliations and important explanatory notes.*

# Polyurethanes
First Quarter 2020

## Revenues

$ in millions

Y/Y ↓ 4% Q/Q ↓ 9%




## Adjusted EBITDA

$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 32% Q/Q ↓ 31%


## Sales Factors

| | Price: Local(1) | Price: FX(1) | Mix & Other | Volume(2) |
|---|---|---|---|---|
| Y/Y | ↓ 6% | ↓ 1% | ↑ 4% | ↓ 1% |
| Q/Q | ↑ 1% | -- | -- | ↓ 10% |

## Highlights

### Current Quarter

+ MDI volumes increased 2%
+ Completed the Icynene-Lapolla acquisition on February 20, 2020
– Component MDI and polymeric systems margins under pressure

### 2Q20 Outlook

– Significantly lower volumes due to global economic crisis
– Component MDI and polymeric systems margins remain depressed
+ Stable differentiated margins
+ Slowly improving demand trends in China

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



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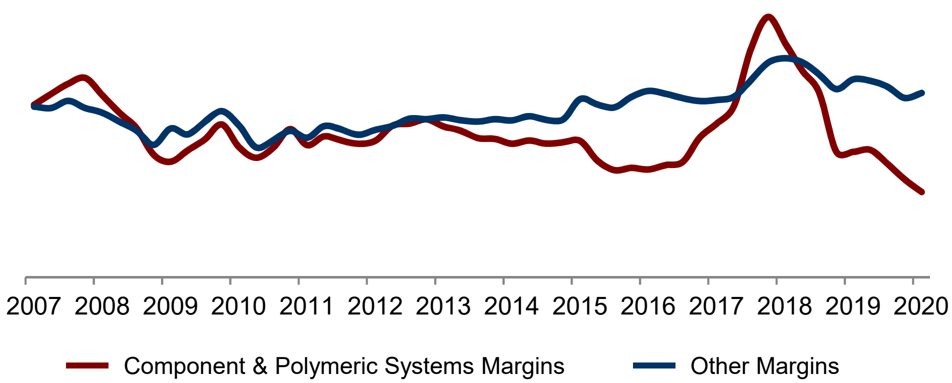
# Polyurethanes Focus Remains on Differentiation

## Differentiated Margins Remain Relatively Stable

### Component & Polymeric Systems vs. Other Margins (Global)




## Investments and Developments Since 2007

| | 2007 | Current[(1)] |
|---|---|---|
| Differentiated / Component Mix (percent of volumes) | ~60% / ~40% | ~70% / ~30% |
| MDI Capacity (millions of pounds) | ~2,100 | ~2,900 |
| ***~800 mmlbs increase in Differentiated volumes since 2007*** | | |
| Downstream Businesses (count) | 3 | 11 |
| Downstream EBITDA (USD in millions) | $19 | $200 |

(1) Current downstream EBITDA represents 1Q20 LTM pro forma for full year contribution of Icynene-Lapolla.

## Ongoing Growth Initiatives

- On February 20, 2020, completed acquisition of Icynene-Lapolla, a leading Spray Polyurethane Foam (SPF) manufacturer and distributor
  - Premier global SPF business by combining Icynene-Lapolla with Demilec SPF business
  - Targeting future sales revenue of ~$500mm with EBITDA margins >20% and double-digit annual growth
  - Significant synergies including pull-through of polyols and lower margin polymeric MDI into higher margin downstream business
- Systems houses under construction in North China and Taiwan, and a TPU line in Jinshan, China
  - Opened a systems house in Dubai in 2019
- Construction of a new MDI splitter in Geismar, LA to increase the Americas differentiated split ratio by >50%
  - Cost estimate of $175mm and IRR significantly above 20% hurdle rate
  - Completion expected mid 2022
- Committed to ongoing bolt-on acquisition strategy



