



Enriching lives through innovation

Earnings Summary

Second Quarter 2020

Conference Call

Tuesday, July 28, 2020

10:00 a.m. ET

Webcast link:

<https://78449.themediaframe.com/dataconf/productusers/hun/mediaframe/38928/index1.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, ongoing impact of COVID-19 on our operations and financial results, 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

Second Quarter 2020

<i>(\$ in millions, except per share amounts)</i>	2Q20	2Q19
Revenues	\$ 1,247	\$ 1,784
Net (loss) income	\$ (59)	\$ 118
Adjusted net (loss) income	\$ (30)	\$ 108
Diluted (loss) income per share	\$ (0.28)	\$ 0.47
Adjusted diluted (loss) income per share	\$ (0.14)	\$ 0.47
Adjusted EBITDA	\$ 54	\$ 245
Net cash provided by operating activities from continuing operations	\$ 85	\$ 217
Free cash flow from continuing operations	\$ 30	\$ 160
Adjusted free cash flow from continuing operations	\$ 38	\$ 160

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

See Appendix, earnings press release or ir.huntsman.com for reconciliations and important explanatory notes.

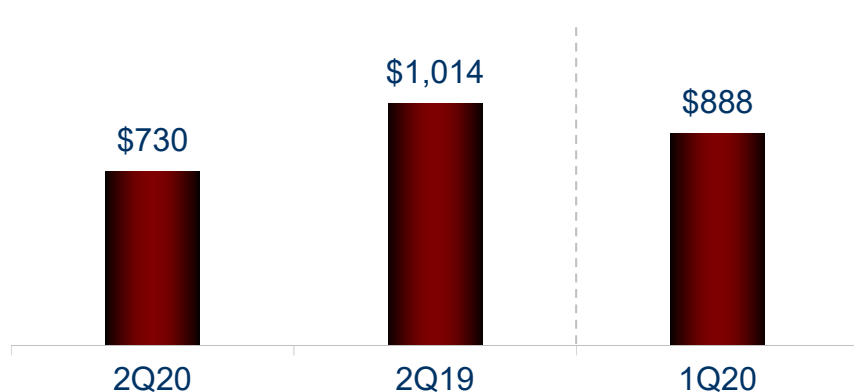
Polyurethanes

Second Quarter 2020

Revenues

\$ in millions

Y/Y ↓ 28% Q/Q ↓ 18%

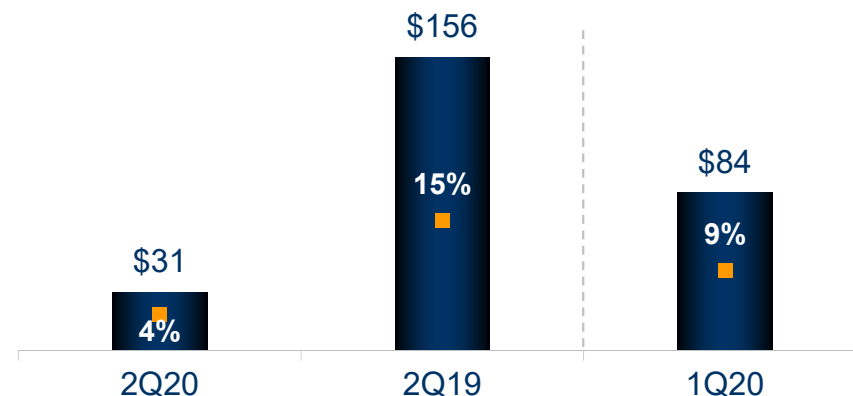


Adjusted EBITDA

\$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 80% Q/Q ↓ 63%



Sales Factors

	Price: Local ⁽¹⁾	Price: FX ⁽¹⁾	Mix & Other	Volume ⁽²⁾
Y/Y	↓ 7%	↓ 2%	↓ 3%	↓ 16%
Q/Q	↓ 4%	↓ 1%	↓ 6%	↓ 7%

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

(2) Excludes sales volumes of by-products and raw materials.

Highlights

Current Quarter

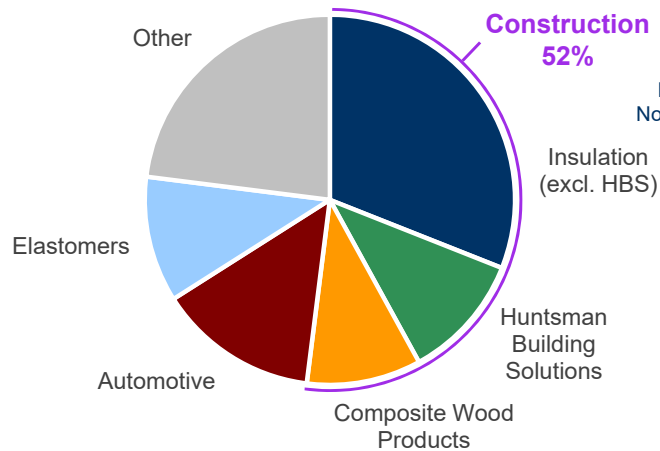
- MDI volumes decreased 15%
- Differentiated margins remain stable
- Component MDI and polymeric systems margins under pressure
- Rebranded recent spray foam acquisitions to be "Huntsman Building Solutions"; integration ahead of plan
- Quicker recovery in construction and insulation businesses

