



HUNTSMAN

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4Q21 Earnings Summary

February 15, 2022

4th Quarter 2021

Earnings Summary

Conference Call

Tuesday, February 15, 2022

10:00 a.m. ET

Webcast Link:

<https://themediiframe.com/mediiframe/webcast.html?webcastid=yuDF4WHL>

Participant dial-in numbers:

Domestic callers: (877) 402-8037

International callers: (201)378-4913



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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, adjusted free cash flow, and net debt. For more information on the non-GAAP financial measures used by the Company and referenced in this presentation, including definitions and reconciliations of non-GAAP measures to GAAP, please refer to “Non-GAAP Reconciliation” hyperlink available in the “Financials” section of the Company’s website at www.huntsman.com/investors.

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.

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Highlights

(\$ in millions, except per share amounts)

	4Q21	4Q20	2021	2020
Revenues	\$ 2,307	\$ 1,668	\$ 8,453	\$ 6,018
Net income	\$ 607	\$ 360	\$ 1,104	\$ 1,066
Adjusted net income	\$ 207	\$ 113	\$ 784	\$ 218
Diluted income per share	\$ 2.73	\$ 1.54	\$ 4.72	\$ 4.66
Adjusted diluted income per share	\$ 0.95	\$ 0.51	\$ 3.54	\$ 0.98
Adjusted EBITDA	\$ 349	\$ 240	\$ 1,343	\$ 647
Net cash provided by operating activities from continuing operations	\$ 790	\$ 167	\$ 953	\$ 277
Free cash flow from continuing operations	\$ 698	\$ 88	\$ 611	\$ 28

4Q21

\$698M

Free Cash Flow*

\$349M

Adjusted EBITDA

\$0.95

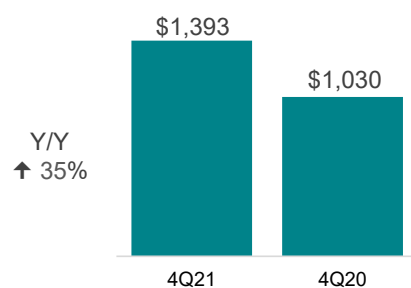
Adjusted Diluted Earnings Per Share

*Includes \$332.5 million of cash proceeds from Albemarle legal settlement

4Q21 Earnings Summary

Polyurethanes

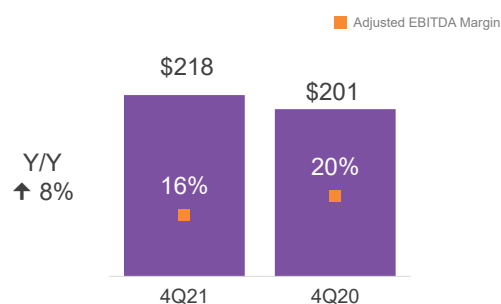
Revenues



Highlights

- Price increases offset higher raw material and logistic costs, YoY margin per pound of product sold increased
- HBS revenue increased YoY with strong price improvement
- Automotive revenue increased 6% sequentially as supply chain challenges softened
- Geismar Splitter progressing and on track for completion 2Q 2022

Adjusted EBITDA



Outlook

- 1Q22 Adj. EBITDA estimated to be between \$200 million and \$220 million
- Positive trends in construction and energy efficiency demand
- Higher costs, specifically in Europe, remain a headwind

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Full Year 2021

\$5.0B Sales Revenue

\$879M Adj. EBITDA

18% Adj. EBITDA Margin

4Q21 Y/Y Change

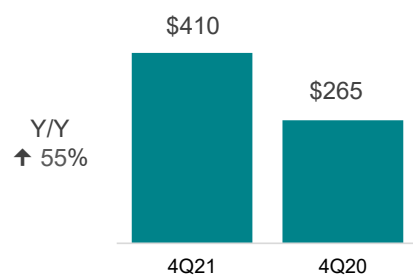
↑5% Volume / Mix

↑30% Price

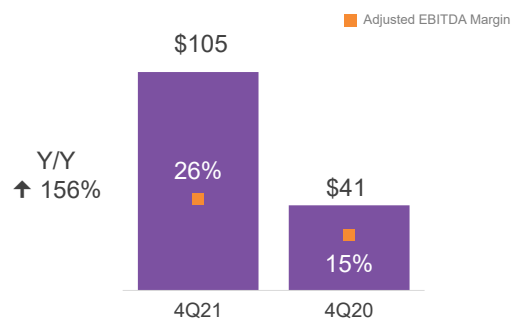
4Q21 Earnings Summary

Performance Products

Revenues



Adjusted EBITDA



Highlights

- Price increase more than offset higher raw material costs and supply chain headwinds
- Underlying demand in core markets remains solid
- Growth projects remain on track to be completed by the beginning of 2023