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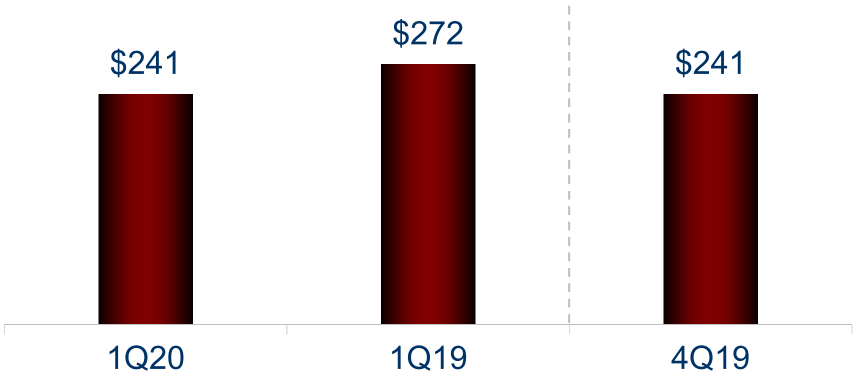
# Advanced Materials

## First Quarter 2020

### Revenues

$ in millions

Y/Y ↓ 11% Q/Q -- %

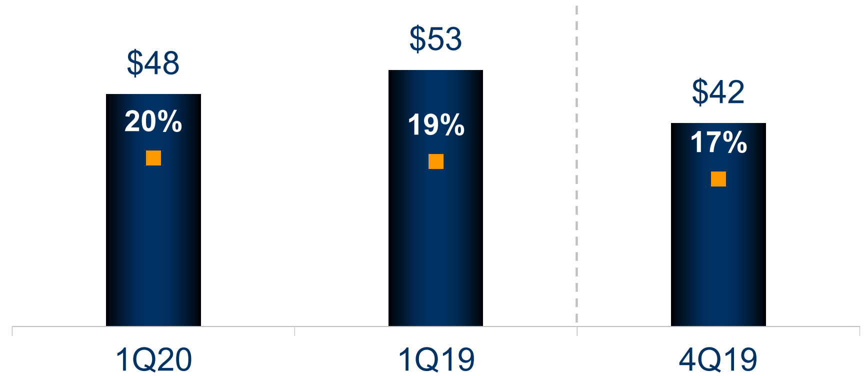



### Adjusted EBITDA

$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 9% Q/Q ↑ 14%




### Sales Factors

| | Price: Local[1] | Price: FX[1] | Mix & Other | Volume[2] |
|---|---|---|---|---|
| Y/Y | ↑ 1% | ↓ 2% | ↑ 1% | ↓ 11% |
| Q/Q | ↓ 2% | -- | ↑ 3% | ↓ 1% |

### Highlights

**Current Quarter**

+ Stable margins
+ Growth in electrical and power in Americas and Asia
– Demand headwinds across most industrial markets

**2Q20 Outlook**

– Significantly lower volumes due to global economic crisis
+ Growth in electrical infrastructure related markets
+ Stable margins

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



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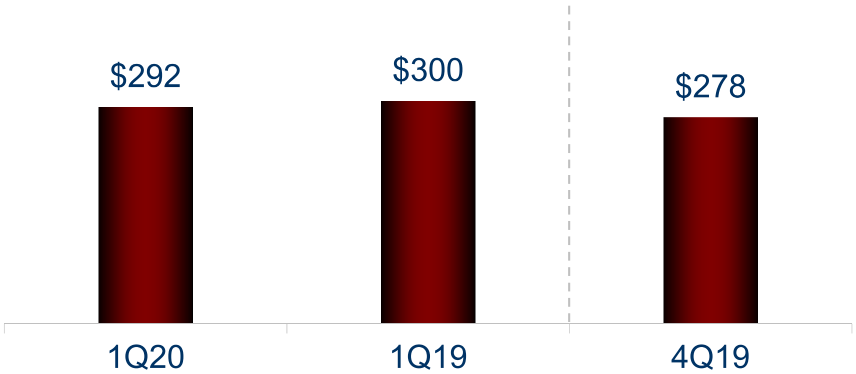
# Performance Products