3Q20 Outlook

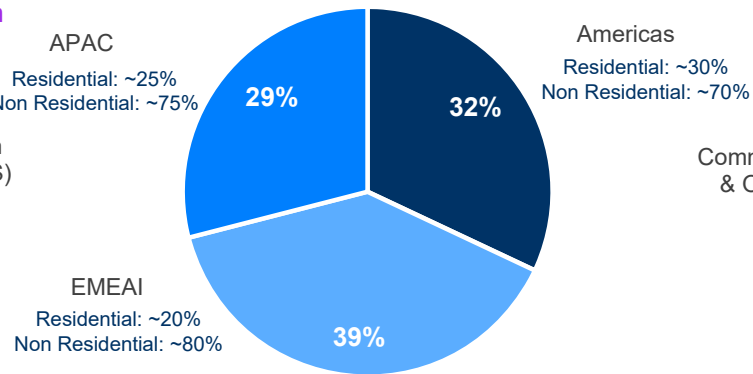
- Adjusted EBITDA expected to decrease ~30% YoY
- Total volumes remain depressed YoY
- Improving trends in Auto and growth in spray foam and in China
- Component MDI and polymeric systems margins remain depressed

A Leader in the Polyurethanes Insulation Industry

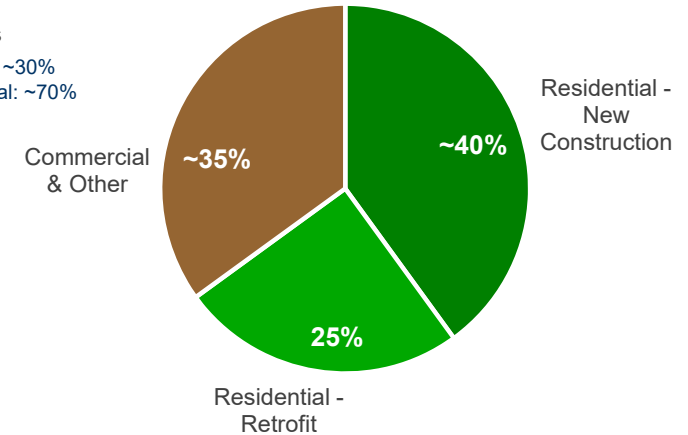
Polyurethanes Portfolio



Insulation (excl. HBS)

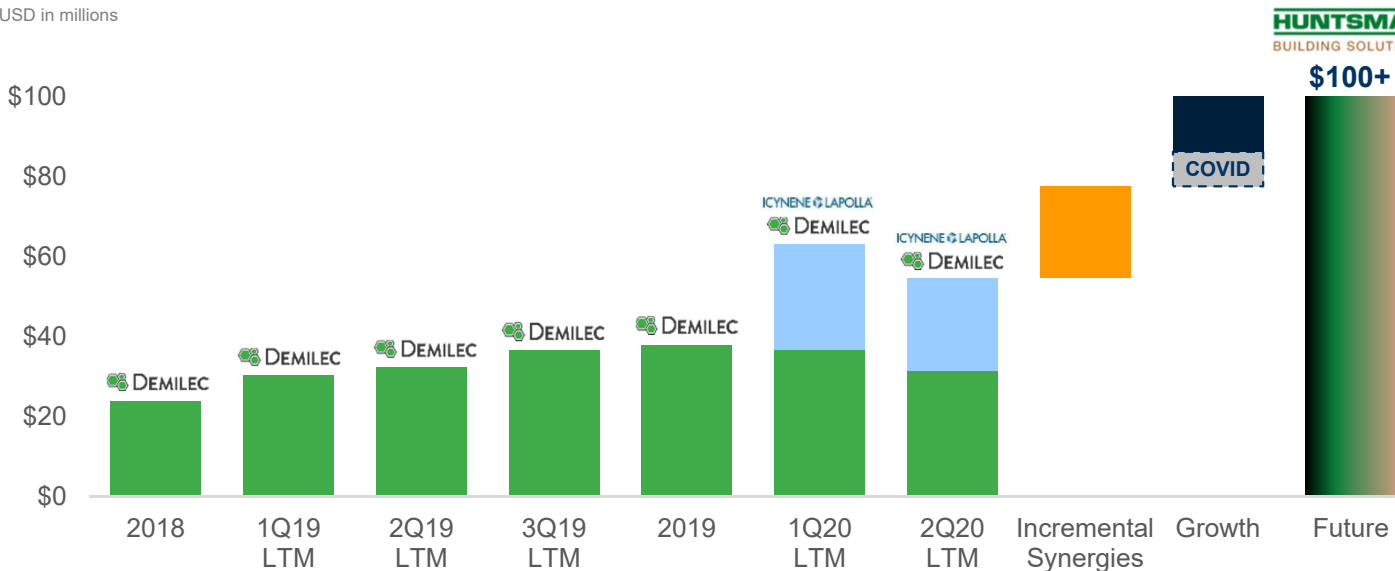


HBS (~90% North America)



Huntsman Building Solutions (HBS) – \$100 Million EBITDA Target⁽¹⁾

USD in millions



Growing SPF Industry

- SPF market represents only ~18% of total North American insulation market
- SPF market has been growing at a CAGR of ~7% over the last 7 years
- Global insulation market is ~\$80bn

(1) Demilec and Icyne-Lapolla EBITDA includes earnings in the businesses prior to Huntsman ownership.