Outlook

- 1Q22 Adj. EBITDA estimated to be between \$115 million and \$120 million
- Commercial initiatives and solid demand drive year-over-year improvement

Full Year 2021

\$1.5B Sales Revenue

\$359M Adj. EBITDA

24% Adj. EBITDA Margin

4Q21 Y/Y Change

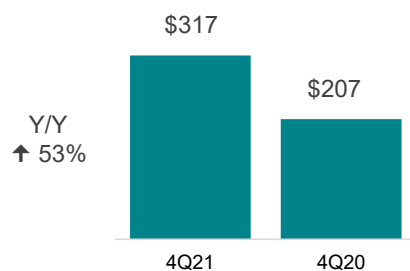
↑2% Volume / Mix

↑53% Price

4Q21 Earnings Summary

Advanced Materials

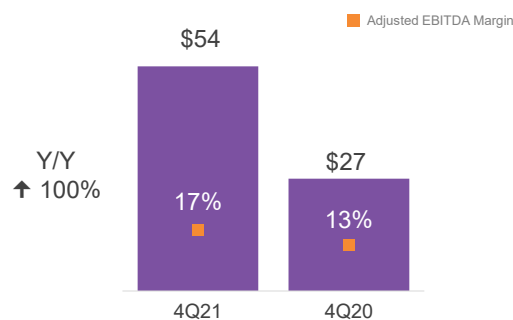
Revenues



Highlights

- Price increases offsetting higher raw material and logistics cost
- Aerospace revenue increased YoY
- Acquisition synergies of \$12 million delivered in 2021

Adjusted EBITDA



Outlook

- 1Q22 Adj. EBITDA estimated to be between \$58 million and \$62 million
- Aerospace continues to recover
- Price increases offset higher raw material costs

Full Year 2021

\$1.2B Sales Revenue

\$204M Adj. EBITDA

17% Adj. EBITDA Margin

4Q21 Y/Y Change

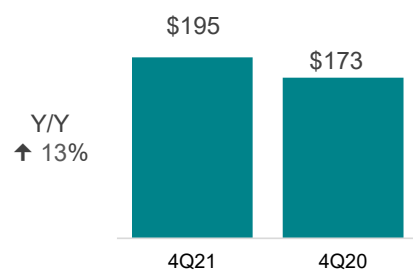
↑34% Volume / Mix

↑19% Price

4Q21 Earnings Summary

Textile Effects

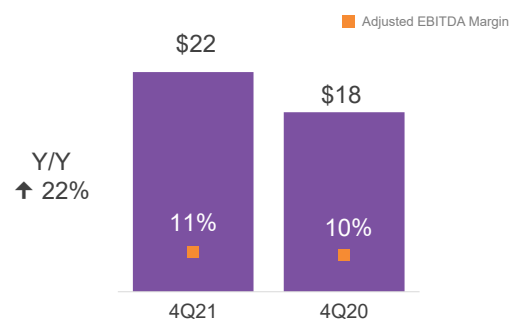
Revenues



Highlights

- Adj. EBITDA increased 22% YoY
- Announced review of strategic options for Textile Effects in December 2021

Adjusted EBITDA



Outlook

- 1Q22 Adj. EBITDA estimated to be between \$26 million and \$28 million
- Favorable trends in sustainable solutions and strong order patterns

