HUNTSMAN

Enriching lives through innovation

2013 ANNUAL REPORT

FIVE DISTINCT BUSINESS DIVISIONS

POLYURETHANES We are a global leader in the manufacture of MDI-based polyurethanes used to produce energy-saving insulation; comfort foam for automotive seating, bedding and furniture; adhesives; coatings; elastomers for footwear; and composite wood products.

PERFORMANCE PRODUCTS We manufacture products primarily based on amines, carbonates, surfactants and maleic anhydride. End uses include epoxy curing agents, oil drilling, agrochemicals, household detergents and personal care products.

ADVANCED MATERIALS Our technologically advanced epoxy, acrylic and polyurethane-based polymer products are replacing traditional materials in aircraft, automobiles and electrical power transmission. Our products are also used in coatings, construction materials, circuit boards and sports equipment.

TEXTILE EFFECTS We are a major global solutions provider for textile dyes and chemicals that enhance color and improve performance such as wrinkle resistance, UV-blocking and the ability to repel water and stains in apparel, home and technical textiles.

PIGMENTS We manufacture and market titanium dioxide—a white pigment that provides whiteness, opacity and brightness to thousands of everyday items including paints, plastics, paper, inks, food and personal care products.

DEAR FELLOW STOCKHOLDERS,

2013 was a remarkable year for Huntsman Corporation. Our non-Pigments business achieved a level of earnings that was not only the highest in our history, but also the most widely distributed among our various geographies and chemistries. Most all of our products grew in margin and volume from the previous year, and as we look into 2014, we move forward with confidence that all our divisions will perform better than the previous year.

This past year, many of the broad global economic indicators around the world were not favorable. However, for Huntsman Corporation, it was the culmination of effort and planning that started a couple of years ago. We committed to deliver greater shareholder value by controlling the variables that we can control. These efforts will continue through 2014, but this past year's results certainly benefited from this focus.

In the area of controlling our costs, we are approximately 75 percent complete with a business reorganization that will improve our earnings by approximately $250 million. We have relocated manufacturing to countries such as Thailand, China and Mexico where many of our customers are expanding. We have invested in our manufacturing assets and increased the production of more specialty product grades in locations such as the United States, across Europe, Singapore and China. We are expanding our technical and research capabilities in the United States and China to take advantage of growing economies and new product development and are adding capacity in the United States to take advantage of lower-cost energy and raw materials.

Our second area of focus is the expansion of our core business through "bolt-on" acquisitions. Over the past two years, we have acquired businesses or formed joint ventures in the United States, Japan, China, Russia, Turkey, Germany and Saudi Arabia. All of these acquisitions provide a means to move further downstream into more differentiated applications. In short, this will create greater shareholder value. In 2013, we earned over $50 million from these efforts. Over the next several years, our acquisitions and ventures will add over $350 million of additional EBITDA to our company.

The third area of focus and value delivery will be the acquisition of Rockwood Holdings' Performance Additives and Titanium Dioxide businesses. We expect to close on this transaction in the first half of 2014. We have identified $130 million of synergies that will come to our pigments group over the next two years. This acquisition will allow us to participate in a much broader pigments industry and make us the largest color and white pigments company in the world. It is our expectation that we will take this newly formed company public within two years at a time when we can maximize shareholder value and strengthen our balance sheet.

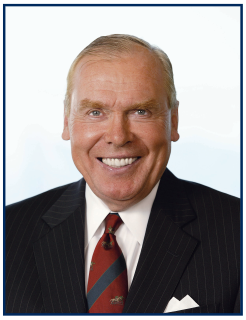
Between these three initiatives, we will see our margins increase, our manufacturing base expand and the number of products and markets we are serving grow further.

Importantly, 2013 marked the best year for our safety and environmental performance. We operate well below the industry average and remain committed to continuous improvement in these two areas. While I am excited about our expanding chemistry, I am far more enthusiastic to be part of a company of over 12,000 associates whose creativity and energy provide the industry's best service and make Huntsman a globally recognized leader. At the end of the day, we are not about chemistry as much as we are about people working together to create an ever-improving company. We are deeply appreciative of your investment and support. We finished 2013 having created significant stock market value and strong earnings. As I look to the coming years, I can't think of another time in our company's history when we had more opportunity than we do today.

Thank you again for your support.

PETER R. HUNTSMAN
President and Chief Executive Officer
February 27, 2014

SPECIAL NOTE TO STOCKHOLDERS



I am honored to serve Huntsman Corporation in the capacity of Executive Chairman. I founded this company 44 years ago, starting with a single manufacturing site and expanding it through a strategic growth plan into the world-class chemical business it is today, with assets of $9 billion, revenues of $11 billion, more than 12,000 associates and a global footprint that is the envy of the industry.

Our company achieved impressive earnings this past year, reflecting our ongoing commitment to maximize product quality. The majority of Huntsman Corporation's earnings came from divisions of our business that are inherently less volatile and have higher underlying growth characteristics. Indicative of our confidence in the strong earnings profile of the business, the board authorized a 25 percent increase in the quarterly dividend rate in 2013.

As the largest shareholder of the company, my economic interests are uniquely aligned with yours. This past year, including dividends received, the value of our investment in Huntsman Corporation increased approximately 60 percent. I believe the full value of our company has yet to be realized. Together with an outstanding and hands-on Board of Directors, we will continue to provide prudent oversight of opportunities to enhance long-term shareholder value. For example, our agreement to acquire the Rockwood Holdings, Inc. business segments will augment the value of our portfolio and open the door to a range of future opportunities.

The Board of Directors joins me in placing full trust and confidence in our CEO, Peter Huntsman. He is recognized globally as one of the most capable leaders in our industry.

Thank you for your investment, and be assured that we will strive to enhance shareholder value and safety as our highest priorities.

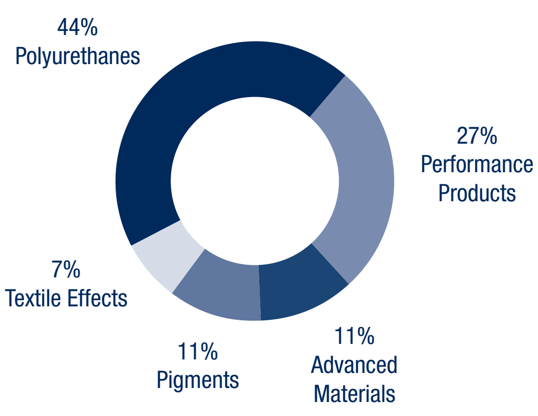
JON M. HUNTSMAN
Executive Chairman and Founder
February 27, 2014

FINANCIAL HIGHLIGHTS

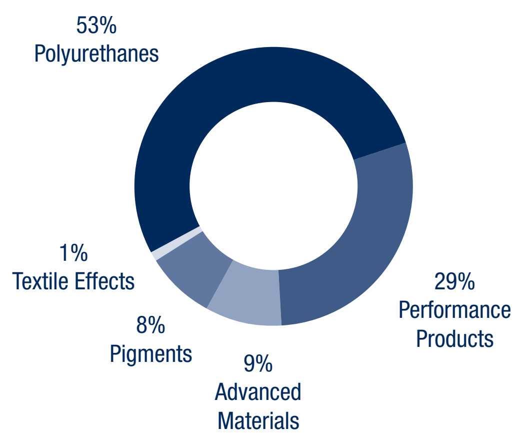
In millions	2013	2012	2011
	Year Ended December 31,		
Revenues	$ 11,079	$ 11,187	$ 11,221
Gross profit	$ 1,753	$ 2,034	$ 1,840
Interest expense, net	$ 190	$ 226	$ 249
Net income	$ 149	$ 373	$ 254
Adjusted net income[1]	$ 390	$ 577	$ 432
Adjusted EBITDA[1]	$ 1,213	$ 1,439	$ 1,245
Capital expenditures[2]	$ 471	$ 412	$ 327

In millions	2013	2012	2011
	December 31,		
Total assets	$ 9,188	$ 8,884	$ 8,657
Net debt[3]	$ 3,381	$ 3,306	$ 3,380

REVENUES BY DIVISION[4]



ADJUSTED EDITDA BY DIVISION[4]



(1) For a reconciliation see pages 9–10 of the Financials section.
(2) Net of reimbursement of $3 million in 2011.
(3) Net debt calculated as total debt excluding affiliates less cash.
(4) Segment allocation before corporate and other unallocated items.

2013 FINANCIAL REVIEW AND FORM 10-K

DEFINITIONS

Each capitalized term used without definition in this report has the meaning specified in the Annual Report on Form 10-K for the year ended December 31, 2013, which was filed with the Securities and Exchange Commission on February 11, 2014.

SELECTED FINANCIAL DATA

The selected historical financial data set forth below presents our historical financial data as of and for the dates and periods indicated. You should read the selected financial data in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and accompanying notes.

	Year ended December 31,				
	2013	2012	2011	2010	2009
	(in millions, except per share amounts)				
Statements of Operations Data:					
Revenues	$11,079	$11,187	$11,221	$9,250	$7,665
Gross profit	1,753	2,034	1,840	1,461	1,078
Restructuring, impairment and plant closing costs	151	92	167	29	88
Operating income	510	845	606	410	13
(Expenses) income associated with the terminated merger and related litigation(a)	—	—	—	(4)	835
Income (loss) from continuing operations	154	378	251	(9)	125
(Loss) income from discontinued operations, net of tax(b)	(5)	(7)	(1)	42	(19)
Extraordinary gain (loss) on the acquisition of a business, net of tax of nil(c)	—	2	4	(1)	6
Net income	149	373	254	32	112
Net income attributable to Huntsman Corporation	128	363	247	27	114
Basic income (loss) per common share:					
Income (loss) from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.55	$ 1.55	$ 1.03	$(0.06)	$ 0.54
(Loss) income from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax(b)	(0.02)	(0.03)	—	0.17	(0.08)
Extraordinary gain on the acquisition of a business attributable to Huntsman Corporation common stockholders, net of tax(c)	—	0.01	0.01	—	0.03
Net income attributable to Huntsman Corporation common stockholders	$ 0.53	$ 1.53	$ 1.04	$ 0.11	$ 0.49
Diluted income (loss) per common share:					
Income (loss) from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.55	$ 1.53	$ 1.01	$(0.06)	$ 0.53
(Loss) income from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax(b)	(0.02)	(0.03)	—	0.17	(0.08)
Extraordinary gain on the acquisition of a business attributable to Huntsman Corporation common stockholders, net of tax(c)	—	0.01	0.01	—	0.03
Net income attributable to Huntsman Corporation common stockholders	$ 0.53	$ 1.51	$ 1.02	$ 0.11	$ 0.48
Other Data:					
Depreciation and amortization	$ 448	$ 432	$ 439	$ 405	$ 442
Capital expenditures	471	412	330	236	189
Dividends per share	0.50	0.40	0.40	0.40	0.40
Balance Sheet Data (at period end):					
Total assets	$ 9,188	$ 8,884	$ 8,657	$8,714	$8,626
Total debt	3,916	3,706	3,946	4,150	4,217
Total liabilities	7,059	6,988	6,881	6,864	6,761

(a) In connection with a 2009 litigation settlement related to a terminated merger, we recognized a gain of $835 million in 2009 and related expenses of $4 million in 2010.

(b) (Loss) income from discontinued operations represents the operating results, fire insurance settlement gains and loss on disposal of our former Australian styrenics business, our former U.S. base chemicals business, our former North American polymers business, our former European base chemicals and polymers business and our former TDI business. The U.S. base chemicals business was sold on November 5, 2007, the North American polymers business was sold on August 1, 2007, the European base chemicals and polymers business was sold on December 29, 2006 and the TDI business was sold on July 6, 2005.

(c) The extraordinary gain (loss) on the acquisition of a business relates to the June 30, 2006 acquisition of our Textile Effects segment. See "Note 3. Business Combinations and Dispositions—Textile Effects Acquisition" to our consolidated financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

We are a global manufacturer of differentiated organic chemical products and of inorganic chemical products. Our products comprise a broad range of chemicals and formulations, which we market globally to a diversified group of consumer and industrial customers. Our products are used in a wide range of applications, including those in the adhesives, aerospace, automotive, construction products, personal care and hygiene, durable and non-durable consumer products, electronics, medical, packaging, paints and coatings, power generation, refining, synthetic fiber, textile chemicals and dye industries. We are a leading global producer in many of our key product lines, including MDI, amines, surfactants, epoxy-based polymer formulations, textile chemicals, dyes, maleic anhydride and titanium dioxide. Our administrative, research and development and manufacturing operations are primarily conducted at the facilities located in 30 countries. We employed approximately 12,000 associates worldwide at December 31, 2013.