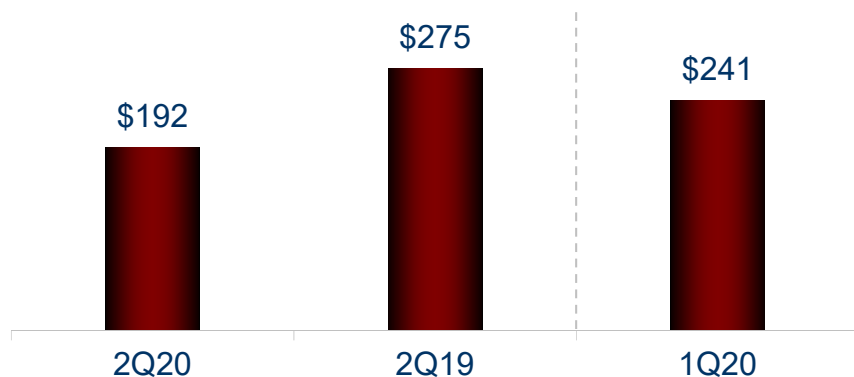
Advanced Materials

Second Quarter 2020

Revenues

\$ in millions

Y/Y ↓ 30% Q/Q ↓ 20%

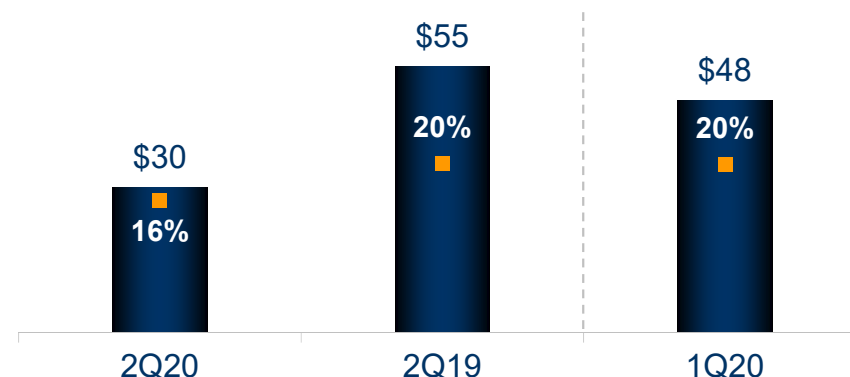


Adjusted EBITDA

\$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 45% Q/Q ↓ 38%



Sales Factors

	Price: Local ⁽¹⁾	Price: FX ⁽¹⁾	Mix & Other	Volume ⁽²⁾
Y/Y	↑ 3%	↓ 3%	↑ 1%	↓ 31%
Q/Q	↑ 3%	↓ 2%	↓ 3%	↓ 18%

Highlights

Current Quarter

- Volume declines across all markets, most significantly in Aerospace down 48%
- Volume in Power lower by 2%
- Acquisition of CVC Thermoset Specialties completed

3Q20 Outlook

- Lower adjusted EBITDA YoY and lower versus 2Q20
- Improving trends in Industrial markets offset by continued declines in Aerospace as industry supply chains align to lower OEM output rates

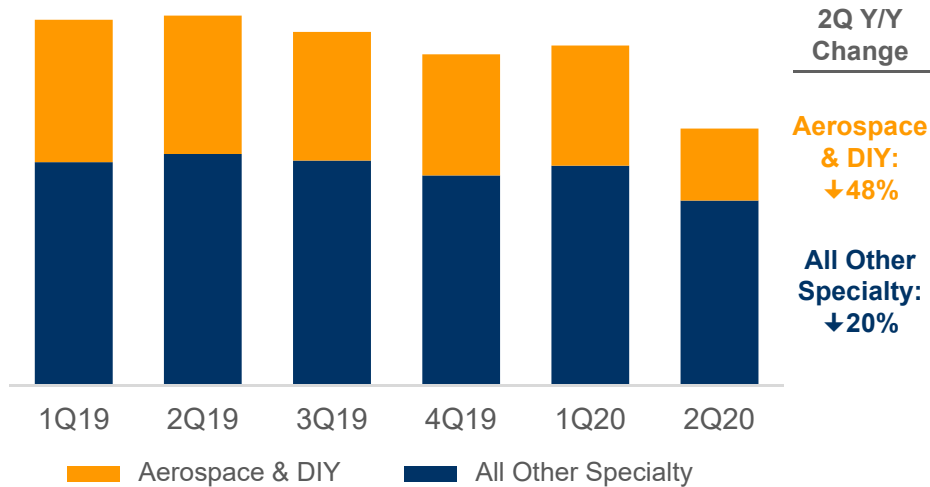
(1) Excludes sales from tolling, by-products and raw materials.

(2) Excludes sales volumes of by-products and raw materials.

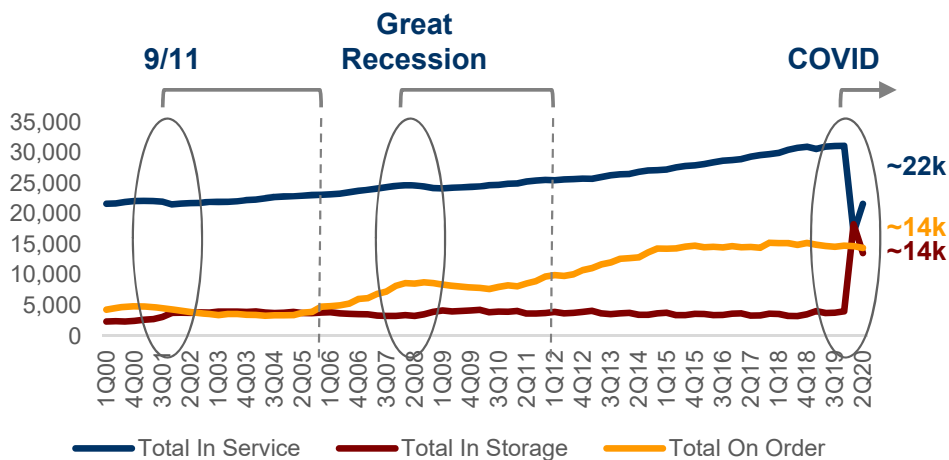
Aerospace and CVC Thermoset Specialties

Aerospace

Specialty Variable Contribution Margins



Commercial Aircraft In Service and Parked⁽¹⁾



(1) Source: Cirium.