## First Quarter 2020

### Revenues

$ in millions

Y/Y ↓ 3% Q/Q ↑ 5%

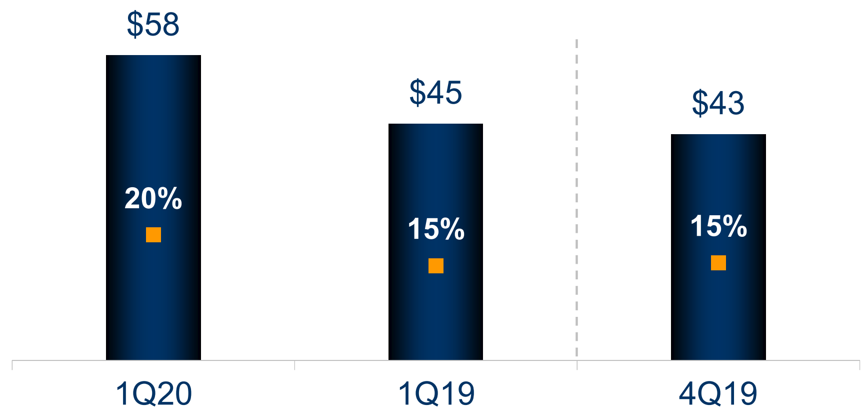



### Adjusted EBITDA

$ in millions

Adjusted EBITDA Margin

Y/Y ↑ 29% Q/Q ↑ 35%




### Sales Factors

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

### Highlights

**Current Quarter**

+ Increased volumes in Performance Amines
+ Lower raw material prices
– Continued competitive pressures in Ethyleneamines

**2Q20 Outlook**

– Significantly lower volumes due to global economic crisis
+ Stable China wind market
+ Stable margins in Performance Amines

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



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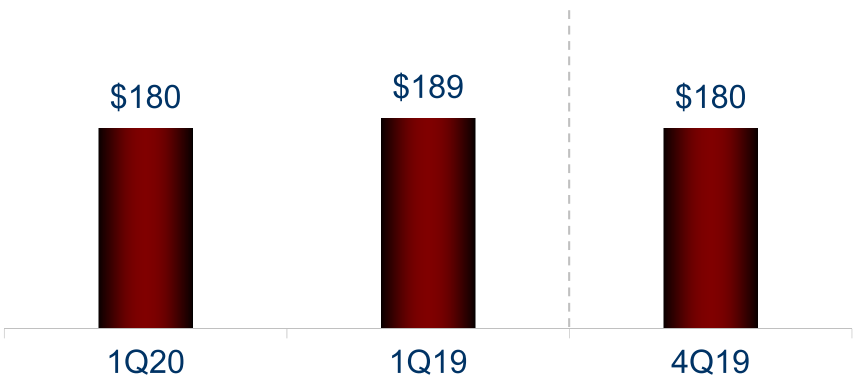
# Textile Effects