We operate in five segments: Polyurethanes, Performance Products, Advanced Materials, Textile Effects and Pigments. Our Polyurethanes, Performance Products, Advanced Materials and Textile Effects segments produce differentiated organic chemical products and our Pigments segment produces inorganic chemical products. In a series of transactions beginning in 2006, we have sold or shutdown substantially all of our former Australian styrenics operations and our North American polymers and base chemicals operations. We report the results from these businesses as discontinued operations.

Growth in our Polyurethanes and Advanced Materials segments has been driven by the continued substitution of our products for other materials across a broad range of applications, as well as by the level of global economic activity. Historically, demand for many of these products has grown at rates in excess of GDP growth. In Polyurethanes, this growth, driven largely by Asia, has in recent years resulted in improved demand and higher industry capacity utilization rates for many of our key products, including MDI. MDI does, however, experience some seasonality in its sales reflecting its exposure to seasonal construction related end markets. Sales generally peak during the spring and summer months in the northern hemisphere, resulting in greater sales volumes during the second and third quarters of the year.

In our Performance Products segment, demand for our performance specialties has generally continued to grow at rates in excess of GDP as overall demand is significantly influenced by new product and application development. Demand for most of our performance intermediates has grown in line with GDP growth. Over time, demand for maleic anhydride has generally grown at rates that slightly exceed GDP growth. However, given its dependence on the UPR market, which is influenced by construction end markets, maleic anhydride demand can be cyclical.

Demand in our Textile Effects segment is driven primarily by consumer activity. Consumer spending for goods incorporating our Textile Effects products is impacted significantly by a wide range of economic factors, including personal incomes, housing and energy prices and other highly volatile factors. Accordingly, demand for our Textile Effects products has been volatile and appears likely to remain volatile.

Historically, demand for titanium dioxide pigments has grown at rates approximately equal to global GDP growth. Pigment prices have historically reflected industry-wide operating rates but have typically lagged behind movements in these rates by up to twelve months due to the effects of product stocking and destocking by customers and producers, contract arrangements and seasonality. The industry experiences some seasonality in its sales because sales of paints, the largest end use for titanium dioxide, generally peak during the spring and summer months in the northern hemisphere. This results in greater sales volumes in the second and third quarters of the year.

On September 17, 2013, we entered into a definitive agreement to acquire the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. for approximately $1.1 billion in cash, subject to certain purchase price adjustments, and the assumption of certain unfunded pension liabilities estimated at $225 million as of June 30, 2013. The transaction remains subject to regulatory approvals and customary closing conditions and is expected to close during the first half of 2014.

For further information regarding sales price and demand trends, see “Results of Operations—Segment Analysis—Year Ended December 31, 2013 Compared to Year Ended December 31, 2012” and the tables captioned “Year ended December 31, 2013 vs. 2012, Period-Over-Period Increase (Decrease)” and “Fourth Quarter 2013 vs. Third Quarter 2013, Period-Over-Period Increase (Decrease)” below.

OUTLOOK

We expect to close on the acquisition of Rockwood Holdings, Inc.’s Performance Additives and Titanium Dioxide businesses during the first half of 2014 and remain confident in our ability to deliver significant synergies.

We continue to see the benefit of our ongoing restructuring efforts and we believe that these efforts will yield significant future annual EBITDA benefits. We are investing for long term growth and are progressing well with the previously disclosed projects that we believe will yield significant future annual EBITDA benefits.

Polyurethanes:

- MDI demand strong in U.S. and Asia, modest in Europe
- Improving sales price leverage
- Higher raw material costs (notably benzene)

Performance Products:

- Improving amines sales volumes and margins
- U.S. Gulf Coast raw material cost advantage
- Increased margin pressure on European home and personal care surfactants, full European restructuring benefits in 2015

Advanced Materials:

- Restructuring benefit
- Strong aerospace market
- Weak base liquid resin epoxy market

Textile Effects:

- Reorganization and restructuring benefit
- Continued growth in key countries above underlying market demand
- Higher raw materials costs

Pigments:

- Favorable ilmenite raw material advantage versus traditional chloride ores
- Improving sales volumes and selling prices
- Agreement for strategic acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc.

We expect to spend approximately $500 million in 2014 on capital expenditures, net of reimbursements, for growth initiatives and maintenance, excluding any amounts associated with the planned acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc.

We expect our full year 2014 adjusted effective tax rate to be approximately 35%, excluding the impact of the acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. We believe our long-term effective income tax rate will be approximately 30%.

RECENT DEVELOPMENTS

On September 17, 2013, we entered into a definitive agreement to acquire the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. for approximately $1.1 billion in cash, subject to certain purchase price adjustments, and the assumption of certain unfunded pension liabilities estimated at $225 million as of June 30, 2013. The transaction remains subject to regulatory approvals and customary closing conditions and is expected to close during the first half of 2014.

Results of Operations

The following table sets forth our consolidated results of operations for the years ended December 31, 2013, 2012 and 2011 (dollars in millions, except per share amounts).

	Year ended December 31,			Percent Change	
	2013	**2012**	**2011**	**2013 vs. 2012**	**2012 vs. 2011**
Revenues	$11,079	$11,187	$11,221	(1)%	—
Cost of goods sold	9,326	9,153	9,381	2%	(2)%
Gross profit	1,753	2,034	1,840	(14)%	11%
Operating expenses	1,092	1,097	1,067	—	3%
Restructuring, impairment and plant closing costs	151	92	167	64%	(45)%
Operating income	510	845	606	(40)%	39%
Interest expense, net	(190)	(226)	(249)	(16)%	(9)%
Equity in income of investment in unconsolidated affiliates	8	7	8	14%	(13)%
Loss on early extinguishment of debt	(51)	(80)	(7)	(36)%	NM
Other income	2	1	2	100%	(50)%
Income from continuing operations before income taxes	279	547	360	(49)%	52%
Income tax expense	(125)	(169)	(109)	(26)%	55%
Income from continuing operations	154	378	251	(59)%	51%
Loss from discontinued operations, net of tax	(5)	(7)	(1)	(29)%	600%
Extraordinary gain on the acquisition of a business, net of tax of nil	—	2	4	NM	(50)%
Net income	149	373	254	(60)%	47%
Net income attributable to noncontrolling interests	(21)	(10)	(7)	110%	43%
Net income attributable to Huntsman Corporation	128	363	247	(65)%	47%
Interest expense, net	190	226	249	(16)%	(9)%
Income tax expense from continuing operations	125	169	109	(26)%	55%
Income tax benefit from discontinued operations	(2)	(3)	(5)	(33)%	(40)%
Depreciation and amortization	448	432	439	4%	(2)%
EBITDA(1)	$ 889	$ 1,187	$ 1,039	(25)%	14%
Reconciliation of EBITDA to adjusted EBITDA:					
EBITDA(1)	$ 889	$ 1,187	$ 1,039		
Acquisition expenses and purchase accounting inventory adjustments	21	5	5		
Loss (gain) on initial consolidation of subsidiaries	—	4	(12)		
EBITDA from discontinued operations	5	5	6		
Gain on disposition of businesses/assets	—	(3)	(40)		
Loss on early extinguishment of debt	51	80	7		
Extraordinary gain on the acquisition of a business	—	(2)	(4)		
Certain legal settlements and related expenses	9	11	46		
Amortization of pension and postretirement actuarial losses	74	43	31		
Restructuring, impairment and plant closing and transition costs(3):					
Polyurethanes	2	38	—		
Performance Products	18	1	—		
Advanced Materials	34	38	20		
Textile Effects	87	26	135		
Pigments	4	4	10		
Corporate and other	19	2	2		
Total restructuring, impairment and plant closing and transition costs(3)	164	109	167		
Adjusted EBITDA(1)	$ 1,213	$ 1,439	$ 1,245		
Net cash provided by operating activities	$ 708	$ 774	$ 365	(9)%	112%
Net cash used in investing activities	(566)	(471)	(280)	20%	68%
Net cash used in financing activities	(6)	(473)	(490)	(99)%	(3)%

	Year ended December 31,		
	2013	2012	2011
Reconciliation of net income to adjusted net income:			
Net income attributable to Huntsman Corporation	$ 128	$ 363	$ 247
Acquisition expenses and purchase accounting inventory adjustments, net of tax of $(5), $(1) and $(1) in 2013, 2012 and 2011, respectively	16	4	4
Loss (gain) on initial consolidation of subsidiaries, net of tax of nil, nil and $2 in 2013, 2012 and 2011, respectively	—	4	(10)
Loss from discontinued operations, net of tax of $(2), $(3) and $(5) in 2013, 2012 and 2011, respectively	5	7	1
Discount amortization on settlement financing, net of tax of $(3), $(11) and $(10) in 2013, 2012 and 2011, respectively	6	20	18
Gain on disposition of businesses/assets, net of tax of nil, nil and $3 in 2013, 2012 and 2011, respectively	—	(3)	(37)
Loss on early extinguishment of debt, net of tax of $(19), $(29) and $(3) in 2013, 2012 and 2011, respectively	32	51	4
Extraordinary gain on the acquisition of a business, net of tax of nil for 2013, 2012 and 2011 each	—	(2)	(4)
Certain legal settlements and related expenses, net of tax of $(2), $(4) and $(17) in 2013, 2012 and 2011, respectively	7	7	29
Amortization of pension and postretirement actuarial losses, net of tax of $(20), $(8) and $(7) in 2013, 2012 and 2011, respectively	54	35	24
Restructuring, impairment and plant closing and transition costs(3), net of tax of $(22), $(18) and $(11) in 2013, 2012 and 2011, respectively	142	91	156
Adjusted net income(2)	$ 390	$ 577	$ 432
Weighted average shares-basic	239.7	237.6	237.6
Weighted average shares-diluted	242.4	240.6	241.7
Net income per share:			
Basic	$ 0.53	$ 1.53	$ 1.04
Diluted	0.53	1.51	1.02
Other non-GAAP measures:			
Adjusted income per share(2):			
Basic	$ 1.63	$ 2.43	$ 1.82
Diluted	1.61	2.40	1.79

NM—Not meaningful

(1) EBITDA is defined as net income attributable to Huntsman Corporation before interest, income taxes, depreciation and amortization. Because EBITDA excludes these items, EBITDA provides an indicator of general economic performance that is not affected by debt restructurings, fluctuations in interest rates or effective tax rates, or levels of depreciation and amortization. Adjusted EBITDA is computed by eliminating the following from EBITDA: (a) acquisition expenses and purchase accounting inventory adjustments; (b) loss (gain) on initial consolidation of subsidiaries; (c) EBITDA from discontinued operations; (d) gain on disposition of businesses/assets; (e) loss on early extinguishment of debt; (f) extraordinary gain on the acquisition of a business; (g) certain legal settlements and related expenses; (h) amortization of pension and postretirement actuarial losses; and (i) restructuring, impairment, plant closing and transition costs. We believe that net income attributable to Huntsman Corporation is the performance measure calculated and presented in accordance with GAAP that is most directly comparable to EBITDA and adjusted EBITDA.

We believe that EBITDA and adjusted EBITDA supplement an investor's understanding of our financial performance. However, these measures should not be considered in isolation or viewed as substitutes for net income attributable to Huntsman Corporation or other measures of performance determined in accordance with GAAP. Moreover, EBITDA and adjusted EBITDA as used herein are not necessarily comparable to other similarly titled measures of other companies due to potential inconsistencies in the methods of calculation. Our management believes these measures are useful to compare general operating performance from period to period and to make certain related management decisions. EBITDA and adjusted EBITDA are also used by securities analysts, lenders and others in their evaluation of different companies because they exclude certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be highly dependent on a company's capital structure, debt levels and credit ratings. Therefore, the impact of interest expense on earnings can vary significantly among companies. In addition, the tax positions of companies can vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the various jurisdictions in which they operate. As a result, effective tax rates and tax expense can vary considerably among companies. Finally, companies employ productive assets of different ages and utilize different methods of acquiring and depreciating such assets. This can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies.