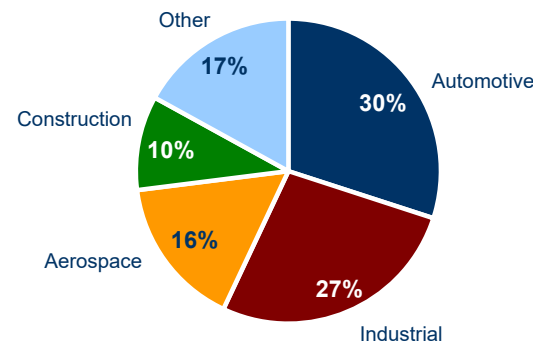
CVC Thermoset Specialties

Acquisition Rationale

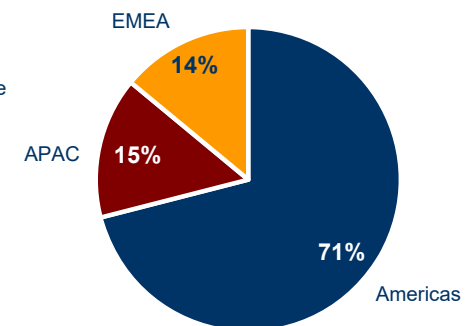
- Expands technology breadth of portfolio with complementary product offerings
- Unique and highly specialized toughening, curing and other additives used in a wide range of applications in Huntsman's current markets
- Strengthens position in North America and offers raw materials and other cost synergies
- Significant synergies available through existing asset footprint and global routes to market, providing opportunities for cost optimization, accelerated innovation and globalization

2019 Sales Revenue Breakdown

End Market Mix



Regional Presence



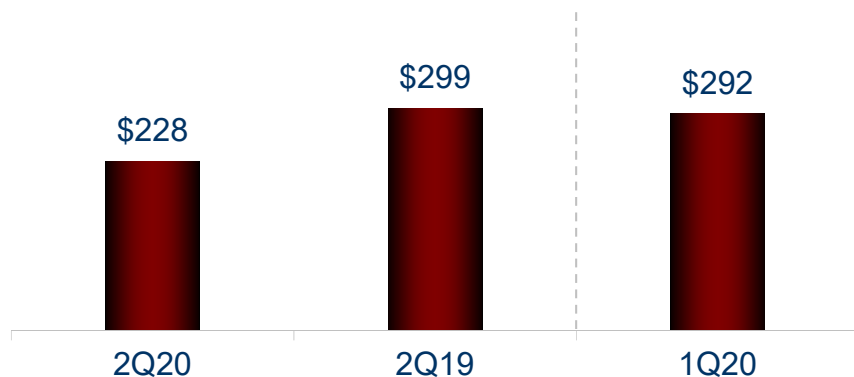
Performance Products

Second Quarter 2020

Revenues

\$ in millions

Y/Y ↓ 24% Q/Q ↓ 22%

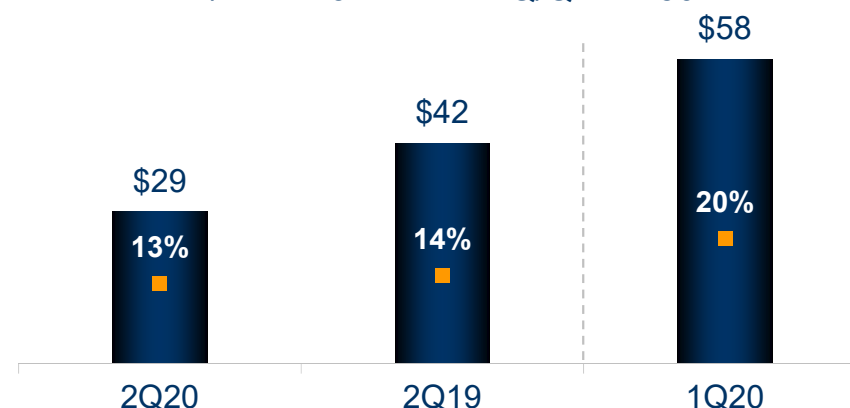


Adjusted EBITDA

\$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 31% Q/Q ↓ 50%



Sales Factors

	Price: Local ⁽¹⁾	Price: FX ⁽¹⁾	Mix & Other	Volume ⁽²⁾
Y/Y	↓ 7%	↓ 1%	↑ 4%	↓ 20%
Q/Q	↓ 4%	--	↑ 1%	↓ 19%

Highlights

Current Quarter

- Volume declines across all markets
- Performance Amines volumes lower by 8%
- Competitive pressures in Ethyleneamines continue

3Q20 Outlook

- Adjusted EBITDA lower YoY, but near flat with 2Q20 despite typical seasonality
- Stable margins and improving volume trends in Performance Amines
- Improving trends in Maleic Anhydride in North America

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

(2) Excludes sales volumes of by-products and raw materials.

