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HUNTSMAN

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# Delaware Court Grants Huntsman Request for Expedited Proceeding

## Trial to Begin September 8

THE WOODLANDS, Texas, July 9 /PRNewswire-FirstCall/ -- Huntsman Corporation (NYSE: HUN) today announced that the Delaware Court of Chancery has granted its request to expedite the Court's review of Hexion's wrongful and ongoing efforts to scuttle Hexion's pending merger with Huntsman. The trial scheduled to begin September 8 will address Hexion's false allegations that the combined Hexion and Huntsman entity would be insolvent and that there has been a material adverse effect under the merger agreement, neither of which are supported by the facts or the terms of the merger agreement. The Court agreed with Huntsman that it is necessary and appropriate to have a trial that will conclude on or about the end of the second week of September in order to provide sufficient time to consummate the merger if Huntsman prevails at trial.

Huntsman is confident that a trial on the merits will reveal that Huntsman has not suffered a material adverse effect, the combined Huntsman-Hexion entity would not be insolvent, and that Hexion is required to proceed with consummating the merger. Huntsman reiterates that the merger agreement has no financing contingency, that it obligates Hexion to use its reasonable best efforts to obtain required financing, and that Hexion represented to Huntsman in the merger agreement that the proceeds contemplated by the financing would be sufficient to complete the merger. Despite its public pronouncements to the contrary, Hexion has knowingly sought to impede the very financing the merger agreement requires it to use reasonable best efforts to obtain. Rather than making inappropriate statements seeking to denigrate Huntsman's financial performance, Hexion should be negotiating definitive documentation with its lenders pursuant to the lenders' commitment letters, which remain in full force and effect.

At trial, Huntsman also will address directly the deeply flawed and ill-intentioned insolvency opinion procured on Hexion's behalf for the sole purpose of justifying its predetermined course of conduct, as well as its ill-founded claim that Huntsman has suffered a material adverse effect.

Despite absorbing approximately $1.5 billion in higher raw material, energy and other direct costs, a weakening in the value of the U.S. dollar, and the negative effects of the prolonged pendency of the merger, Huntsman's Adjusted EBITDA for the twelve month period ended March 31, 2008, at $869 million was only 5% lower than the Adjusted EBITDA recorded for the comparable LTM period immediately prior to when Hexion agreed to purchase the business. Furthermore, Huntsman's performance has not been materially different from that of the chemical industry over the same period of time. In addition, Huntsman's net debt level, including its accounts receivable securitization program, at March 31, 2008, of $4,108 million was only $100 million or 2% higher than the level at March 31, 2007, despite the payment of

$100 million towards a termination fee to Basell and an approximately $185 million increase in our foreign currency denominated debt due to the decline in the value of the U.S. dollar.* The alleged changes of which Hexion complains are risks they explicitly agreed to accept in the merger agreement and in no way amount to a material adverse effect as defined in the merger agreement. We are confident that the Delaware Court will support this view.

Peter Huntsman, President and CEO, stated, "We are grateful that the Court has agreed to hear our case in an expedited fashion. We look forward to a swift repudiation of Hexion's misguided allegations and apparently disingenuous rhetoric about their intentions to comply with our merger agreement, all the while continuing to breach the same."

Jon M. Huntsman, Founder and Chairman of Huntsman Corporation, added, "They may view their tactics as business as usual, but we have great faith that our legal system will fully reveal their careless disregard for contracts and hold them accountable, especially in light of their assurance to our board and our family that we have an 'ironclad' agreement."

*See table below for a reconciliation of non-GAAP financial measures to corresponding GAAP financial measures.

About Huntsman:

Huntsman is a global manufacturer and marketer of differentiated chemicals. Its operating companies manufacture products for a variety of global industries, including chemicals, plastics, automotive, aviation, textiles, footwear, paints and coatings, construction, technology, agriculture, health care, detergent, personal care, furniture, appliances and packaging. Originally known for pioneering innovations in packaging and, later, for rapid and integrated growth in petrochemicals, Huntsman today has 13,000 employees and operates from multiple locations worldwide. The company had 2007 revenues of approximately $10 billion. For more information, please visit the company's website at http://www.huntsman.com.

Forward-Looking Statements:

Statements in this release that are not historical are forward-looking statements. These statements are based on management's current beliefs and expectations. 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, financial, economic, competitive, environmental, political, legal, regulatory and technological factors. In addition, the completion of any transaction described in this release is subject to a number of uncertainties and closing will be subject to approvals and other customary conditions. Accordingly, there can be no assurance that such transactions will be completed or that the company's expectations will be realized. The company assumes no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by applicable laws.

| | LTM 3/31/08 | LTM 3/31/07 |
|---|---|---|
| Net Income | (211) | 207 |

| | | |
|---|---|---|
| Interest | 276 | 338 |
| Income Tax Expense | (21) | (52) |
| Depreciation & Amortization | 397 | 458 |
| Income taxes, depreciation and amortization included in discontinued operations | (139) | 41 |
| EBITDA | 302 | 992 |
| Loss on accounts receivable securitization program | 21 | 14 |
| Unallocated foreign currency loss (gain) | 14 | (7) |
| Loss on early extinguishment of debt | 1 | 29 |
| Other restructuring, impairment and plant closing costs | 35 | 18 |
| Legal and contract settlements | 6 | (10) |
| Merger related expenses | 215 | - |
| Gain on disposition of assets | (69) | (96) |
| Loss from discontinued operations | 336 | 37 |
| Extraordinary (Gain) Loss on the acquisition of a business | 8 | (58) |
| Adjusted EBITDA | 869 | 919 |

SOURCE Huntsman Corporation