Nevertheless, our management recognizes that there are material limitations associated with the use of EBITDA and adjusted EBITDA in the evaluation of our Company as compared to net income attributable to Huntsman Corporation, which reflects overall financial performance. For example, we have borrowed money in order to finance our operations and interest expense is a necessary element of our costs and ability to generate revenue. Our management compensates for the limitations of using EBITDA and adjusted EBITDA by using these measures to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business rather than GAAP results alone.

In addition to the limitations noted above, adjusted EBITDA excludes items that may be recurring in nature and should not be disregarded in the evaluation of performance. However, we believe it is useful to exclude such items to provide a supplemental analysis of current results and trends compared to other periods because certain excluded items can vary significantly depending on specific underlying transactions or events, and the variability of such items may not relate specifically to ongoing operating results or trends and certain excluded items, while potentially recurring in future periods, may not be indicative of future results. For example, while EBITDA from discontinued operations is a recurring item, it is not indicative of ongoing operating results and trends or future results.

Beginning in 2013, we began to exclude the amortization of actuarial gains and losses associated with pension and postretirement benefits from adjusted EBITDA, adjusted net income (loss), adjusted net income (loss) attributable to Huntsman Corporation and adjusted diluted income (loss) per share. The amortization of actuarial gains and losses associated with pension and postretirement benefits arises from changes in actuarial assumptions and the difference between actual and expected returns on plan assets, and not from our normal, or "core," operations. There is diversity in accounting for these actuarial gains and losses within our industry, and we believe that removing these gains and losses provides management and investors greater transparency into the operational results of our businesses and enhances period-over-period comparability. The service cost, amortization of prior service cost (benefit), interest cost and expected return on plan assets components of our periodic pension and postretirement benefit costs (income) will continue to be included in adjusted EBITDA, adjusted net income (loss), adjusted net income (loss) attributable to Huntsman Corporation and adjusted diluted income (loss) per share. Included within adjusted EBITDA for Huntsman Corporation for 2013, 2012 and 2011 are pension and postretirement benefit expenses of $28 million, $23 million and $38 million, respectively, including expected returns on plan assets of $166 million, $173 million and $178 million, respectively. The amounts for prior periods have been recast to conform to the current presentation.

(2) Adjusted net income is computed by eliminating the after-tax amounts related to the following from net income attributable to Huntsman Corporation: (a) acquisition expenses and purchase accounting inventory adjustments; (b) loss (gain) on initial consolidation of subsidiaries; (c) loss from discontinued operations; (d) discount amortization on settlement financing; (e) gain on disposition of businesses/assets; (f) loss on early extinguishment of debt; (g) extraordinary gain on the acquisition of a business; (h) certain legal settlements and related expenses; (i) amortization of pension and postretirement actuarial losses; and (j) restructuring, impairment and plant closing and transition costs. 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. Basic adjusted income per share excludes dilution and is computed by dividing adjusted net income by the weighted average number of shares outstanding during the period. Diluted adjusted income per share reflects all potential dilutive common shares outstanding during the period and is computed by dividing adjusted net income by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding as dilutive securities.

Adjusted net income and adjusted income per share amounts are presented solely as supplemental disclosures to net income applicable to Huntsman Corporation and income per share because we believe that these measures are indicative of our operating performance. These measures are also used by securities analysts, lenders and others in their evaluation of different companies because they exclude certain items that can vary widely across different industries or among companies within the same industry. Nevertheless, our management recognizes that there are material limitations associated with the use of adjusted net income and adjusted income per share in the evaluation of our Company as compared to net income attributable to Huntsman Corporation, which reflects overall financial performance For example, adjusted net income and adjusted income per share exclude items that may be recurring in nature and should not be disregarded in the evaluation of performance. However, we believe it is useful to exclude such items to provide a supplemental analysis of current results and trends compared to other periods because certain excluded items can vary significantly depending on specific underlying transactions or events, and the variability of such items may not relate specifically to current operating results or trends and certain excluded items, while potentially recurring in future periods, may not be indicative of future results. For example, while loss (gain) from discontinued operations is a recurring item, it is not indicative of ongoing operating results and trends or future results.

Beginning in 2013, we began to exclude the amortization of actuarial gains and losses associated with pension and postretirement benefits from adjusted EBITDA, adjusted net income (loss), adjusted net income (loss) attributable to Huntsman Corporation and adjusted diluted income (loss) per share. The amortization of actuarial gains and losses associated with pension and postretirement benefits arises from changes in actuarial assumptions and the difference between actual and expected returns on plan assets, and not from our normal, or "core," operations. There is diversity in accounting for these actuarial gains and losses within our industry, and we believe that removing these gains and losses provides management and investors greater transparency into the operational results of our businesses and enhances period-over-period comparability. The service cost, amortization of prior service cost (benefit), interest cost and expected return on plan assets components of our periodic pension and postretirement benefit costs (income) will continue to be included in adjusted EBITDA, adjusted net income (loss), adjusted net income (loss) attributable to Huntsman Corporation and adjusted diluted income (loss) per share. The amounts for prior periods have been recast to conform to the current presentation.

(3) Includes cost associated with the transition of our Textile Effects segment's production from Basel, Switzerland to a tolling facility. These costs were included in cost of sales on our consolidated statements of operations.

Year Ended December 31, 2013 Compared with Year Ended December 31, 2012

For the year ended December 31, 2013, the net income attributable to Huntsman Corporation was $128 million on revenues of $11,079 million, compared with net income attributable to Huntsman Corporation of $363 million on revenues of $11,187 million for 2012. The decrease of $235 million in net income attributable to Huntsman Corporation was the result of the following items:

- Revenues for 2013 decreased by $108 million, or 1%, as compared with 2012. The decrease was due principally to lower average selling prices in our Pigments segment and lower sales volumes in our Performance Products and Advanced Materials segments. See "—Segment Analysis" below.
- Our gross profit for 2013 decreased by $281 million, or 14%, as compared with 2012. The decrease resulted from lower gross margins in our Polyurethanes and Pigments segments. See "—Segment Analysis" below.
- Restructuring, impairment and plant closing costs for 2013 increased to $151 million from $92 million in 2012. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.
- Our net interest expense for 2013 decreased by $36 million, or 16%, as compared with 2012. The decrease was due primarily to the reduction in noncash interest expense resulting from the repayment of our 5.50% senior notes due 2016 ("2016 Senior Notes") in 2012 and 2013.

- Loss on early extinguishment of debt for 2013 decreased to $51 million from $80 million in 2012. In 2012, we recorded a loss on early extinguishment of debt of $80 million primarily from the repurchase of a portion of our 2016 Senior Notes. In 2013, we recorded a loss on early extinguishment of debt of $34 million primarily from the repurchase of the remainder of our 2016 Senior Notes and $17 million primarily related to the repayment of our term loan C Facility ("Term Loan C"). For more information, see "Note 13. Debt—Direct and Subsidiary Debt—Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements.
- Our income tax expense decreased by $44 million to an expense of $125 million for 2013 as compared with an expense of $169 million for 2012. Our tax obligations are affected by the mix of income and losses in the tax jurisdictions in which we operate. Our 2013 effective tax rate is significantly impacted by losses in tax jurisdictions where we have a full valuation allowance. For more information, see "Note 17. Income Taxes" to our consolidated financial statements.

Segment Analysis

Year Ended December 31, 2013 Compared to Year Ended December 31, 2012

	Year ended December 31,		Percent Change Favorable (Unfavorable)
	2013	2012	
Revenues			
Polyurethanes	$ 4,964	$ 4,894	1%
Performance Products	3,019	3,065	(2)%
Advanced Materials	1,267	1,325	(4)%
Textile Effects	811	752	8%
Pigments	1,269	1,436	(12)%
Eliminations	(251)	(285)	12%
Total	$11,079	$11,187	(1)%
Segment EBITDA			
Polyurethanes	$ 696	$ 726	(4)%
Performance Products	372	360	3%
Advanced Materials	86	54	59%
Textile Effects	(78)	(49)	(59)%
Pigments	79	352	(78)%
Corporate and other	(261)	(251)	(4)%
Subtotal	894	1,192	(25)%
Discontinued Operations	(5)	(5)	—
Total	$ 889	$ 1,187	(25)%

	Year ended December 31, 2013 vs. 2012			
	Average Selling Price(1)			
	Local Currency	Foreign Currency Translation Impact	Mix & Other	Sales Volumes(2)
Period-Over-Period (Decrease) Increase				
Polyurethanes	(1)%	1%	—	1%
Performance Products	2%	—	(2)%	(2)%
Advanced Materials	4%	(1)%	3%	(10)%
Textile Effects	3%	(1)%	—	6%
Pigments	(23)%	1%	—	10%
Total Company	(2)%	—	—	1%

	Fourth Quarter 2013 vs. Third Quarter 2013			
	Average Selling Price(1)			
	Local Currency	Foreign Currency Translation Impact	Mix & Other	Sales Volumes(2)
Period-Over-Period (Decrease) Increase				
Polyurethanes	(2)%	1%	2%	(7)%
Performance Products	(1)%	1%	(1)%	(4)%
Advanced Materials	(1)%	1%	4%	(7)%
Textile Effects	4%	1%	—	1%
Pigments	(1)%	1%	1%	(6)%
Total Company	—	1%	(1)%	(5)%

(1) Excludes revenues from tolling arrangements, byproducts and raw materials.

(2) Excludes sales volumes of byproducts and raw materials.

Polyurethanes

The increase in revenues in our Polyurethanes segment for 2013 compared to 2012 was primarily due to higher sales volumes. MDI sales volumes increased in the Americas and Asia Pacific regions, partially offset by lower volumes in the European region. European sales volumes were lower primarily as a result of a force majeure event that caused an extended outage at our Rotterdam, The Netherlands' MDI facility in the second quarter of 2013. PO/MTBE sales volumes decreased due to weaker market demand. MDI average selling prices increased in all regions primarily in response to higher raw material costs, offset by a decrease in PO/MTBE average selling prices primarily due to less favorable market conditions. The 2013 decrease in segment EBITDA was primarily due to lower PO/MTBE earnings (in 2012, first and third quarter EBITDA benefited from industry supply outages) and lower MDI margins in the European region as a result of the Rotterdam MDI facility outage during the second quarter of 2013, partially offset by increased MDI margins in the Americas and Asia Pacific regions. During 2013 and 2012, our Polyurethanes segment recorded restructuring, impairment and plant closing costs of $2 million and $38 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Performance Products

The decrease in revenues in our Performance Products segment for 2013 compared to 2012 was primarily due to lower sales volumes. The decrease in sales volumes resulted from the impact of the scheduled maintenance on our olefins and ethylene oxide facilities in Port Neches, Texas in the first quarter of 2013, which more than offset increases in amines and maleic anhydride sales volumes. Excluding the impact of this scheduled maintenance, sales volumes would have increased by approximately 4%. Average selling prices increased in amines and maleic anhydride offset by the mix effect of a higher level of toll business in 2013. The increase in segment EBITDA was primarily due to improved sales volumes and margins in maleic anhydride and amines, partially offset by the impact of our scheduled maintenance, estimated at $55 million, and higher restructuring, impairment and plant closing costs. During 2013 and 2012, our Performance Products segment recorded restructuring, impairment and plant closing costs of $18 million and $1 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Advanced Materials

The decrease in revenues in our Advanced Materials segment for 2013 compared to 2012 was primarily due to lower sales volumes, partially offset by higher average selling prices. Sales volumes decreased in our base resins business in all regions due to reduced available output which resulted from the permanent closure of some production lines and over supply. In our specialty component business, sales volumes decreased in all regions in the coatings and construction and wind markets, offset in part by higher sales volumes in the aerospace markets in the Americas and European regions. Sales volumes also decreased in our formulations business in the Americas and European regions, primarily in the wind and electrical and electronics markets, offset in part by higher sales volumes in the Asia Pacific region marine market and in the Africa Middle East region electrical and electronics market. Average selling prices increased in the European region, primarily in response to higher raw material costs and increased focus on higher value component and formulations sales, partially offset by decreases in average selling prices in our Asia Pacific formulations business and in our Americas base resins business due to increased competition. The increase in segment EBITDA was primarily due to lower restructuring, impairment and plant closing costs and lower selling, general and administrative costs as a result of recent restructuring efforts, partially offset by lower sales volumes and lower margins. During 2013 and 2012, our Advanced Materials segment recorded restructuring, impairment and plant closing costs of $34 million and $38 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Textile Effects