Full Year 2021

\$783M Sales Revenue

\$97M Adj. EBITDA

12% Adj. EBITDA Margin

4Q21 Y/Y Change

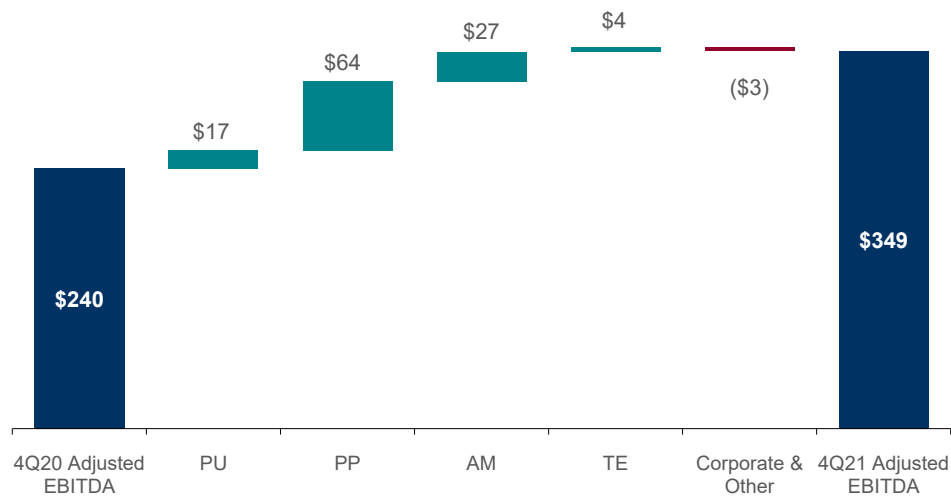
↓6% Volume / Mix

↑19% Price

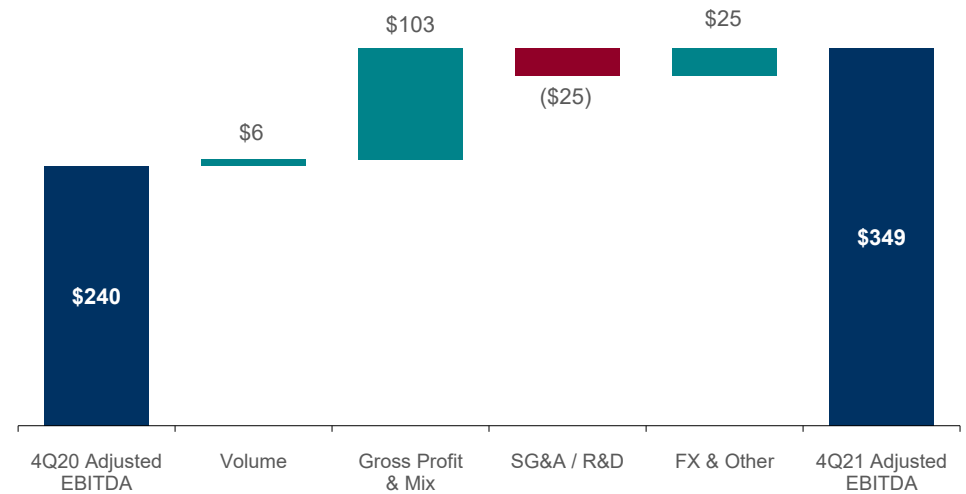
4Q21 Earnings Summary

Adjusted EBITDA Bridge

Year / Year – By Segment



Year / Year – By Account



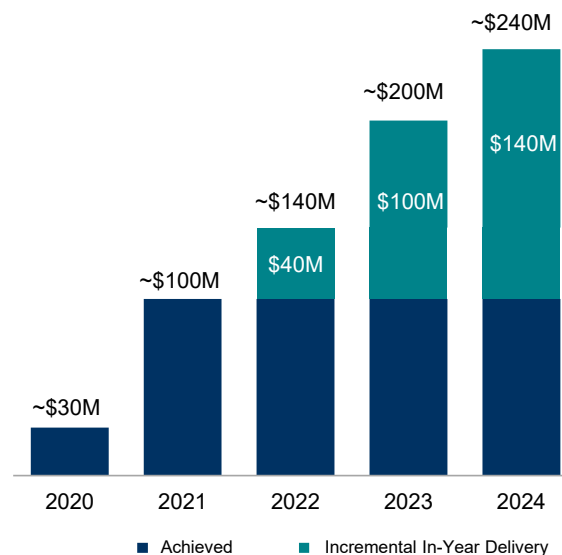
4Q21 Earnings Summary

Cost Realignment & Synergy Plans on Track

Delivery of ~\$240M Run Rate Benefits
Targeted by End of 2023

Announced Initiatives	Benefits	Expected Completion
M&A Synergies	~\$55MM	Q1 2023
Optimization Initiatives	~\$85MM	Q1 2023
Polyurethanes Optimization	~\$60MM	End of 2023
GBS Expansion	~\$20MM	End of 2023
Supply Chain Optimization	~\$20MM	End of 2023
Total	~\$240MM	

Targeted In-Year Benefit Delivery



Commentary

~\$100M Benefit Delivered in 2021

~\$140M In-Year Expected Benefit in 2022

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4Q21 Earnings Summary

Debt and Liquidity Considerations



Free Cash Flow

<i>USD in millions</i>	4Q21	4Q20	2021	2020
Net cash provided by operating activities	\$ 790	\$ 167	\$ 953	\$ 277
Capital expenditures	(92)	(79)	(342)	(249)
Free cash flow from continuing operations	\$ 698	\$ 88	\$ 611	\$ 28