## First Quarter 2020

### Revenues

$ in millions

Y/Y ↓ 5% Q/Q -- %

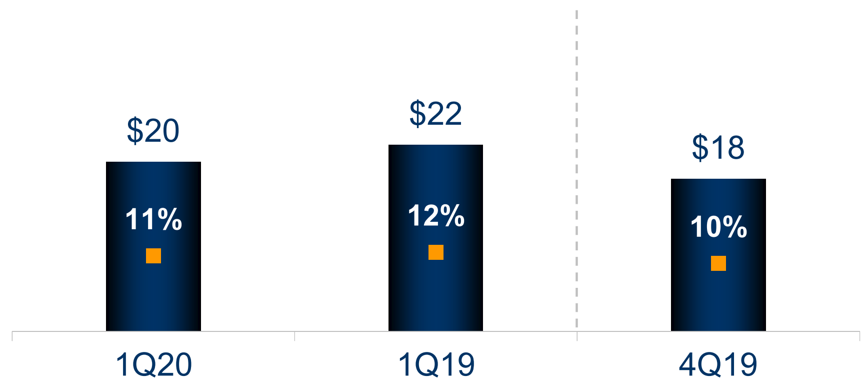



### Adjusted EBITDA

$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 9% Q/Q ↑ 11%




### Sales Factors

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

### Highlights

**Current Quarter**

+ Specialty volumes grew 5%

**2Q20 Outlook**

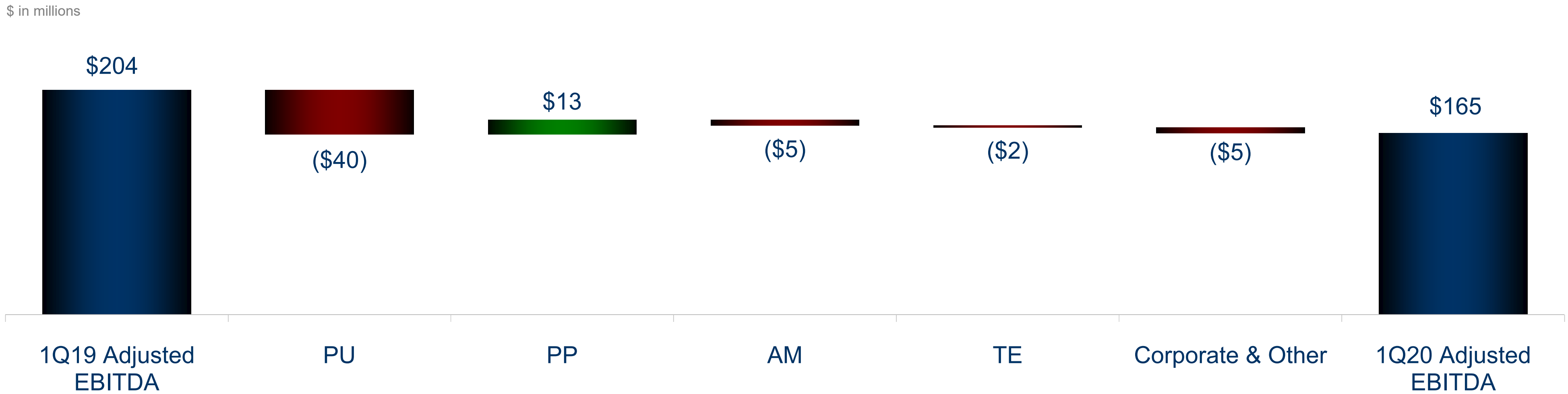
– Significantly lower volumes due to global economic crisis
+ Long-term demand trends for sustainable solutions unchanged