The increase in revenues in our Textile Effects segment for 2013 compared to 2012 was due to higher sales volumes and higher average selling prices. Sales volumes increased primarily due to increased market share in key countries. Average selling prices increased primarily in response to higher raw material costs, offset in part by the strength of the U.S. dollar against major international currencies. The decrease in segment EBITDA was primarily due to higher restructuring, impairment and plant closing and transition costs and higher raw material costs, partially offset by lower manufacturing and selling, general and administrative costs as a result of our restructuring efforts and higher sales volumes. During 2013 and 2012, our Textile Effects segment recorded restructuring, impairment and plant closing and transition costs of $87 million and $26 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Pigments

The decrease in revenues in our Pigments segment for 2013 compared to 2012 was primarily due to lower average selling prices, partially offset by higher sales volumes. Average selling prices decreased in all regions of the world primarily as a result of high industry inventory levels. Sales volumes increased in all regions primarily due to higher end-use demand. The decrease in segment EBITDA was primarily due to lower margins, partially offset by lower manufacturing and selling, general and administrative costs as a result of our restructuring efforts. During 2013 and 2012, our Pigments segment recorded restructuring, impairment and plant closing costs of $4 million each. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Corporate and other

Corporate and other includes unallocated corporate overhead, unallocated foreign exchange gains and losses, last-in first-out ("LIFO") inventory valuation reserve adjustments, loss on early extinguishment of debt, unallocated restructuring, impairment and plant closing costs, nonoperating income and expense, benzene sales and gains and losses on the disposition of corporate assets. For 2013, EBITDA from Corporate and other for Huntsman Corporation decreased by $10 million to a loss of $261 million from a loss of $251 million for 2012. The decrease in EBITDA from Corporate and other resulted primarily from a $17 million decrease in income from benzene sales ($7 million of loss in 2013 compared to $10 million of income in 2012), a $13 million decrease in LIFO inventory valuation income ($1 million of income in 2013 compared to $14 million of income in 2012) and a $17 million increase in restructuring, impairment and plant closing costs ($19 million of expense in 2013 compared to $2 million of expense in 2012). For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements. The decrease in EBITDA was partially offset by a decrease in incentive compensation of $6 million and a decrease in loss on early extinguishment of debt of $29 million ($51 million of loss in 2013 compared to $80 million of loss in 2012). For more information regarding the loss on early extinguishment of debt, see "Note 13. Debt—Direct and Subsidiary Debt—Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements.

Discontinued Operations

The operating results of our former polymers, base chemicals and Australian styrenics businesses are classified as discontinued operations, and, accordingly, the revenues of these businesses are excluded from revenues for all periods presented. The EBITDA of these former businesses are included in discontinued operations for all periods presented. The loss from discontinued operations represents the operating results, legal costs, restructuring, impairment and plant closing costs and gain (loss) on disposal with respect to our former businesses.

Year Ended December 31, 2012 Compared with Year Ended December 31, 2011

For the year ended December 31, 2012, net income attributable to Huntsman Corporation was $363 million on revenues of $11,187 million, compared with net income attributable to Huntsman Corporation of $247 million on revenues of $11,221 million for 2011. The increase of $116 million in net income attributable to Huntsman Corporation was the result of the following items:

- Revenues for 2012 decreased by $34 million, or less than one percent, as compared with 2011. The decrease was due principally to lower average selling prices in our Performance Products and Advanced Materials segments and lower sales volumes in our Performance Products and Pigments segments, offset by higher average selling prices in our Polyurethanes and Pigments segments and higher sales volumes in our Polyurethanes, Advanced Materials and Textile Effects segments. See "—Segment Analysis" below.

- Our gross profit for 2012 increased by $194 million, or 11%, as compared with 2011. The increase resulted from higher gross margins in our Polyurethanes and Textile Effects segments, offset in part by lower margins in our other segments. See "—Segment Analysis" below.

- Our operating expenses for 2012 increased by $30 million, or 3%, as compared with 2011. Increases in operating expenses in 2012 were primarily due to a $4 million loss recognized in 2012 in connection with our acquisition of the remaining 55% ownership interest in International Polyurethane Investments B.V. (the "Russian Systems House Acquisition"), a $34 million gain recognized in 2011 on the sale of our Stereolithography resin and Digitalis® machine manufacturing businesses and a $12 million gain on the consolidation of our Sasol-Huntsman joint venture recognized in 2011, offset in part by decreases in operating expenses primarily due to the impact of translating foreign currency amounts to the U.S. dollar and a $35 million decrease in costs related to legal claims in 2012.

- Restructuring, impairment and plant closing costs for 2012 decreased to $92 million from $167 million in 2011. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

- Our net interest expense for 2012 decreased by $23 million, or 9%, as compared with 2011. The decrease is due principally to lower average debt balances.

- Our loss on early extinguishment of debt for 2012 increased to $80 million from $7 million in 2011 as a result of higher net repayments of indebtedness in 2012 as compared to 2011. In 2012, we recorded a loss on early extinguishment of debt of $80 million primarily from the repurchase of a portion of our 2016 Senior Notes. For more information, see "Note 13. Debt—Direct and Subsidiary Debt—Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements.

- Our income tax expense increased by $60 million to an expense of $169 million for 2012 as compared with an expense of $109 million for 2011. Our tax obligations are affected by the mix of income and losses in the tax jurisdictions in which we operate. Our increase in tax expense was due primarily to higher pre-tax earnings. For more information, see "Note 17. Income Taxes" to our consolidated financial statements.

Segment Analysis

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

	Year ended December 31, 2012	Year ended December 31, 2011	Percent Change Favorable (Unfavorable)
Revenues			
Polyurethanes	$ 4,894	$ 4,434	10%
Performance Products	3,065	3,301	(7)%
Advanced Materials	1,325	1,372	(3)%
Textile Effects	752	737	2%
Pigments	1,436	1,642	(13)%
Eliminations	(285)	(265)	(8)%
Total	$11,187	$11,221	—
Segment EBITDA			
Polyurethanes	$ 726	$ 469	55%
Performance Products	360	385	(6)%
Advanced Materials	54	125	(57)%
Textile Effects	(49)	(199)	75%
Pigments	352	501	(30)%
Corporate and other	(251)	(236)	(6)%
Subtotal	1,192	1,045	14%
Discontinued Operations	(5)	(6)	17%
Total	$ 1,187	$ 1,039	14%

	Year ended December 31, 2012 vs. 2011			
	Average Selling Price(1)			
	Local Currency	Foreign Currency Translation Impact	Mix & Other	Sales Volumes(2)
Period-Over-Period Increase (Decrease)				
Polyurethanes	4%	(2)%	—	8%
Performance Products	(3)%	(3)%	2%	(3)%
Advanced Materials	(6)%	(4)%	—	7%
Textile Effects	—	(4)%	(1)%	7%
Pigments	14%	(5)%	—	(22)%
Total Company	2%	(3)%	1%	—

(1) Excludes revenues from tolling arrangements, byproducts and raw materials.

(2) Excludes sales volumes of byproducts and raw materials.

Polyurethanes

The increase in revenues in our Polyurethanes segment for 2012 compared to 2011 was due to higher sales volumes and higher average selling prices, partially offset by the strength of the U.S. dollar against the euro. MDI sales volumes increased as a result of improved demand in all regions and across most major markets. PO/MTBE sales volumes increased due to strong demand. MDI average selling prices increased in all regions, partially offset by the strength of the U.S. dollar against the euro.

PO/MTBE average selling prices increased primarily due to favorable market conditions. The increase in segment EBITDA was primarily due to higher margins and higher sales volumes, partially offset by higher restructuring, impairment and plant closing costs. During 2012 and 2011, our Polyurethanes segment recorded restructuring, impairment and plant closing costs of $38 million and nil, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Performance Products

The decrease in revenues in our Performance Products segment for 2012 compared to 2011 was primarily due to lower average selling prices and lower sales volumes. Average selling prices decreased across almost all businesses primarily in response to lower raw material costs and the strength of the U.S. dollar against major international currencies. Sales volumes decreased primarily due to a shift to tolling arrangements. The decrease in segment EBITDA was primarily due to lower sales volumes and higher operating expenses. In addition, in 2011 we recorded a gain of $12 million in connection with the consolidation of our Sasol-Huntsman joint venture.

Advanced Materials

The decrease in revenues in our Advanced Materials segment for 2012 compared to 2011 was primarily due to lower average selling prices, partially offset by higher sales volumes. Average selling prices decreased in all regions and across most markets in response to competitive market pressure, lower raw material costs in most regions and the strength of the U.S. dollar against major international currencies. Sales volumes increased across most regions, primarily due to stronger global demand in our base resins business, while sales volumes in the Asia-Pacific region decreased due to lower demand in the wind energy, electrical engineering and electronics markets. The decrease in segment EBITDA was primarily due to higher restructuring and impairment costs and lower margins due in part to the change in sales mix from increased base resin sales volumes, partially offset by lower selling, general and administrative costs as a result of recent restructuring efforts. During 2012 and 2011, our Advanced Materials segment recorded restructuring, impairment and plant closing costs of $38 million and $20 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Textile Effects

The increase in revenues in our Textile Effects segment for 2012 compared to 2011 was primarily due to higher sales volumes, partially offset by the strength of the U.S. dollar against major international currencies. Sales volumes increased due to increased market share in key markets. The increase in segment EBITDA was primarily due to lower restructuring, impairment and plant closing and transition costs and lower manufacturing and selling, general and administrative costs as a result of recent restructuring efforts, partially offset by lower margins. During 2012 and 2011, our Textile Effects segment recorded restructuring, impairment and plant closing costs of $9 million and $135 million, respectively, and expenses for the transition of production from Basel, Switzerland to a tolling facility of $17 million and nil, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Pigments

The decrease in revenues in our Pigments segment for 2012 compared to 2011 was due to lower sales volumes, partially offset by higher average selling prices. Sales volumes decreased primarily due to lower global demand. Average selling prices increased in all regions of the world primarily in response to higher raw material costs, partially offset by the strength of the U.S. dollar against major international currencies. The decrease in segment EBITDA was primarily due to lower margins and lower sales volumes. During 2012 and 2011, our Pigments segment recorded restructuring, impairment and plant closing costs of $4 million and $10 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Corporate and other

Corporate and other includes unallocated corporate overhead, unallocated foreign exchange gains and losses, LIFO inventory valuation reserve adjustments, loss on early extinguishment of debt, unallocated restructuring, impairment and plant closing costs, nonoperating income and expense, benzene sales and gains and losses on the disposition of corporate assets. For 2012, EBITDA from Corporate and other decreased by $15 million to a loss of $251 million from a loss of $236 million for 2011. The decrease in EBITDA from Corporate and other was primarily the result of an increase in loss on early extinguishment of debt of $73 million ($80 million of loss in 2012 compared to $7 million of loss in 2011). For more information regarding the loss on early extinguishment of debt, see "Note 13. Debt—Direct and Subsidiary Debt—Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements. The decrease was also due to higher incentive compensation costs of $19 million and a decrease in unallocated foreign exchange gains of $9 million ($2 million gain in 2012 compared to $11 million gain in 2011). The decrease in EBITDA was partially offset by a decrease in legal settlements of $39 million ($1 million in 2012 compared to $40 million in 2011), an increase in LIFO inventory valuation income of $35 million ($14 million of income in 2012 compared to $21 million of expense in 2011) and an increase of $15 million in income from benzene sales ($10 million of income in 2012 compared to $5 million of loss in 2011).

Discontinued Operations

The operating results of our former polymers, base chemicals and Australian styrenics businesses are classified as discontinued operations, and, accordingly, the revenues of these businesses are excluded from revenues for all periods presented. The EBITDA of these former businesses are included in discontinued operations for all periods presented. The loss from discontinued operations represents the operating results, legal costs, restructuring, impairment and plant closing costs and gain (loss) on disposal with respect to our former businesses. The decrease in loss from discontinued operations, net of tax, resulted primarily from higher legal costs in 2011.

Liquidity and Capital Resources

Cash Flows for Year Ended December 31, 2013 Compared to the Year Ended December 31, 2012

Net cash provided by operating activities for 2013 and 2012 was $708 million and $774 million, respectively. The decrease in net cash provided by operating activities during year ended December 31, 2013 compared with the same period in 2012 was primarily attributable to a decrease in operating income as described in "—Results of Operations" above, offset in part by a $123 million favorable variance in operating assets and liabilities for 2013 as compared with 2012.