Supplemental cash flow information:

Cash paid for interest	\$ (25)	\$ (41)	\$ (82)	\$ (90)
Cash paid for income taxes	(23)	(74)	(106)	(316)
Cash paid for restructuring and integration	(7)	(3)	(35)	(27)
Cash paid for pensions	(14)	(28)	(59)	(101)
Depreciation and amortization	77	77	296	283
Change in primary working capital	206	105	(340)	277

Albemarle Settlement

	Dec 2021	2nd Qtr 2022	Total
Albemarle Settlement	\$ 332.5	\$ 332.5	\$ 665
Estimated Legal Fees	-	(200)	(200)
Estimated Cash Taxes	-	(55)	(55)
	\$ 332.5	\$ 77.5	\$ 410

Liquidity, Debt & Cash Considerations

- Total liquidity of ~\$2.5 billion and net leverage of ~0.4x
- Repurchased ~7 million shares for ~\$203 million in H2 2021, including ~ 3 million shares repurchased in 4Q21
- 2021 capital expenditures of \$342 million
- 2022 estimated capital expenditures of ~ \$300 million
- 4Q21 effective tax rate of 14%
- 4Q21 adjusted effective tax rate of 19%
- Adjusted 2022 effective tax rate expected to be ~22% - 24%

4Q21 Earnings Summary

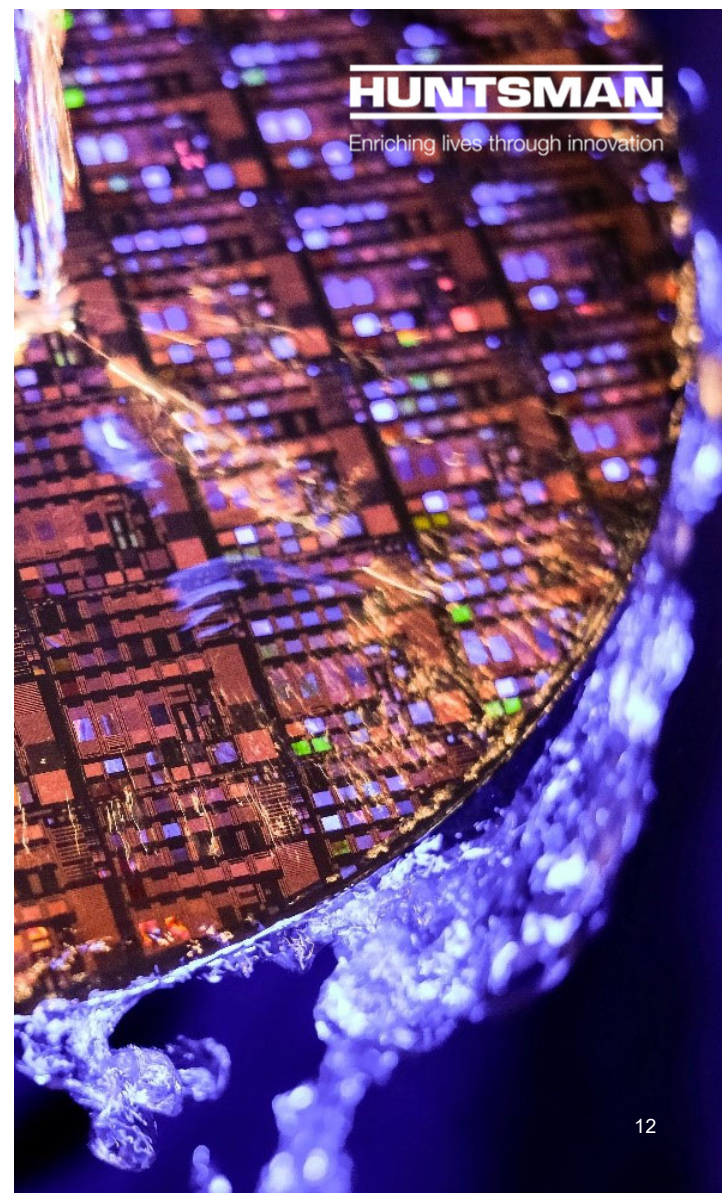
1Q22 Outlook Summary

1Q22 Adjusted EBITDA

Polyurethanes	\$200M – \$220M
Performance Products	\$115M – \$120M
Advanced Materials	\$58M – \$62M
Textile Effects	\$26M – \$28M
Corporate	~(\$50M)
Total	~\$350M - \$380M