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

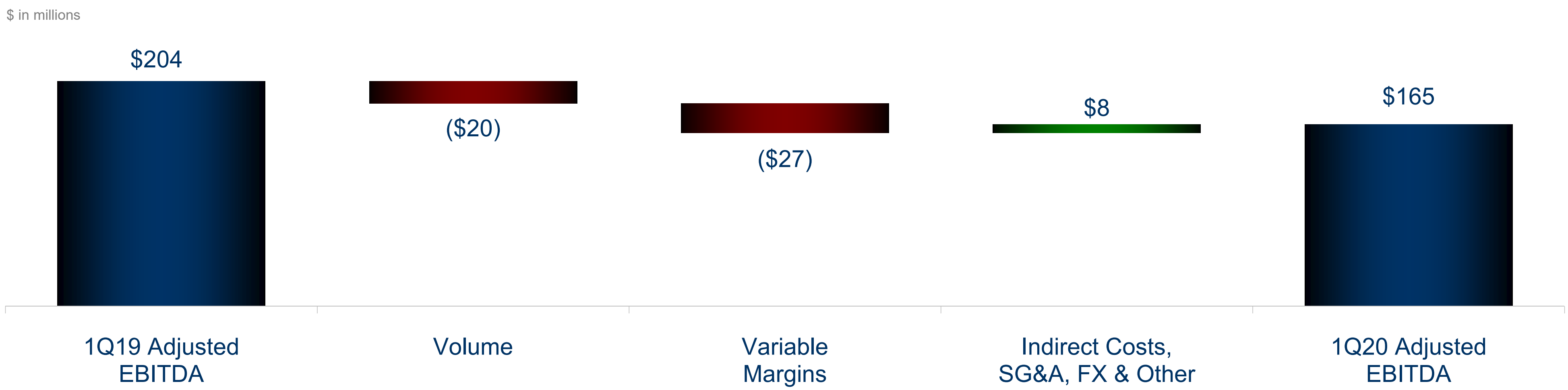
# Adjusted EBITDA Bridge

## First Quarter 2020

### Year / Year – By Segment




### Year / Year – Total Company



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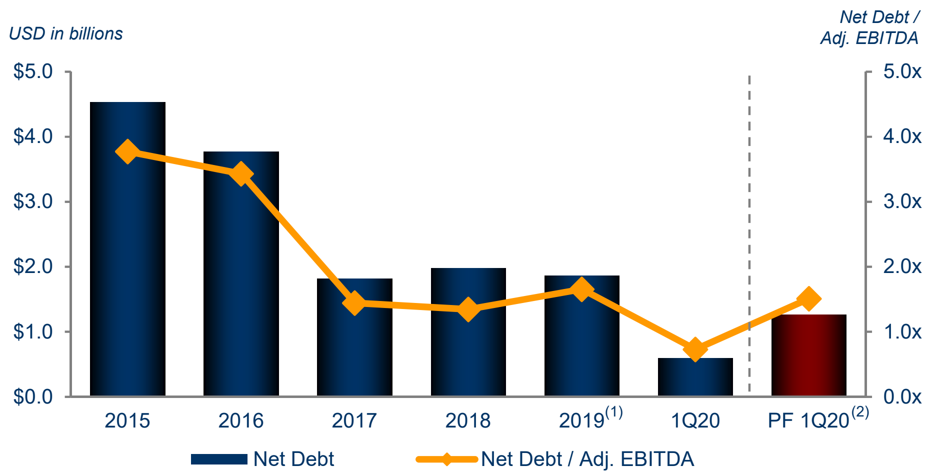
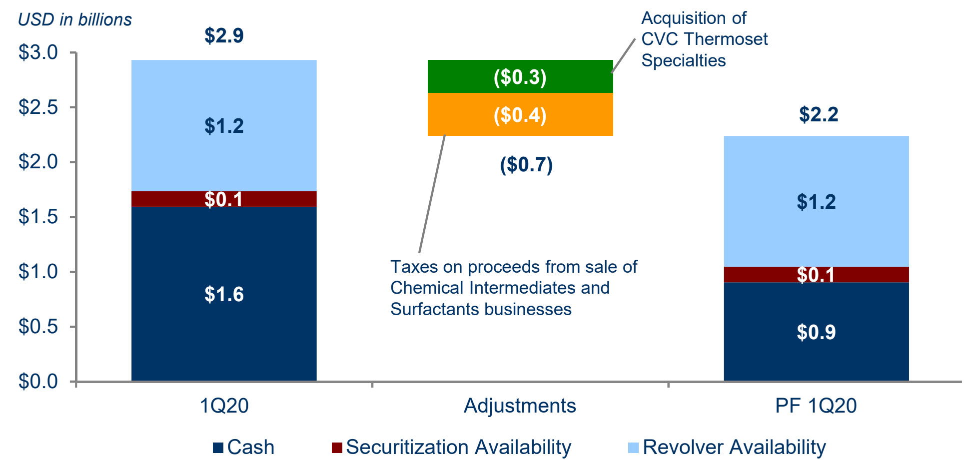
# Debt and Liquidity Considerations

## Strong Balance Sheet – Low Leverage




## Robust Liquidity




## Free Cash Flow

| *USD In millions* | **1Q20** | **1Q19** |
|---|---|---|
| Net cash used in operating activities | $ (40) | $ (40) |
| Capital expenditures | (61) | (61) |
| **Free cash flow from continuing operations** | **$ (101)** | **$ (101)** |
| | | |
| **Supplemental cash flow information:** | | |
| Cash paid for interest | $ (5) | $ (26) |
| Cash paid for income taxes | (36) | (14) |
| Cash paid for restructuring | (5) | (9) |
| Cash paid for pensions | (20) | (21) |
| Depreciation and amortization | 67 | 67 |
| Change in primary working capital: | (65) | (107) |