Net cash used in investing activities for 2013 and 2012 was $566 million and $471 million, respectively. During 2013 and 2012, we paid $471 million and $412 million, respectively, for capital expenditures. During 2013 and 2012, we made investments in Louisiana Pigment Company, L.P. of $60 million and $100 million, respectively, and in our Nanjing Jinling joint venture of $37 million and $24 million, respectively, and received dividends from our unconsolidated joint ventures, Louisiana Pigment Company, L.P. and BASF Huntsman Shanghai Isocyanate Investment B.V., of $71 million and $82 million, respectively. During 2013 and 2012, we paid $66 million and $18 million, respectively, for the acquisitions of businesses.

Net cash used in financing activities for 2013 and 2012 was $6 million and $473 million, respectively. The decrease in net cash used in financing activities was primarily due to lower net repayments of debt during 2013 as compared to 2012, offset in part by an increase in dividends paid to common stockholders.

Cash Flows for Year Ended December 31, 2012 Compared to the Year Ended December 31, 2011

Net cash provided by operating activities for 2012 and 2011 was $774 million and $365 million, respectively. The increase in net cash provided by operating activities during 2012 compared to 2011 was primarily attributable to an increase in operating income as described in "—Results of Operations" above and to a $179 million favorable variance in operating assets and liabilities for 2012 as compared with 2011.

Net cash used in investing activities for 2012 and 2011 was $471 million and $280 million, respectively. During 2012 and 2011, we paid $412 million and $327 million, respectively, for capital expenditures, net of reimbursements. During 2012, we paid €13 million (approximately $16 million) for the Russian Systems House Acquisition. During 2011, we paid $34 million, net of cash acquired, for our acquisition of the chemical business of Laffans Petrochemical Limited and the acquisition of an MDI-based polyurethanes systems house in Istanbul, Turkey. On April 1, 2011, we began consolidating our Sasol-Huntsman joint venture and assumed its cash balance of $28 million. During 2011, we sold businesses and assets for $48 million, including the sale of our former stereolithography resin and Digitalis® machine manufacturing businesses for $41 million. During 2012 and 2011, we made investments in Louisiana Pigment Company, L.P. of $100 million and $26 million, respectively, and received dividends from our unconsolidated joint ventures, Louisiana Pigment Company, L.P. and BASF Huntsman Shanghai Isocyanate Investment B.V., of $82 million and $32 million, respectively. Additionally during 2012, we made investments in our Nanjing Jinling joint venture of $24 million.

Net cash used in financing activities for 2012 and 2011 was $473 million and $490 million, respectively. The decrease in net cash used in financing activities was primarily due to the repurchase of $50 million of common stock in 2011, offset in part by higher net repayments of debt in 2012 as compared to 2011.

During 2012, we issued $400 million aggregate principal amount of 4.875% senior notes due 2020 ("2020 Senior Notes") and used the net proceeds to redeem a portion of our 2016 Senior Notes. Additionally, during 2012 we repaid $139 million on our senior secured credit facilities ("Senior Credit Facilities"). For more information, see "Note 13. Debt" to our consolidated financial statements.

Changes in Financial Condition

The following information summarizes our working capital (dollars in millions):

	December 31, 2013	Less: Acquisition(1)	Subtotal	December 31, 2012	Increase (Decrease)	Percent Change
Cash and cash equivalents	$ 520	$ —	$ 520	$ 387	$133	34%
Restricted cash	9	—	9	9	—	—
Accounts and notes receivable, net	1,575	(9)	1,566	1,583	(17)	(1)%
Inventories	1,741	(14)	1,727	1,819	(92)	(5)%
Prepaid expenses	61	—	61	48	13	27%
Deferred income taxes	53	—	53	51	2	4%
Other current assets	200	—	200	222	(22)	(10)%
Total current assets	4,159	(23)	4,136	4,119	17	—
Accounts payable	1,113	(4)	1,109	1,150	(41)	(4)%
Accrued liabilities	726	(1)	725	705	20	3%
Deferred income taxes	43	—	43	38	5	13%
Current portion of debt	277	—	277	288	(11)	(4)%
Total current liabilities	2,159	(5)	2,154	2,181	(27)	(1)%
Working capital	$2,000	$(18)	$1,982	$1,938	$ 44	2%

(1) Represents opening balance sheet amounts related to the Oxid Acquisition. For more information, see "Note. 3 Business Combinations and Dispositions—Oxid Acquisition" to our consolidated financial statements.

Excluding the effects of acquisitions, our working capital increased by $44 million as a result of the net impact of the following significant changes:

- The increase in cash and cash equivalents of $133 million resulted from the matters identified on our consolidated statements of cash flows.
- Accounts and notes receivable decreased by $17 million mainly due to improved collections.
- Inventories decreased by $92 million mainly due to lower inventory levels primarily in our Pigments segment resulting from management's efforts to reduce inventory, particularly in ores raw materials.
- Accounts payable decreased by $41 million primarily due to lower purchasing activity attributable to lower inventories.

Direct and Subsidiary Debt

Our direct debt and guarantee obligations consist of a guarantee of certain indebtedness incurred from time to time to finance certain insurance premiums. Substantially all of our other debt, including the facilities described below, has been incurred by our subsidiaries (primarily Huntsman International); Huntsman Corporation is not a guarantor of such subsidiary debt.

Certain of our subsidiaries are designated as nonguarantor subsidiaries and have third-party debt agreements. These debt agreements contain certain restrictions with regard to dividends, distributions, loans or advances. In certain circumstances, the consent of a third party would be required prior to the transfer of any cash or assets from these subsidiaries to us.

Senior Credit Facilities

As of December 31, 2013, our Senior Credit Facilities consisted of our revolving facility ("Revolving Facility"), our extended term loan B facility ("Extended Term Loan B"), our extended term loan B facility—series 2 ("Extended Term Loan B—Series 2") and our Term Loan C follows (dollars in millions):

Facility	Committed Amount	Principal Outstanding	Carrying Value	Interest Rate(3)	Maturity
Revolving Facility	$400(1)	$ —(2)	$ —(2)	USD LIBOR plus 2.50%	2017
Extended Term Loan B	NA	962	961	USD LIBOR plus 2.50%	2017
Extended Term Loan B—Series 2	NA	342	342	USD LIBOR plus 3.00%	2017
Term Loan C	NA	50	48	USD LIBOR plus 2.25%	2016

(1) We have commitments with certain financial institutions to provide for a $200 million Revolving Increase to an aggregate Revolving Facility committed amount of $600 million upon completion of the acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc.

(2) We had no borrowings outstanding under our Revolving Facility; we had approximately $17 million (U.S. dollar equivalents) of letters of credit and bank guarantees issued and outstanding under our Revolving Facility.

(3) The applicable interest rate of the Senior Credit Facilities is subject to certain secured leverage ratio thresholds. As of December 31, 2013, the weighted average interest rate on our outstanding balances under the Senior Credit Facilities was approximately 3%.

Our obligations under the Senior Credit Facilities are guaranteed by our guarantors, which consist of substantially all of our domestic subsidiaries and certain of our foreign subsidiaries, and are secured by a first priority lien on substantially all of our domestic property, plant and equipment, the stock of all of our material domestic subsidiaries and certain foreign subsidiaries, and pledges of intercompany notes between certain of our subsidiaries.

On December 23, 2013, in conjunction with our issuance of €300 million (approximately $415 million) aggregate principal amount of 5.125% senior notes due 2021 ("2021 Senior Notes") we repaid $368 million ($352 carrying value) of our Term Loan C. In connection with the repayment, we recognized a loss on early extinguishment of debt of approximately $16 million during the year ended December 31, 2013.

Amendment to Credit Agreement

On October 15, 2013, Huntsman International entered into a tenth amendment to the agreement governing the Senior Credit Facilities (the "Credit Agreement"). The amendment, among other things, permits us to incur a senior secured term loan facility in an aggregate principal amount of $1.2 billion (the "New Term Loan") and to increase our Revolving Facility (the "Revolving Increase").

We have entered into commitments with certain financial institutions to provide for the New Term Loan and provide for $200 million of the Revolving Increase. We intend to use the net proceeds of the New Term Loan, when funded, to pay the cash consideration related to our acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. If the acquisition is not consummated, we may use the net proceeds to refinance certain indebtedness of Huntsman International.

The New Term Loan will mature on the seventh anniversary of the date such New Term Loan is funded and will amortize in aggregate annual amounts equal to 1% of the original principal amount of the New Term Loan, payable quarterly commencing with the first full fiscal quarter ended after the date the New Term Loan is funded. The Revolving Increase will mature on the same date as the Revolving Facility.

On August 22, 2013, Huntsman International entered into a ninth amendment to the Credit Agreement. The amendment provided for additional term loans in the amount of $100 million, the net proceeds of which were used for general corporate purposes. The additional term loans have identical terms to our Extended Term Loan B and are reflected as part of our Extended Term Loan B.

On March 11, 2013, Huntsman International entered into an eighth amendment to the Credit Agreement. The amendment provided for an additional term loan of $225 million, the net proceeds of which were used to repay in full the remaining $193 million principal amount under our then outstanding term loan B facility and for general corporate purposes. The additional term loan is recorded at its carrying value of $224 million as of December 31, 2013. The additional term loan has identical terms to our Extended Term Loan B and is reflected as part of our Extended Term Loan B. In connection with this debt repayment, we recognized a loss on early extinguishment of debt of approximately $1 million.

In connection with these amendments and debt repayments, we recognized a loss on early extinguishment of debt with regard to our Senior Credit Facilities of approximately $17 million and $2 million during the years ended December 31, 2013 and 2012, respectively.

A/R Programs

Our U.S. accounts receivable securitization program ("U.S. A/R Program") and our European accounts receivable securitization program ("EU A/R Program" and collectively with the U.S. A/R Program, our "A/R Programs") are structured so that we grant a participating undivided interest in certain of our trade receivables to a U.S. special purpose entity ("U.S. SPE") and a European special purpose entity ("EU SPE"). We retain the servicing rights and a retained interest in the securitized receivables. Information regarding our A/R Programs as of December 31, 2013 was as follows (monetary amounts in millions):

Facility	Maturity	Maximum Funding Availability(1)	Amount Outstanding	Interest Rate(2)(3)
U.S. A/R Program	April 2016	$250	$90(4)	Applicable rate plus 1.10%
EU A/R Program	April 2016	€225 (approximately $311)	€114 (approximately $158)	Applicable rate plus 1.35%

(1) The amount of actual availability under our A/R Programs may be lower based on the level of eligible receivables sold, changes in the credit ratings of our customers, customer concentration levels and certain characteristics of the accounts receivable being transferred, as defined in the applicable agreements.

(2) Each interest rate is defined in the applicable agreements. In addition, the U.S. SPE and the EU SPE are obligated to pay unused commitment fees to the lenders based on the amount of each lender's commitment.

(3) Applicable rate for our U.S. A/R Program is defined by the lender as USD LIBOR. Applicable rate for our EU A/R Program is either GBP LIBOR, USD LIBOR or EURIBOR.

(4) As of December 31, 2013, we had approximately $7 million (U.S. dollar equivalents) of letters of credit issued and outstanding under our U.S. A/R Program.

As of December 31, 2013 and 2012, $521 million and $520 million, respectively, of accounts receivable were pledged as collateral under our A/R Programs.

Amendments to A/R Programs

On April 29, 2013, Huntsman International entered into an amendment to the agreements governing our U.S. A/R Program. This amendment, among other things, extends the scheduled commitment termination date of our U.S. A/R Program by two years to April 2016, provides for additional availability under our U.S. A/R Program and reduces the applicable margin on borrowings to 1.10%.

On April 29, 2013, Huntsman International entered into an amendment to the agreements governing our EU A/R Program. This amendment, among other things, extends the scheduled commitment termination date of our EU A/R Program by two years to April 2016 and reduces the applicable margin on borrowings to 1.35%.

Notes

As of December 31, 2013, we had outstanding the following notes (monetary amounts in millions):

Notes	Maturity	Interest Rate	Amount Outstanding
2021 Senior Notes	April 2021	5.125%	€300 (approximately $415)
2020 Senior Notes	November 2020	4.875%	$650 ($647 carrying value)
Senior Subordinated Notes	March 2020	8.625%	$350
Senior Subordinated Notes	March 2021	8.625%	$530 ($541 carrying value)

Our notes are governed by indentures which impose certain limitations on Huntsman International including, among other things limitations on the incurrence of debt, distributions, certain restricted payments, asset sales, and affiliate transactions. The notes are unsecured obligations and are guaranteed by certain subsidiaries named as guarantors.