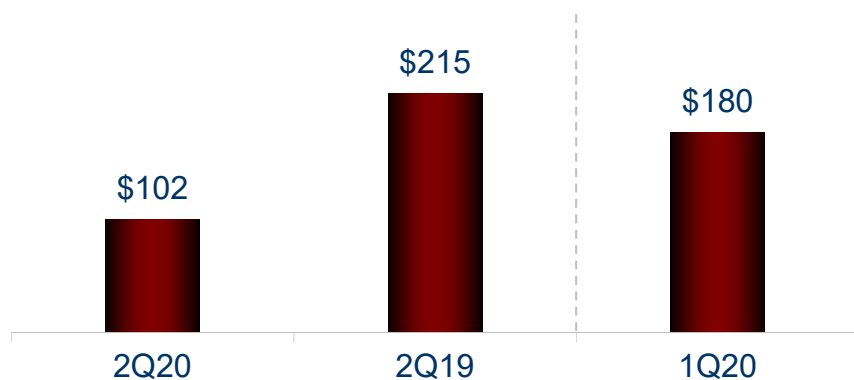
Textile Effects

Second Quarter 2020

Revenues

\$ in millions

Y/Y ↓ 53% Q/Q ↓ 43%

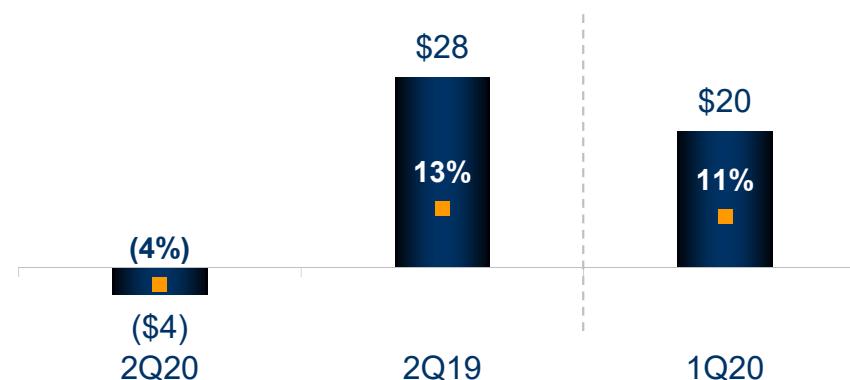


Adjusted EBITDA

\$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 114% Q/Q ↓ 120%



Sales Factors

	Price: Local ⁽¹⁾	Price: FX ⁽¹⁾	Mix & Other	Volume ⁽²⁾
Y/Y	↑ 1%	↓ 1%	↓ 5%	↓ 48%
Q/Q	↑ 3%	↓ 2%	↓ 1%	↓ 43%

Highlights

Current Quarter

- Volumes sharply lower YoY
- Extended lockdown in India, Bangladesh and Central America

3Q20 Outlook

- Positive adjusted EBITDA in 3Q20
- Volumes remain depressed YoY, but expected to improve versus 2Q20

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

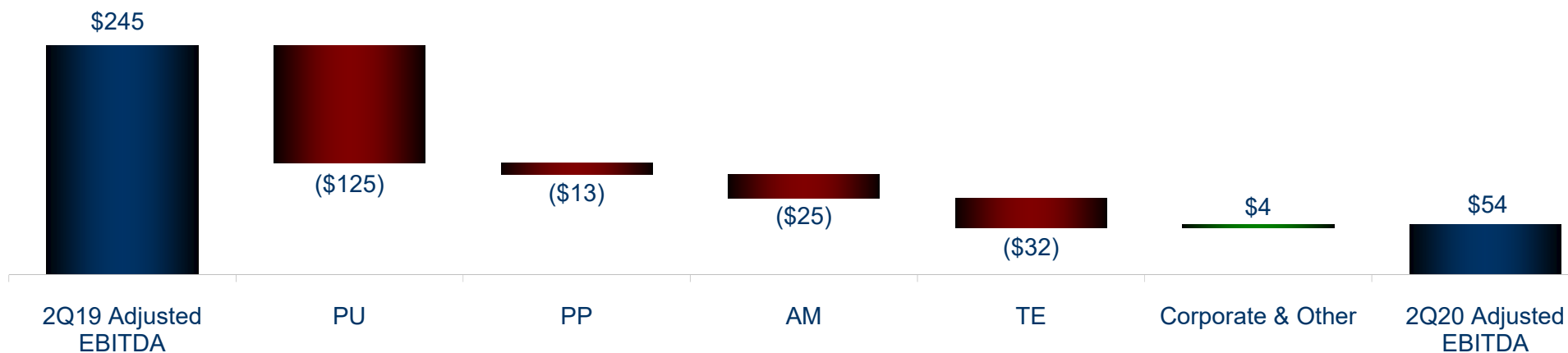
(2) Excludes sales volumes of by-products and raw materials.