## Commentary

***1Q20 LTM FCF Conversion of 42%[3]***

- 2020 expected capital expenditures reduced by ~30% to between $225mm - $235mm
- 1Q20 adj. effective tax rate 18%. Forward adj. effective tax rate range remains 22% - 24%
- 1Q20 share repurchases of ~$96mm or ~5.4mm shares (~$420mm remains of $1.0bn authorization)
  - Share repurchases temporarily suspended
- ~$375mm cash taxes to be paid in 2020 on sale of Chemical Intermediates and Surfactants businesses
- ~$300mm acquisition price for CVC Thermoset Specialties to be paid at close (mid 2020)

*(1) Reflects total company adj. EBITDA including the Chemical Intermediates and Surfactants businesses.*
*(2) Pro forma for the ~$300 million announced acquisition of CVC Thermoset Specialties and ~$375 million in cash taxes to be paid on proceeds from the divestiture of the Chemical Intermediates and Surfactants businesses.*
*(3) Pro forma for ~$50 million of overdue foreign VAT payments received.*



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# Proactively Addressing Controllable Matters

**Capitalized on learnings from past crises to build strong balance sheet and are proactively deploying initiatives to further bolster the business**

1. Protecting a Strong Balance Sheet and Conserving a Robust Liquidity Position
   - Reducing 2020 capital expenditures by ~30%
   - Suspended share repurchases
   - Responsive working capital management, reducing inventories and managing collection risk

2. Controlling SG&A and Discretionary Spending
   - Suspended 2020 salary increases
   - Implemented a hiring freeze
   - Targeting annualized reduction of costs of ~$15mm through cost realignment

3. Integrating Recent Acquisitions and Achieving Synergies Faster
   - Integrating Icynene-Lapolla with Demilec and expect to achieve annualized synergies of ~$15mm by end of 2021
   - Will integrate CVC Thermosets anticipated to close mid year and expect to achieve ~$15mm of annualized synergies within 2 years of closing

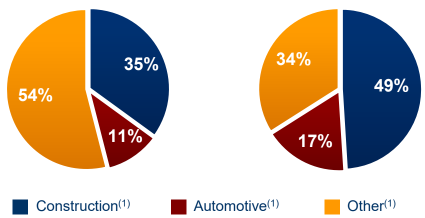
4. Strategically Developing Core Growth Portfolio Platforms
   - Continuing concentrated efforts for global scale up of recent North American acquisitions
   - Focusing on product development and commercialization in growth markets, including expanding sustainability solutions
   - The construction of a new urethane splitter in North America, expected to be completed by mid 2022

# Then ("Great Recession") vs. Now

| | Then | Now | Changes to Business Since the "Great Recession" |
|---|---|---|---|

## Polyurethanes

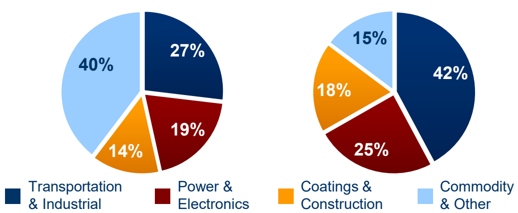
***Ongoing Strategic Shift Downstream***




- Expanded global MDI capacity by ~370 kT since 2009 and increased differentiated volumes proportionally by >10%
- Sold North American PO/MTBE business
- Completed 8 downstream acquisitions
- Accelerated organic downstream growth with construction of 5 downstream facilities (3 completed, 2 under construction) and new splitter in Geismar under construction to support downstream growth

## Advanced Materials

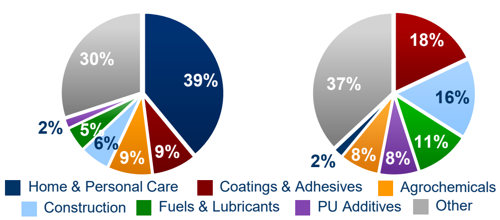
***Restructured to Specialty Portfolio***