On December 23, 2013, Huntsman International issued €300 million (approximately $415) aggregate principal amount of 2021 Senior Notes. Huntsman International applied the net proceeds to redeem $368 million of its Term Loan C due 2016, pay associated accrued interest and for general corporate purposes.

The 2021 Senior Notes bear interest at the rate of 5.125% per year payable semi-annually on April 15 and October 15 of each year and are due on April 15, 2021. Huntsman International may redeem the 2021 Senior Notes in whole or in part at any time prior to January 15, 2021 at a price equal to 100% of the principal amount thereof plus a "make-whole" premium and accrued and unpaid interest.

On March 4, 2013, pursuant to an indenture entered into on November 19, 2012, Huntsman International issued $250 million aggregate principal amount of 2020 Senior Notes. The aggregate additional notes are recorded at carrying value of $247 million as of December 31, 2013. Huntsman International applied the net proceeds to redeem the remaining $200 million in aggregate principal amount of its 2016 Senior Notes, to pay associated accrued interest and for general corporate purposes. Huntsman International issued, on November 19, 2012, $400 million aggregate principal amount of 2020 Senior Notes.

The 2020 Senior Notes bear interest at the rate of 4.875% per year payable semi-annually on May 15 and November 15 of each year and are due on November 15, 2020. Huntsman International may redeem the 2020 Senior Notes in whole or in part at any time prior to August 17, 2020 at a price equal to 100% of the principal amount thereof plus a "make-whole" premium and accrued and unpaid interest.

The 2021 Senior Notes and 2020 Senior Notes are general unsecured senior obligations of Huntsman International and are guaranteed on a general unsecured senior basis by the Guarantors. The indentures impose certain limitations on the ability of Huntsman International and its subsidiaries to, among other things, incur additional indebtedness secured by any principal properties, incur indebtedness of nonguarantor subsidiaries, enter into sale and leaseback transactions with respect to any principal properties and consolidate or merge with or into any other person or lease, sell or transfer all or substantially all of its properties and assets. Upon the occurrence of certain change of control events, holders of the 2021 Senior Notes and 2020 Senior Notes will have the right to require that Huntsman International purchase all or a portion of such holder's 2020 Senior Notes in cash at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest to the date of repurchase.

Redemption of Notes and Loss on Early Extinguishment of Debt

During the years ended December 31, 2013 and 2012, we redeemed or repurchased the following notes (monetary amounts in millions):

Date of Redemption	Notes	Principal Amount of Notes Redeemed	Amount Paid (Excluding Accrued Interest)	Loss on Early Extinguishment of Debt
March 4, 2013	5.50% Senior Notes due 2016	$200	$200	$34
December 3, 2012	5.50% Senior Notes due 2016	$400	$400	$77
March 26, 2012	7.50% Senior Subordinated Notes due 2015	€64 (approximately $86)	€65 (approximately $87)	$ 1

Variable Interest Entity Debt

As of December 31, 2013, Arabian Amines Company had $169 million outstanding under its loan commitments and debt financing arrangements. Arabian Amines Company, our consolidated 50%-owned joint venture, is currently not in compliance with payment and other obligations under these loan commitments. We do not guarantee these loan commitments and Arabian Amines Company is not a guarantor of any of our other debt obligations, and the noncompliance with these financial covenants does not affect any of our other debt obligations. We are currently in discussions with the lenders under these loan commitments and expect to resolve the noncompliance. As of December 31, 2013, the amounts outstanding under these loan commitments were classified as current in our consolidated balance sheets and are comprised of the following:

- A loan facility from Saudi Industrial Development Fund with SAR 451 million (approximately $120 million) outstanding. Repayment of the loan is to be made in semiannual installments with final maturity in 2019. The loan is secured by a mortgage over the fixed assets of the project and is 100% guaranteed by the Zamil Group, our 50% joint venture partner.
- A multipurpose Islamic term facility with $49 million outstanding. This facility is scheduled to be repaid in semiannual installments with final maturity in 2022.

As of December 31, 2013, Sasol-Huntsman, our consolidated 50%-owned venture has a facility agreement which included a €5 million (approximately $7 million) revolving facility and €56 million (approximately $78 million) outstanding under the term loan facility. The facility will be repaid over semiannual installments with the final repayment scheduled for December 2018. Obligations under the facility agreement are secured by, among other things, first priority right on the property, plant and equipment of Sasol-Huntsman.

Other Debt

During the year ended December 31, 2013, HPS repaid $4 million and RMB 293 million (approximately $47 million) on term loans and working capital loans under its secured facilities. As of December 31, 2013, HPS had $4 million and RMB 61 million (approximately $10 million) outstanding under its debt facilities. The interest rate on these facilities is LIBOR plus 0.48% for U.S. dollar borrowings and approximately 90% of the Peoples Bank of China rate for RMB borrowings. As of December 31, 2013, the interest rate was approximately 1% for the U.S. dollar borrowings and approximately 6% for RMB borrowings.

As of December 31, 2013, HPS has RMB 160 million (approximately $26 million) under its loan facility for working capital loans and discounting of commercial drafts, which is classified as current portion of debt in our consolidated balance sheets. Interest is calculated using a Peoples Bank of China rate plus the applicable margin. The average all-in rate as of December 31, 2013 was approximately 6%.

Compliance with Covenants

We believe that we are in compliance with the covenants contained in the agreements governing our material debt instruments, including our Senior Credit Facilities, our A/R Programs and our notes. However, Arabian Amines Company, our consolidated 50%-owned joint venture, is currently not in compliance with certain financial covenants under its loan commitments. See "—Variable Interest Entity Debt" above.

Our material financing arrangements contain certain covenants with which we must comply. A failure to comply with a covenant could result in a default under a financing arrangement unless we obtained an appropriate waiver or forbearance (as to which we can provide no assurance). A default under these material financing arrangements generally allows debt holders the option to declare the underlying debt obligations immediately due and payable. Furthermore, certain of our material financing arrangements contain cross-default and cross-acceleration provisions under which a failure to comply with the covenants in one financing arrangement may result in an event of default under another financing arrangement.

Our Senior Credit Facilities are subject to a single financial covenant (the "Leverage Covenant") which applies only to the Revolving Facility and is tested at the Huntsman International level. The Leverage Covenant is applicable only if borrowings, letters of credit or guarantees are outstanding under the Revolving Facility (cash collateralized letters of credit or guarantees are not deemed outstanding). The Leverage Covenant is a net senior secured leverage ratio covenant which requires that Huntsman International's ratio of senior secured debt to EBITDA (as defined in the applicable agreement) is not more than 3.75 to 1.

If in the future Huntsman International fails to comply with the Leverage Covenant, then we may not have access to liquidity under our Revolving Facility. If Huntsman International failed to comply with the Leverage Covenant at a time when we had uncollateralized loans or letters of credit outstanding under the Revolving Facility, Huntsman International would be in default under the Senior Credit Facilities, and, unless Huntsman International obtained a waiver or forbearance with respect to such default (as to which we can provide no assurance), Huntsman International could be required to pay off the balance of the Senior Credit Facilities in full, and we may not have further access to such facilities.

The agreements governing our A/R Programs also contain certain receivable performance metrics. Any material failure to meet the applicable A/R Programs' metrics in the future could lead to an early termination event under the A/R Programs, which could require us to cease our use of such facilities, prohibiting us from additional borrowings against our receivables or, at the discretion of the lenders, requiring that we repay the A/R Programs in full. An early termination event under the A/R Programs would also constitute an event of default under our Senior Credit Facilities, which could require us to pay off the balance of the Senior Credit Facilities in full and could result in the loss of our Senior Credit Facilities.

MATURITIES

The scheduled maturities of our debt (excluding debt to affiliates) by year as of December 31, 2013 are as follows (dollars in millions):

Year ending December 31,	
2014	$ 277
2015	32
2016	326
2017	1,282
2018	23
Thereafter	1,970
	$3,910

Short-Term and Long-Term Liquidity

We depend upon our cash, credit facilities, A/R Programs and other debt instruments to provide liquidity for our operations and working capital needs. As of December 31, 2013, we had $1,048 million of combined cash and unused borrowing capacity, consisting of $529 million in cash and restricted cash, $383 million in availability under our Revolving Facility, and $136 million in availability under our A/R Programs. Our liquidity can be significantly impacted by various factors. The following matters had, or are expected to have, a significant impact on our liquidity:

- Cash invested in our accounts receivable and inventory, net of accounts payable, decreased by approximately $54 million for the year ended December 31, 2013, as reflected in our consolidated statements of cash flows. We expect volatility in our working capital components to continue.
- On August 29, 2013, we completed the Oxid Acquisition for a $66 million cash payment on August 29, 2013 and $10 million of contingent consideration subject to the performance of the business in 2013 and 2014. See "Note 3. Business Combinations and Dispositions—Oxid Acquisition" to our consolidated financial statements.
- During 2014, we expect to spend approximately $500 million on capital expenditures, net of reimbursements, excluding any amounts associated with the planned acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. Our future expenditures include certain environmental, health and safety maintenance and upgrades; periodic maintenance and repairs applicable to major units of manufacturing facilities; expansions of our existing facilities or construction of new facilities; certain cost reduction projects; and certain information technology expenditures. We expect to fund this spending with cash provided by operations.
- During the year ended December 31, 2013, we made contributions to our pension and postretirement benefit plans of $171 million. During 2014, we expect to contribute an additional amount of approximately $135 million to these plans.
- We are also involved in a number of cost reduction programs for which we have established restructuring accruals. As of December 31, 2013, we had $113 million of accrued restructuring

costs and we expect to incur and pay additional restructuring and plant closing costs of up to approximately $44 million.

- On September 17, 2013, we entered into a definitive to acquire the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. for approximately $1.1 billion in cash, subject to certain purchase price adjustments and the assumption of unfunded pension liabilities estimated at $225 million as of June 30, 2013. See "Note 3. Business Combinations and Dispositions—Performance Additives and Titanium Dioxide Acquisition" to our consolidated financial statements. In connection with the acquisition, we have entered into financing commitments with certain financial institutions to provide a $1.2 billion New Term Loan and a $200 million Revolving Increase under our existing Senior Credit Facilities. See "Note 13. Debt—Direct and Subsidiary Debt" to our consolidated financial statements.

As of December 31, 2013, we had $277 million classified as current portion of debt, including an HPS borrowing facility in China with $40 million outstanding, our scheduled Senior Credit Facilities amortization payments totaling $13 million, debt at our variable interest entities of $183 million, $15 million related to the annual financing of our insurance premiums, and certain other short-term facilities and scheduled amortization payments totaling $26 million. Although we cannot provide assurances, we intend to repay, renew or extend the majority of these short-term facilities in the current period.

As of December 31, 2013, we had approximately $215 million of cash and cash equivalents, including restricted cash, held by our foreign subsidiaries, including our variable interest entities. Additionally, we have material intercompany debt obligations owed to us by our non-U.S. subsidiaries. We intend to use cash held in our foreign subsidiaries to fund our local operations. Nevertheless, we could repatriate cash as dividends or as repayments of intercompany debt. If foreign cash were repatriated as dividends, the dividends could be subject to adverse tax consequences. At present, we estimate that we will generate sufficient cash in our U.S. operations, together with the payments of intercompany debt, if necessary, to meet our cash needs in the U.S and we do not expect to repatriate cash to the U.S. as dividends. Cash held by certain foreign subsidiaries, including our variable interest entities, may also be subject to legal restrictions, including those arising from the interests of our partners, which could limit the amounts available for repatriation.

Contractual Obligations and Commercial Commitments

Our obligations under long-term debt (including the current portion), lease agreements and other contractual commitments as of December 31, 2013 are summarized below (dollars in millions):

	2014	2015 - 2016	2017 - 2018	After 2018	Total
Long-term debt, including current portion	$ 277	$ 358	$1,305	$1,970	$3,910
Interest(1)	205	372	293	254	1,124
Operating leases(2)	83	127	103	174	487
Purchase commitments(3)	1,315	696	162	169	2,342
Total(4)(5)	$1,882	$1,553	$1,863	$2,565	$7,863

(1) Interest calculated using interest rates as of December 31, 2013 and contractual maturity dates assuming no refinancing or extension of debt instruments.