Adjusted EBITDA Bridge

Second Quarter 2020

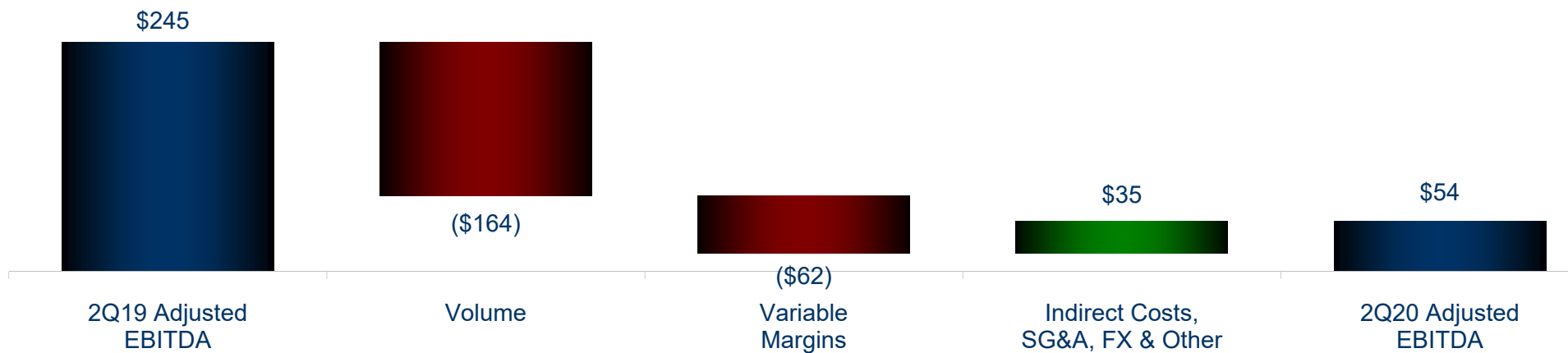
Year / Year – By Segment

\$ in millions



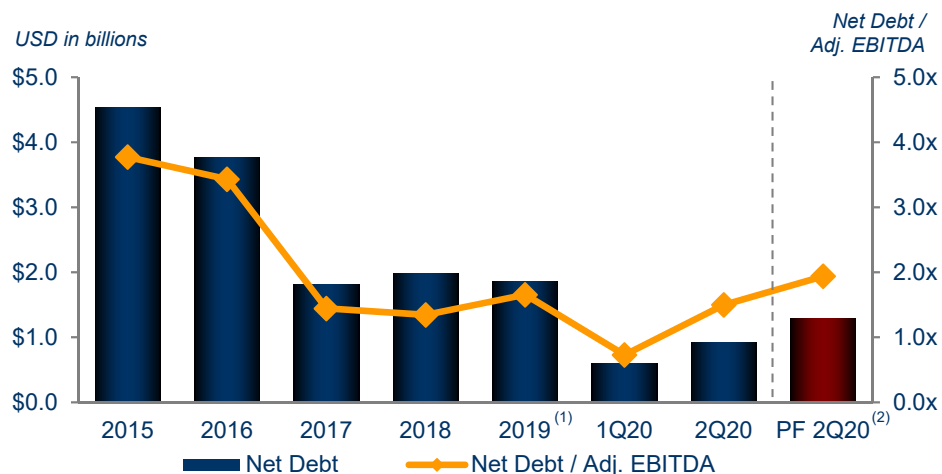
Year / Year – Total Company

\$ in millions

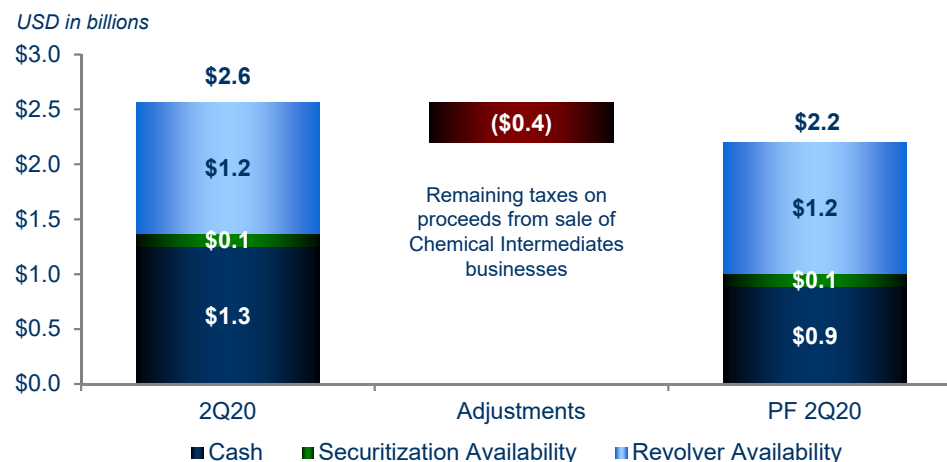


Debt and Liquidity Considerations

Strong Balance Sheet – Low Leverage



Robust Liquidity



Free Cash Flow

USD In millions	2Q20	2Q19
Net cash provided by operating activities	\$ 85	\$ 217
Capital expenditures	(55)	(57)
Free cash flow from continuing operations	\$ 30	\$ 160
Taxes paid on sale of Chemical Intermediates Businesses	8	-
Adjusted free cash flow from continuing operations	\$ 38	\$ 160

Supplemental cash flow information:

Cash paid for interest	\$ (35)	\$ (27)
Cash paid for income taxes	(19)	(54)
Cash paid for restructuring and integration	(9)	(2)
Cash paid for pensions	(26)	(18)
Depreciation and amortization	69	69
Change in primary working capital	127	72

Commentary

- 2020 expected capital expenditures reduced by ~30% to between \$225mm - \$235mm
- 2Q20 adj. effective tax rate 18%. 2020 estimated adj. effective tax rate 20%. Estimated forward adj. effective tax rate range remains 22% - 24%
- Share repurchases temporarily suspended
- ~\$365mm cash taxes remaining to be paid in 2020 on sale of Chemical Intermediates Businesses
- ~Acquisition of CVC Thermoset Specialties completed on May 18, 2020 for ~\$300mm

(1) Reflects total company adj. EBITDA including the Chemical Intermediates and Surfactants businesses.

(2) Pro forma for full year EBITDA contribution from recent acquisitions and ~\$365 million in remaining cash taxes to be paid on proceeds from the divestiture of the Chemical Intermediates and Surfactants businesses.

Cost Realignment & Synergy Plans

Delivery of ~\$100 million Run Rate Benefits Targeted by 2021 Year End

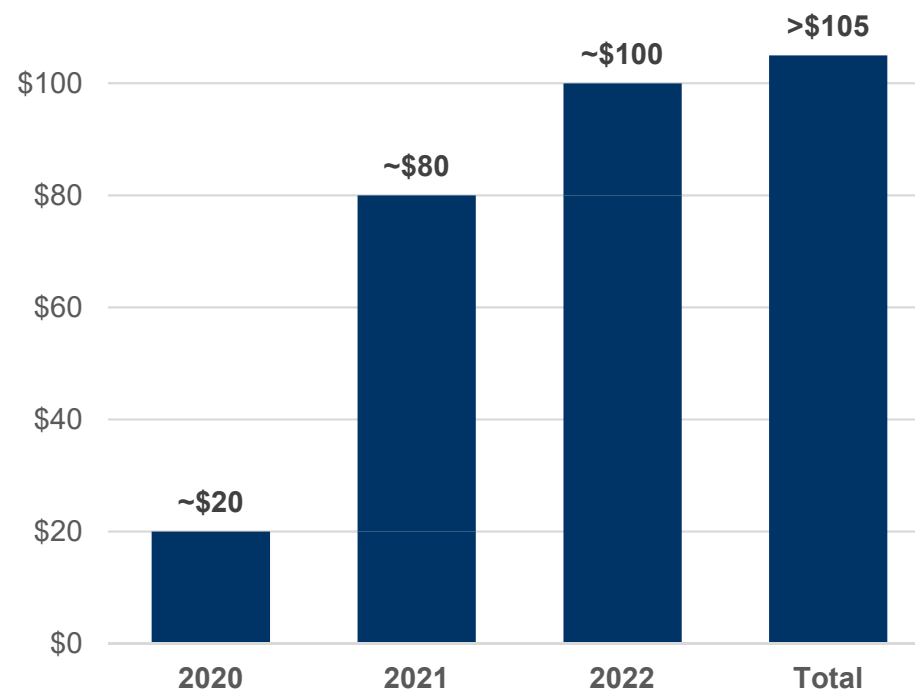
Targeted Benefits & Completion Timing

USD in millions

	Targeted Adj. EBITDA Benefit	Targeted Completion Timing
Acquisition Synergies		
HBS Synergies	~\$20mm	Year-end 2021
CVC Synergies	~\$15mm	Year-end 2021
Cost Realignment & Business Optimization		
Polyurethanes	~\$40mm	Mid 2022
Advanced Materials	~\$5mm	Early 2021
Performance Products	~\$5mm	Year-end 2021
Textile Effects	~\$10mm	Year-end 2021
Corporate	>\$10mm	Mid 2022
	>\$105mm	