- Focused product portfolio on specialty offerings
- Significantly reduced exposure to commodity BLR (shuttered ~50 kT of high-cost capacity)
- Restructured asset base and optimized footprint reducing fixed cost structure annually by ~$40mm in 2013

## Performance Products

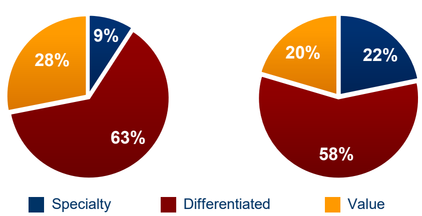
***Divested Intermediates Business***




- Divested Chemical Intermediates and Surfactants businesses
- Expanded portfolio of diversified product offerings supported by ~100 kT global amines capacity expansion and ~30 kT in Saudi Arabia JV
- Significant investments in maleic anhydride with construction of plant in Geismar (~45 kT) and purchase of Moers facility remaining JV interest (~105 kT)

## Textile Effects

***Realigned Footprint to End Markets***




- Strengthened portfolio of specialty products
- Innovated products meeting global demand for sustainability
- Restructured footprint to align with market demand and reduced fixed cost structure by ~$120mm from 2009 to 2019

(1) Polyurethanes 'Then' data exclude divested PO/MTBE business.



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# Appendix

# Summary Financials and Reconciliation

| USD In millions | 1Q18 | 2Q18 | 3Q18 | 4Q18 | FY18 | 1Q19 | 2Q19 | 3Q19 | 4Q19 | FY19 | 1Q20 | 1Q20 LTM |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Segment Revenues:** | | | | | | | | | | | | |
| Polyurethanes | $ 1,025 | $ 1,117 | $ 1,126 | $ 1,014 | $ 4,282 | $ 924 | $ 1,014 | $ 993 | $ 980 | $ 3,911 | $ 888 | $ 3,875 |
| Performance Products | 319 | 343 | 329 | 310 | 1,301 | 300 | 299 | 281 | 278 | 1,158 | 292 | 1,150 |
| Advanced Materials | 279 | 292 | 279 | 266 | 1,116 | 272 | 275 | 256 | 241 | 1,044 | 241 | 1,013 |
| Textile Effects | 200 | 227 | 204 | 193 | 824 | 189 | 215 | 179 | 180 | 763 | 180 | 754 |
| Corporate and eliminations | 15 | (2) | 30 | 38 | 81 | (16) | (19) | (22) | (22) | (79) | (8) | (71) |
| **Total** | $ 1,838 | $ 1,977 | $ 1,968 | $ 1,821 | $ 7,604 | $ 1,669 | $ 1,784 | $ 1,687 | $ 1,657 | $ 6,797 | $ 1,593 | $ 6,721 |
| **Segment Adjusted EBITDA:** | | | | | | | | | | | | |
| Polyurethanes | $ 230 | $ 220 | $ 218 | $ 141 | $ 809 | $ 124 | $ 156 | $ 146 | $ 122 | $ 548 | $ 84 | $ 508 |
| Performance Products | 45 | 59 | 54 | 39 | 197 | 45 | 42 | 38 | 43 | 168 | 58 | 181 |
| Advanced Materials | 59 | 62 | 56 | 48 | 225 | 53 | 55 | 51 | 42 | 201 | 48 | 196 |
| Textile Effects | 26 | 29 | 25 | 21 | 101 | 22 | 28 | 16 | 18 | 84 | 20 | 82 |
| Corporate, LIFO and other | (44) | (40) | (45) | (42) | (171) | (40) | (36) | (36) | (43) | (155) | (45) | (160) |
| **Total** | $ 316 | $ 330 | $ 308 | $ 207 | $ 1,161 | $ 204 | $ 245 | $ 215 | $ 182 | $ 846 | $ 165 | $ 807 |
| **Segment Adjusted EBITDA Margin:** | | | | | | | | | | | | |
| Polyurethanes | 22% | 20% | 19% | 14% | 19% | 13% | 15% | 15% | 12% | 14% | 9% | 13% |
| Performance Products | 14% | 17% | 16% | 13% | 15% | 15% | 14% | 14% | 15% | 15% | 20% | 16% |