(2) Future minimum lease payments have not been reduced by minimum sublease rentals of $19 million due in the future under noncancelable subleases.

(3) We have various purchase commitments extending through 2029 for materials, supplies and services entered into in the ordinary course of business. Included in the purchase commitments

table above are contracts which require minimum volume purchases that extend beyond one year or are renewable annually and have been renewed for 2014. Certain contracts allow for changes in minimum required purchase volumes in the event of a temporary or permanent shutdown of a facility. To the extent the contract requires a minimum notice period, such notice period has been included in the above table. The contractual purchase price for substantially all of these contracts is variable based upon market prices, subject to annual negotiations. We have estimated our contractual obligations by using the terms of our current pricing for each contract. We also have a limited number of contracts which require a minimum payment even if no volume is purchased. We believe that all of our purchase obligations will be utilized in our normal operations. For the years ended December 31, 2013, 2012 and 2011, we made minimum payments of $7 million, nil and nil, respectively, under such take or pay contracts without taking the product.

(4) Totals do not include commitments pertaining to our pension and other postretirement obligations. Our estimated future contributions to our pension and postretirement plans are as follows (dollars in millions):

	2014	2015 - 2016	2017 - 2018	5-Year Average Annual
Pension plans	$125	$247	$177	$96
Other postretirement obligations	10	19	19	9

(5) The above table does not reflect expected tax payments and unrecognized tax benefits due to the inability to make reasonably reliable estimates of the timing and amount of payments. For additional discussion on unrecognized tax benefits, see “Note 17. Income Taxes” to our consolidated financial statements.

Off-Balance Sheet Arrangements

No off-balance sheet arrangements exist at this time.

Restructuring, Impairment and Plant Closing Costs

Our Polyurethanes, Performance Products, Advanced Materials and Textile Effects segments are involved in cost reduction programs that are expected to reduce costs in these businesses by approximately $240 million. These costs savings are expected to be achieved through the beginning of 2015. Through December 31, 2013, we have achieved approximately $180 million of costs savings related to these programs. For a discussion of restructuring, impairment and plant closing costs, see “Note 11. Restructuring, Impairment and Plant Closing Costs” to our consolidated financial statements.

Legal Proceedings

For a discussion of legal proceedings, see “Note 18. Commitments and Contingencies—Legal Matters” to our consolidated financial statements.

Environmental, Health and Safety Matters

For a discussion of environmental, health and safety matters, see “Note 19. Environmental, Health and Safety Matters” to our consolidated financial statements.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

For a discussion of recently issued accounting pronouncements, see “Note 2. Summary of Significant Accounting Policies—Recently Issued Accounting Pronouncements” to our consolidated financial statements.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts in our consolidated financial statements. Our significant accounting policies are summarized in "Note 2. Summary of Significant Accounting Policies" to our consolidated financial statements. Summarized below are our critical accounting policies:

Contingent Loss Accruals

Environmental remediation costs for our facilities are accrued when it is probable that a liability has been incurred and the amount can be reasonably estimated. Estimates of environmental reserves require evaluating government regulation, available technology, site-specific information and remediation alternatives. We accrue an amount equal to our best estimate of the costs to remediate based upon the available information. The extent of environmental impacts may not be fully known and the processes and costs of remediation may change as new information is obtained or technology for remediation is improved. Our process for estimating the expected cost for remediation considers the information available, technology that can be utilized and estimates of the extent of environmental damage. Adjustments to our estimates are made periodically based upon additional information received as remediation progresses. For further information, see "Note 19. Environmental, Health and Safety Matters" to our consolidated financial statements.

We are subject to legal proceedings and claims arising out of our business operations. We routinely assess the likelihood of any adverse outcomes to these matters, as well as ranges of probable losses. A determination of the amount of the reserves required, if any, for these contingencies is made after analysis of each known claim. We have an active risk management program consisting of numerous insurance policies secured from many carriers. These policies often provide coverage that is intended to minimize the financial impact, if any, of the legal proceedings. The required reserves may change in the future due to new developments in each matter. For further information, see "Note 18. Commitments and Contingencies—Legal Matters" to our consolidated financial statements.

Employee Benefit Programs

We sponsor several contributory and non-contributory defined benefit plans, covering employees primarily in the U.S., the U.K., The Netherlands, Belgium and Switzerland, but also covering employees in a number of other countries. We fund the material plans through trust arrangements (or local equivalents) where the assets are held separately from us. We also sponsor unfunded postretirement plans which provide medical and, in some cases, life insurance benefits covering certain employees in the U.S., Canada and South Africa. Amounts recorded in our consolidated financial statements are recorded based upon actuarial valuations performed by various independent actuaries. Inherent in these valuations are numerous assumptions regarding expected long-term rates of return on plan assets, discount rates, compensation increases, mortality rates and health care cost trends. These assumptions are described in "Note 16. Employee Benefit Plans" to our consolidated financial statements.

Management, with the advice of actuaries, uses judgment to make assumptions on which our employee pension and postretirement benefit plan obligations and expenses are based. The effect of a 1% change in three key assumptions is summarized as follows (dollars in millions):

Assumptions	Statement of Operations(1)	Balance Sheet Impact(2)
Discount rate		
—1% increase	$(34)	$(502)
—1% decrease	29	614
Expected long-term rates of return on plan assets		
—1% increase	(29)	—
—1% decrease	29	—
Rate of compensation increase		
—1% increase	18	91
—1% decrease	(17)	(88)

(1) Estimated increase (decrease) on 2013 net periodic benefit cost

(2) Estimated increase (decrease) on December 31, 2013 pension and postretirement liabilities and accumulated other comprehensive loss

Goodwill

We test our goodwill for impairment at least annually (at the beginning of the third quarter) and when events and circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Goodwill has been assigned to reporting units for purposes of impairment testing. Currently, more than 60% of our goodwill balance relates to our Advanced Materials reporting unit. The remaining goodwill relates to three other reporting units.

Fair value is estimated using the market approach, as well as the income approach based on discounted cash flow projections. The estimated fair values of our reporting units are dependent on several significant assumptions including, among others, market information, operating results, earnings projections and anticipated future cash flows.

We tested goodwill for impairment at the beginning of the third quarter of 2013 as part of the annual impairment testing procedures and determined that no goodwill impairment existed. Our most recent fair value determination resulted in an amount that exceeded the carrying amount of our Advanced Materials reporting unit by a significant margin.

Income Taxes

We use the asset and liability method of accounting for income taxes. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial and tax reporting purposes. We evaluate deferred tax assets to determine whether it is more likely than not that they will be realized. Valuation allowances are reviewed on a tax jurisdiction basis to analyze whether there is sufficient positive or negative evidence to support a change in judgment about the realizability of the related deferred tax assets for each jurisdiction. These conclusions require significant judgment. In evaluating the objective evidence that historical results provide, we consider the cyclicality of businesses and cumulative income or losses during the applicable period. Cumulative losses incurred over the period limits our ability to consider other subjective evidence such as our projections for the future. Changes in expected future income in applicable jurisdictions could affect the realization of deferred tax assets in those jurisdictions. As of December 31, 2013, we had total valuation allowances of $814 million. See “Note 17. Income Taxes” to our consolidated financial statements for more information regarding our valuation allowances.

For non-U.S. entities that were not treated as branches for U.S. tax purposes, we do not provide for income taxes on the undistributed earnings of these subsidiaries as earnings are reinvested and, in the opinion of management, will continue to be reinvested indefinitely. As discussed in "Note 17. Income Taxes" to our consolidated financial statements, we made a distribution of a portion of our earnings in 2013 when the amount of foreign tax credits associated with the distribution was greater than the amount of tax otherwise due. The undistributed earnings of foreign subsidiaries that are deemed to be permanently invested were approximately $194 million at December 31, 2013. It is not practicable to determine the unrecognized deferred tax liability on those earnings. We have material inter-company debt obligations owed by our non-U.S. subsidiaries to the U.S. We do not intend to repatriate earnings to the U.S. via dividend based on estimates of future domestic cash generation, combined with the ability to return cash to the U.S. through payments of inter-company debt owed by our non-U.S. subsidiaries to the U.S. To the extent that cash is required in the U.S., rather than repatriate earnings to the U.S. via dividend we will utilize our inter-company debt. If any earnings were repatriated via dividend, we would need to accrue and pay taxes on the distributions.

Accounting for uncertainty in income taxes prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The application of income tax law is inherently complex. We are required to determine if an income tax position meets the criteria of more-likely-than-not to be realized based on the merits of the position under tax law, in order to recognize an income tax benefit. This requires us to make significant judgments regarding the merits of income tax positions and the application of income tax law. Additionally, if a tax position meets the recognition criteria of more-likely-than-not we are required to make judgments and apply assumptions in order to measure the amount of the tax benefits to recognize. These judgments are based on the probability of the amount of tax benefits that would be realized if the tax position was challenged by the taxing authorities. Interpretations and guidance surrounding income tax laws and regulations change over time. As a consequence, changes in assumptions and judgments can materially affect amounts recognized in our consolidated financial statements.

Long-Lived Assets

The useful lives of our property, plant and equipment are estimated based upon our historical experience, engineering estimates and industry information and are reviewed when economic events indicate that we may not be able to recover the carrying value of the assets. The estimated lives of our property range from 3 to 50 years and depreciation is recorded on the straight-line method. Inherent in our estimates of useful lives is the assumption that periodic maintenance and an appropriate level of annual capital expenditures will be performed. Without on-going capital improvements and maintenance, the productivity and cost efficiency declines and the useful lives of our assets would be shorter.

Management uses judgment to estimate the useful lives of our long-lived assets. At December 31, 2013, if the estimated useful lives of our property, plant and equipment had either been one year greater or one year less than their recorded lives, then depreciation expense for 2013 would have been approximately $30 million less or $35 million greater, respectively.

We are required to evaluate the carrying value of our long-lived tangible and intangible assets whenever events indicate that such carrying value may not be recoverable in the future or when management's plans change regarding those assets, such as idling or closing a plant. We evaluate impairment by comparing undiscounted cash flows of the related asset groups that are largely independent of the cash flows of other asset groups to their carrying values. Key assumptions in determining the future cash flows include the useful life, technology, competitive pressures, raw material pricing and regulations. In connection with our asset evaluation policy, we reviewed all of our long-lived assets for indicators that the carrying value may not be recoverable. We determined that such indicators did not exist during the year ended December 31, 2013.

Restructuring and Plant Closing Costs

We have recorded restructuring charges in recent periods in connection with closing certain plant locations, workforce reductions and other cost savings programs in each of our business segments, other than Performance Products. These charges are recorded when management has committed to a plan and incurred a liability related to the plan. Estimates for plant closing costs include the write-off of the carrying value of the plant, any necessary environmental and/or regulatory costs, contract termination and demolition costs. Estimates for workforce reductions and other costs savings are recorded based upon estimates of the number of positions to be terminated, termination benefits to be provided and other information, as necessary. Management evaluates the estimates on a quarterly basis and will adjust the reserve when information indicates that the estimate is above or below the currently recorded estimate. For further discussion of our restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Revenue Recognition

We generate substantially all of our revenues through sales in the open market and long-term supply agreements. We recognize revenue when it is realized or realizable and earned. Revenue for product sales is recognized when a sales arrangement exists, risk and title to the product transfer to the customer, collectability is reasonably assured and pricing is fixed or determinable. The transfer of risk and title to the product to the customer usually occurs at the time shipment is made.

Revenue arrangements that contain multiple deliverables, which relate primarily to the licensing of technology, are evaluated in accordance with ASC 605-25, *Revenue Recognition—Multiple-Element Arrangements*, to determine whether the arrangements should be divided into separate units of accounting and how the arrangement consideration should be measured and allocated among the separate units of accounting.

Variable Interest Entities—Primary Beneficiary

We evaluate each of our variable interest entities on an on-going basis to determine whether we are the primary beneficiary. Management assesses, on an on-going basis, the nature of our relationship to the variable interest entity, including the amount of control that we exercise over the entity as well as the amount of risk that we bear and rewards we receive in regards to the entity, to determine if we are the primary beneficiary of that variable interest entity. Management judgment is required to assess whether these attributes are significant. We consolidate all variable interest entities for which we have concluded that we are the primary beneficiary.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks, such as changes in interest rates, foreign exchange rates and commodity pricing risks. From time to time, we enter into transactions, including transactions involving derivative instruments, to manage certain of these exposures. We also hedge our net investment in certain European operations. Changes in the fair value of the hedge in the net investment of certain European operations are recorded in accumulated other comprehensive loss.