Targeted In-Year Benefit Delivery

USD in millions

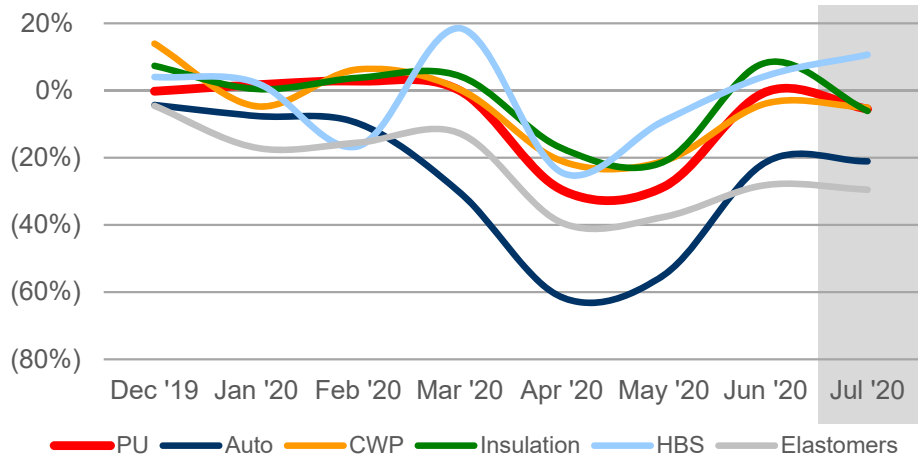


- Targeting \$100mm run rate by year end 2021
- Estimated cash restructuring and integration costs of approximately \$100mm