| Advanced Materials | 21% | 21% | 20% | 18% | 20% | 19% | 20% | 20% | 17% | 19% | 20% | 19% |
| Textile Effects | 13% | 13% | 12% | 11% | 12% | 12% | 13% | 9% | 10% | 11% | 11% | 11% |
| **Total** | **17%** | **17%** | **16%** | **11%** | **15%** | **12%** | **14%** | **13%** | **11%** | **12%** | **10%** | **12%** |
| **Net income (loss)** | **$ 350** | **$ 623** | **$ (8)** | **$ (315)** | **$ 650** | **$ 131** | **$ 118** | **$ 41** | **$ 308** | **$ 598** | **$ 708** | **$ 1,175** |
| Net income attributable to noncontrolling interests | (76) | (209) | (3) | (25) | (313) | (12) | (8) | (11) | (5) | (36) | (3) | (27) |
| **Net income (loss) attributable to Huntsman Corporation** | 274 | 414 | (11) | (340) | 337 | 119 | 110 | 30 | 303 | 562 | 705 | 1,148 |
| Interest expense, net from continuing operations | 27 | 29 | 30 | 29 | 115 | 30 | 29 | 27 | 25 | 111 | 18 | 99 |
| Interest expense, net from discontinued operations | 9 | 11 | 10 | 6 | 36 | - | - | - | - | - | - | - |
| Income tax expense (benefit) from continuing operations | 37 | (12) | 16 | 4 | 45 | 45 | 38 | 30 | (151) | (38) | 7 | (76) |
| Income tax expense (benefit) from discontinued operations | 36 | 100 | (41) | (9) | 86 | 5 | 14 | 25 | (9) | 35 | 238 | 268 |
| Depreciation and amortization from continuing operations | 62 | 63 | 62 | 68 | 255 | 67 | 69 | 65 | 69 | 270 | 67 | 270 |
| Depreciation and amortization from discontinued operations | 20 | 20 | 23 | 25 | 88 | 23 | 23 | 13 | 2 | 61 | - | 38 |
| Business acquisition and integration expenses and purchase accounting inventory adjustments | 1 | 7 | 2 | (1) | 9 | 1 | - | 3 | 1 | 5 | 13 | 17 |
| EBITDA from discontinued operations, net of tax | (226) | (512) | 213 | 354 | (171) | (51) | (72) | (106) | (36) | (265) | (1,015) | (1,229) |
| Noncontrolling interest of discontinued operations | 55 | 188 | (21) | 10 | 232 | - | - | - | - | - | - | - |
| Loss (gain) on sale of businesses/assets | - | - | - | - | - | - | - | - | 21 | 21 | (2) | 19 |
| Expenses associated with merger, net of tax | - | 1 | 1 | - | 2 | - | - | - | - | - | - | - |
| Fair value adjustments to Venator Investment | - | - | - | 62 | 62 | (76) | 18 | 148 | (72) | 18 | 110 | 204 |
| Loss on early extinguishment of debt | - | 3 | - | - | 3 | 23 | - | - | - | 23 | - | - |
| Certain legal settlements and related expenses (income) | 2 | 1 | 1 | (3) | 1 | - | - | 1 | 5 | 6 | 2 | 8 |
| Certain information technology implementation costs | - | - | - | - | - | - | - | 1 | 3 | 4 | 1 | 5 |
| Amortization of pension and postretirement actuarial losses | 16 | 16 | 18 | 17 | 67 | 17 | 16 | 16 | 17 | 66 | 18 | 67 |
| Restructuring, impairment and plant closing and transition costs (credits) | 3 | 1 | 5 | (15) | (6) | 1 | - | (43) | 1 | (41) | 3 | (39) |
| Plant incident remediation costs | - | - | - | - | - | - | - | 5 | 3 | 8 | - | 8 |
| **Adjusted EBITDA** | $ 316 | $ 330 | $ 308 | $ 207 | $ 1,161 | $ 204 | $ 245 | $ 215 | $ 182 | $ 846 | $ 165 | $ 807 |



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