Full Year 2022

Capital Expenditures	~\$300M
Adjusted Effective Tax Rate	~22% -24%



4Q21 Earnings Summary

Summary Financials and Reconciliation



USD in millions	1Q20	2Q20	3Q20	4Q20	FY20	1Q21	2Q21	3Q21	4Q21	FY21
Segment Revenues:										
Polyurethanes	\$ 888	\$ 730	\$ 936	\$ 1,030	\$ 3,584	\$ 1,068	\$ 1,155	\$ 1,403	\$ 1,393	\$ 5,019
Performance Products	292	228	238	265	1,023	305	371	399	410	1,485
Advanced Materials	241	192	199	207	839	278	299	304	317	1,198
Textile Effects	180	102	142	173	597	193	207	188	195	783
Total Reportable Segments' Revenue	1,601	1,252	1,515	1,675	6,043	1,844	2,032	2,294	2,315	8,485
Intersegment Eliminations	(8)	(5)	(5)	(7)	(25)	(7)	(8)	(9)	(8)	(32)
Total Revenue	\$ 1,593	\$ 1,247	\$ 1,510	\$ 1,668	\$ 6,018	\$ 1,837	\$ 2,024	\$ 2,285	\$ 2,307	\$ 8,453
Segment Adjusted EBITDA:										
Polyurethanes	\$ 84	\$ 31	\$ 156	\$ 201	\$ 472	\$ 207	\$ 208	\$ 246	\$ 218	\$ 879
Performance Products	58	29	36	41	164	63	88	103	105	359
Advanced Materials	48	30	25	27	130	44	58	48	54	204
Textile Effects	20	(4)	8	18	42	25	28	22	22	97
Total Reportable Segments' Adjusted EBITDA	210	86	225	287	808	339	382	419	399	1,539
Corporate, LIFO and other	(45)	(32)	(37)	(47)	(161)	(50)	(48)	(48)	(50)	(196)
Total Adjusted EBITDA	\$ 165	\$ 54	\$ 188	\$ 240	\$ 647	\$ 289	\$ 334	\$ 371	\$ 349	\$ 1,343
Net income (loss)	\$ 708	\$ (59)	\$ 57	\$ 360	\$ 1,066	\$ 100	\$ 172	\$ 225	\$ 607	\$ 1,104
Net income attributable to noncontrolling interests	(3)	(3)	(9)	(17)	(32)	(17)	(16)	(16)	(10)	(59)
Net income (loss) attributable to Huntsman Corporation	705	(62)	48	343	1,034	83	156	209	597	1,045
Interest expense from continuing operations	18	21	24	23	86	19	18	15	15	67
Income tax expense (benefit) from continuing operations	7	(13)	15	37	46	34	42	38	95	209
Income tax expense (benefit) from discontinued operations ^(a)	238	1	-	3	242	-	-	5	(2)	3
Depreciation and amortization from continuing operations	67	69	70	77	283	74	73	72	77	296
Business acquisition and integration expenses and purchase accounting inventory adjustments	13	8	9	1	31	9	5	5	3	22
Income associated with the Albemarle Settlement, net	-	-	-	-	-	-	-	-	(465)	(465)
EBITDA from discontinued operations, net of tax ^(a)	(1,015)	(6)	-	4	(1,017)	(1)	(1)	-	(1)	(3)
Loss (gain) on sale of businesses/assets	(2)	1	-	(279)	(280)	-	(30)	-	-	(30)
Income from transition services arrangements	-	(5)	(1)	(1)	(7)	(1)	(3)	(2)	(2)	(8)
Fair value adjustments to Venator investment and related loss on disposal ^(b)	110	(4)	(6)	(12)	88	19	6	3	-	28
Loss on early extinguishment of debt	-	-	-	-	-	-	27	-	-	27
Certain legal and other settlements and related expenses (income)	2	4	(4)	3	5	2	8	-	3	13
Certain nonrecurring information technology implementation costs	1	1	1	3	6	1	3	2	2	8
Amortization of pension and postretirement actuarial losses	18	19	20	19	76	22	21	22	21	86
Restructuring, impairment and plant closing and transition costs (credits)	3	19	12	18	52	24	12	-	9	45
Plant incident remediation costs	-	1	-	1	2	4	(3)	2	(3)	-
Adjusted EBITDA	\$ 165	\$ 54	\$ 188	\$ 240	\$ 647	\$ 289	\$ 334	\$ 371	\$ 349	\$ 1,343