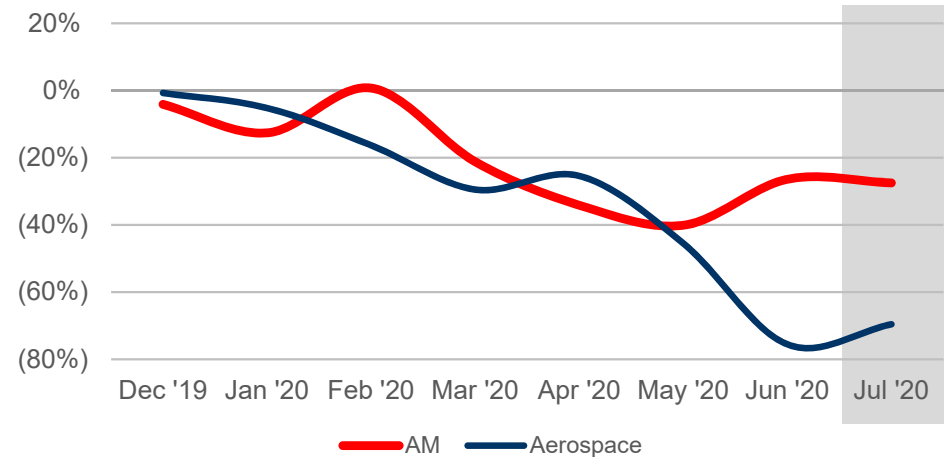
Status of a Recovery

Year-over-Year Sales Volume by Month

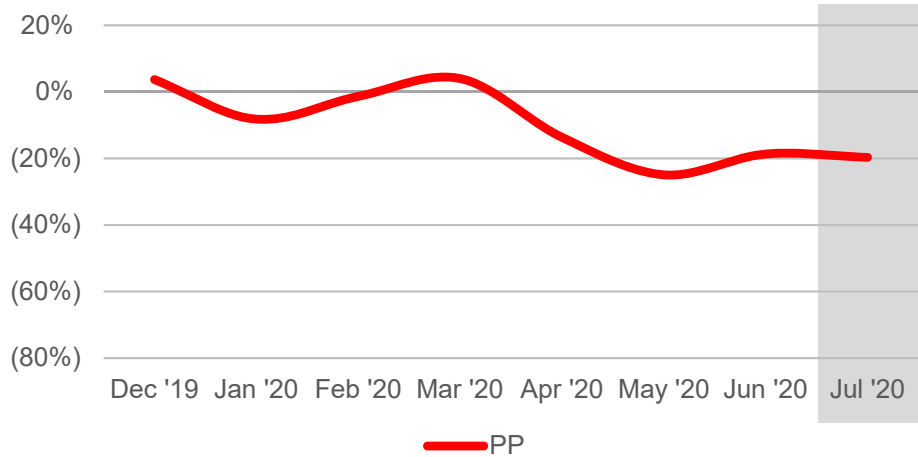
Polyurethanes⁽¹⁾



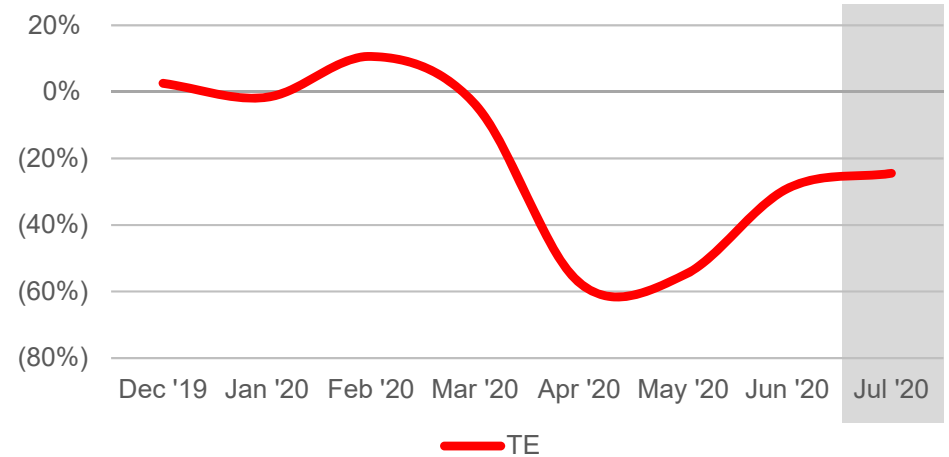
Advanced Materials⁽²⁾



Performance Products



Textile Effects



(1) Pro forma adjusted to include Icynene-Lapolla in all periods.

(2) Pro forma adjusted to include CVC Thermoset Specialties in all periods.



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Appendix

Summary Financials and Reconciliation

USD In millions	2Q18	3Q18	4Q18	FY18	1Q19	2Q19	3Q19	4Q19	FY19	1Q20	2Q20	2Q20 LTM
Segment Revenues:												
Polyurethanes	\$ 1,117	\$ 1,126	\$ 1,014	\$ 4,282	\$ 924	\$ 1,014	\$ 993	\$ 980	\$ 3,911	\$ 888	\$ 730	\$ 3,591
Performance Products	343	329	310	1,301	300	299	281	278	1,158	292	228	1,079
Advanced Materials	292	279	266	1,116	272	275	256	241	1,044	241	192	930
Textile Effects	227	204	193	824	189	215	179	180	763	180	102	641
Corporate and eliminations	(2)	30	38	81	(16)	(19)	(22)	(22)	(79)	(8)	(5)	(57)
Total	\$ 1,977	\$ 1,968	\$ 1,821	\$ 7,604	\$ 1,669	\$ 1,784	\$ 1,687	\$ 1,657	\$ 6,797	\$ 1,593	\$ 1,247	\$ 6,184
Segment Adjusted EBITDA:												
Polyurethanes	\$ 220	\$ 218	\$ 141	\$ 809	\$ 124	\$ 156	\$ 146	\$ 122	\$ 548	\$ 84	\$ 31	\$ 383
Performance Products	59	54	39	197	45	42	38	43	168	58	29	168
Advanced Materials	62	56	48	225	53	55	51	42	201	48	30	171
Textile Effects	29	25	21	101	22	28	16	18	84	20	(4)	50
Corporate, LIFO and other	(40)	(45)	(42)	(171)	(40)	(36)	(36)	(43)	(155)	(45)	(32)	(156)
Total	\$ 330	\$ 308	\$ 207	\$ 1,161	\$ 204	\$ 245	\$ 215	\$ 182	\$ 846	\$ 165	\$ 54	\$ 616
Net income (loss)	\$ 623	\$ (8)	\$ (315)	\$ 650	\$ 131	\$ 118	\$ 41	\$ 308	\$ 598	\$ 708	\$ (59)	\$ 998
Net income attributable to noncontrolling interests	(209)	(3)	(25)	(313)	(12)	(8)	(11)	(5)	(36)	(3)	(3)	(22)
Net income (loss) attributable to Huntsman Corporation	414	(11)	(340)	337	119	110	30	303	562	705	(62)	976
Interest expense from continuing operations	29	30	29	115	30	29	27	25	111	18	21	91
Interest expense from discontinued operations ⁽³⁾	11	10	6	36	-	-	-	-	-	-	-	-
Income tax expense (benefit) from continuing operations	(12)	16	4	45	45	38	30	(151)	(38)	7	(13)	(127)
Income tax expense (benefit) from discontinued operations ⁽³⁾	100	(41)	(9)	86	5	14	25	(9)	35	238	1	255
Depreciation and amortization from continuing operations	63	62	68	255	67	69	65	69	270	67	69	270
Depreciation and amortization from discontinued operations ⁽³⁾	20	23	25	88	23	23	13	2	61	-	-	15
Business acquisition and integration expenses and purchase accounting inventory adjustments	7	2	(1)	9	1	-	3	1	5	13	8	25
EBITDA from discontinued operations, net of tax ⁽³⁾	(512)	213	354	(171)	(51)	(72)	(106)	(36)	(265)	(1,015)	(6)	(1,163)
Noncontrolling interest of discontinued operations ⁽¹⁾⁽³⁾	188	(21)	10	232	-	-	-	-	-	-	-	-
Loss on sale of businesses/assets	-	-	-	-	-	-	-	21	21	(2)	1	20
Income from transition services arrangements	-	-	-	-	-	-	-	-	-	-	(5)	(5)
Expenses associated with merger, net of tax	1	1	-	2	-	-	-	-	-	-	-	-
Fair value adjustments to Venator Investment ⁽⁶⁾	-	-	62	62	(76)	18	148	(72)	18	110	(4)	182
Loss on early extinguishment of debt	3	-	-	3	23	-	-	-	23	-	-	-
Certain legal settlements and related expenses (income)	1	1	(3)	1	-	-	1	5	6	2	4	12
Certain information technology implementation costs	-	-	-	-	-	-	1	3	4	1	1	6
Amortization of pension and postretirement actuarial losses	16	18	17	67	17	16	16	17	66	18	19	70
Restructuring, impairment and plant closing and transition costs (credits)	1	5	(15)	(6)	1	-	(43)	1	(41)	3	19	(20)
Plant incident remediation costs	-	-	-	-	-	-	5	3	8	-	1	9
Adjusted EBITDA	\$ 330	\$ 308	\$ 207	\$ 1,161	\$ 204	\$ 245	\$ 215	\$ 182	\$ 846	\$ 165	\$ 54	\$ 616