INTEREST RATE RISKS

Through our borrowing activities, we are exposed to interest rate risk. Such risk arises due to the structure of our debt portfolio, including the duration of the portfolio and the mix of fixed and floating interest rates. Actions taken to reduce interest rate risk include managing the mix and rate characteristics of various interest bearing liabilities, as well as entering into interest rate derivative instruments.

From time to time, we may purchase interest rate swaps and/or interest rate collars to reduce the impact of changes in interest rates on our floating-rate long-term debt. Under interest rate swaps, we agree with other parties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed notional principal amount. The collars entitle us to receive from the counterparties (major banks) the amounts, if any, by which our interest payments on certain of our floating-rate borrowings exceed a certain rate, and require us to pay to the counterparties (major banks) the amount, if any, by which our interest payments on certain of our floating-rate borrowings are less than a certain rate.

On December 9, 2009, we entered into a five-year interest rate contract to hedge the variability caused by monthly changes in cash flow due to associated changes in LIBOR under our Senior Credit Facilities. The notional value of the contract is $50 million, and it has been designated as a cash flow hedge. The effective portion of the changes in the fair value of the swap was recorded in other comprehensive income (loss). We will pay a fixed 2.6% on the hedge and receive the one-month LIBOR rate. As of December 31, 2013 and 2012, the fair value of the hedge was $1 million and $2 million, respectively, and was recorded in other noncurrent liabilities.

On January 19, 2010, we entered into an additional five-year interest rate contract to hedge the variability caused by monthly changes in cash flow due to associated changes in LIBOR under our Senior Credit Facilities. The notional value of the contract is $50 million, and it has been designated as a cash flow hedge. The effective portion of the changes in the fair value of the swap was recorded in other comprehensive income (loss). We will pay a fixed 2.8% on the hedge and receive the one-month LIBOR rate. As of December 31, 2013 and 2012, the fair value of the hedge was $1 million and $3 million, respectively, and was recorded in other noncurrent liabilities.

On September 1, 2011, we entered into a $50 million forward interest rate contract that will begin in December 2014 with maturity in April 2017 and a $50 million forward interest rate contract that will begin in January 2015 with maturity in April 2017. These two forward contracts are to hedge the variability caused by monthly changes in cash flow due to associated changes in LIBOR under our Senior Credit Facilities once our existing interest rate hedges mature. These swaps are designated as cash flow hedges and the effective portion of the changes in the fair value of the swaps were recorded in other comprehensive income (loss). Both interest rate contracts will pay a fixed 2.5% on the hedge and receive the one-month LIBOR rate once the contracts begin in 2014 and 2015, respectively. As of December 31, 2013 and 2012, the combined fair value of these two hedges was $3 million and $4 million, respectively, and was recorded in other noncurrent liabilities.

In 2009, Sasol-Huntsman entered into derivative transactions to hedge the variable interest rate associated with its local credit facility. These derivative rate hedges include a floating to fixed interest rate contract providing Sasol-Huntsman with EURIBOR interest payments for a fixed payment of 3.62% and a cap for future periods with a strike price of 3.62%. In connection with the consolidation of Sasol-Huntsman as of April 1, 2011, the interest rate contract is now included in our consolidated results. See "Note 7. Variable Interest Entities" to our consolidated financial statements. The notional amount of the hedge as of December 31, 2013 was €31 million (approximately $42 million) and the derivative transactions do not qualify for hedge accounting. As of December 31, 2013 and 2012, the fair value of this hedge was €1 million (approximately $1 million) and €2 million (approximately $3 million), respectively, and was recorded in other noncurrent liabilities in our consolidated balance sheets. For 2013 and 2012, we recorded a reduction of interest expense of €1 million (approximately $1 million) and less than €1 million (approximately $1 million) respectively, due to changes in the fair value of the swap.

Beginning in 2009, Arabian Amines Company entered into a 12-year floating to fixed interest rate contract providing for a receipt of LIBOR interest payments for a fixed payment of 5.02%. In connection with the consolidation of Arabian Amines Company as of July 1, 2010, the interest rate contract is now included in our consolidated results. See “Note 7. Variable Interest Entities” to our consolidated financial statements. The notional amount of the swap as of December 31, 2013 was $32 million, and the interest rate contract is not designated as a cash flow hedge. As of December 31, 2013 and 2012, the fair value of the swap was $4 million and $6 million, respectively, and was recorded in other noncurrent liabilities in our consolidated balance sheets. For 2013 and 2012, we recorded a reduction of interest expense of $2 million and $1 million, respectively, due to changes in fair value of the swap. As of December 31, 2013 Arabian Amines Company was not in compliance with certain financial covenants contained in its loan commitments. For more information, see “Note 13. Debt—Direct and Subsidiary Debt—Variable Interest Entity Debt” to our consolidated financial statements.

For the years ended December 31, 2013 and 2012, the changes in accumulated other comprehensive gain (loss) associated with these cash flow hedging activities were approximately $3 million and $(1) million, respectively.

During 2014, accumulated other comprehensive loss of nil is expected to be reclassified to earnings. The actual amount that will be reclassified to earnings over the next twelve months may vary from this amount due to changing market conditions. We would be exposed to credit losses in the event of nonperformance by a counterparty to our derivative financial instruments. We anticipate, however, that the counterparties will be able to fully satisfy their obligations under the contracts. Market risk arises from changes in interest rates.

Foreign Exchange Rate Risk

Our cash flows and earnings are subject to fluctuations due to exchange rate variation. Our revenues and expenses are denominated in various currencies. We enter into foreign currency derivative instruments to minimize the short-term impact of movements in foreign currency rates. Where practicable, we generally net multicurrency cash balances among our subsidiaries to help reduce exposure to foreign currency exchange rates. Certain other exposures may be managed from time to time through financial market transactions, principally through the purchase of spot or forward foreign exchange contracts (generally with maturities of three months or less). We do not hedge our currency exposures in a manner that would eliminate the effect of changes in exchange rates on our cash flows and earnings. As of December 31, 2013 and 2012, we had approximately $193 million and $217 million notional amount (in U.S. dollar equivalents) outstanding, respectively, in foreign currency contracts with a term of approximately one month.

In conjunction with the issuance of our 8.625% senior subordinated notes due 2020, we entered into cross-currency interest rate contracts with three counterparties. On March 17, 2010, we made payments of $350 million to these counterparties and received €255 million from these counterparties, and on maturity (March 15, 2015) we are required to pay €255 million to these counterparties and will receive $350 million from these counterparties. On March 15 and September 15 of each year, we will receive U.S. dollar interest payments of approximately $15 million (equivalent to an annual rate of 8.625%) and make interest payments of approximately €11 million (equivalent to an annual rate of approximately 8.41%). This swap is designated as a hedge of net investment for financial reporting purposes. As of December 31, 2013 and 2012, the fair value of this swap was $2 million and $18 million, respectively, and was recorded in noncurrent assets.

A portion of our debt is denominated in euros. We also finance certain of our non-U.S. subsidiaries with intercompany loans that are, in many cases, denominated in currencies other than the entities’ functional currency. We manage the net foreign currency exposure created by this debt through various means, including cross-currency swaps, the designation of certain intercompany loans as permanent loans because they are not expected to be repaid in the foreseeable future ("permanent loans") and the designation of certain debt and swaps as net investment hedges.

Foreign currency transaction gains and losses on intercompany loans that are not designated as permanent loans are recorded in earnings. Foreign currency transaction gains and losses on intercompany loans that are designated as permanent loans are recorded in other comprehensive income (loss). From time to time, we review such designation of intercompany loans.

We review our non-U.S. dollar denominated debt and derivative instruments to determine the appropriate amounts designated as hedges. As of December 31, 2013, we have designated approximately €525 million (approximately $725 million) of euro-denominated debt and cross-currency interest rate contracts as a hedge of our net investment. For the years ended December 31, 2013, 2012 and 2011, the amount of gain (loss) recognized on the hedge of our net investment was $(22) million, $(11) million and $5 million, respectively, and was recorded in other comprehensive income (loss). As of December 31, 2013, we had approximately €988 million (approximately $1,364 million) in net euro assets.

COMMODITY PRICES RISK

Our exposure to changing commodity prices is somewhat limited since the majority of our raw materials are acquired at posted or market related prices, and sales prices for many of our finished products are at market related prices which are largely set on a monthly or quarterly basis in line with industry practice. Consequently, we do not generally hedge our commodity exposures.

CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2013. Based on this evaluation, our chief executive officer and chief financial officer have concluded that, as of December 31, 2013, our disclosure controls and procedures were effective, in that they ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (2) accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

No changes to our internal control over financial reporting occurred during the quarter ended December 31, 2013 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control framework and processes are designed to provide reasonable assurance to management and our Board of Directors regarding the reliability of financial reporting and the preparation of our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our Company;
- provide reasonable assurance that transactions are recorded properly to allow for the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of our Company are being made only in accordance with authorizations of management and Directors of our Company;
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our consolidated financial statements; and
- provide reasonable assurance as to the detection of fraud.

Because of its inherent limitations, a system of internal control over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Further, because of changing conditions, effectiveness of internal control over financial reporting may vary over time.

Our management assessed the effectiveness of our internal control over financial reporting and concluded that, as of December 31, 2013, such internal control is effective. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control—Integrated Framework* (1992) ("COSO").

Our independent registered public accountants, Deloitte & Touche LLP, with direct access to our Board of Directors through our Audit Committee, have audited our consolidated financial statements prepared by us and have issued attestation reports on internal control over financial reporting for our Company.

Management's Process to Assess the Effectiveness of Internal Control Over Financial Reporting

To comply with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, we completed a comprehensive compliance process to evaluate our internal control over financial reporting for our Company. We involved employees at all levels of our Company during 2013 in training, performing and evaluating our internal controls.

Our management's conclusion on the effectiveness of internal control over financial reporting is based on a comprehensive evaluation and analysis of the five elements of COSO. Our management considered information from multiple sources as the basis its conclusion—including self-assessments of the control activities within each work process, assessments of division-level and entity-level controls and internal control attestations from key external service providers, as well as from key management. In addition, our internal control processes contain self-monitoring mechanisms, and proactive steps are taken to correct deficiencies as they are identified. We also maintain an internal auditing program that independently assesses the effectiveness of internal control over financial reporting within each of the five COSO elements.

/s/ Peter R. Huntsman

Peter R. Huntsman
President and Chief Executive Officer

/s/ J. Kimo Esplin

J. Kimo Esplin
Executive Vice President and Chief Financial Officer

February 11, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Huntsman Corporation and subsidiaries

We have audited the internal control over financial reporting of Huntsman Corporation and subsidiaries (the "Company") as of December 31, 2013, based on criteria established in *Internal Control—Integrated Framework* (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2013, based on the criteria established in *Internal Control—Integrated Framework* (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2013 of the Company and our report dated February 11, 2014 expressed an unqualified opinion on those financial statements.

/s/ DELOITTE & TOUCHE LLP

Houston, Texas
February 11, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Huntsman Corporation and subsidiaries

We have audited the accompanying consolidated balance sheets of Huntsman Corporation and subsidiaries (the "Company") as of December 31, 2013 and 2012, and the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the three years in the period ended December 31, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Huntsman Corporation and subsidiaries as of December 31, 2013 and 2012, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2013, based on the criteria established in *Internal Control—Integrated Framework* (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 11, 2014 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Houston, Texas
February 11, 2014

HUNTSMAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Millions, Except Share and Per Share Amounts)

	December 31, 2013	December 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents(a)	$ 520	$ 387
Restricted cash(a)	9	9
Accounts and notes receivable (net of allowance for doubtful accounts of $42 and $47, respectively), ($521 and $520 pledged as collateral, respectively)(a)	1,542	1,534
Accounts receivable from affiliates	33	49
Inventories(a)	1,741	1,819
Prepaid expenses	61	48
Deferred income taxes	53	51
Other current assets(a)	200	222
Total current assets	4,159	4,119
Property, plant and equipment, net(a)	3,824	3,745
Investment in unconsolidated affiliates	285	238
Intangible assets, net(a)	87	68
Goodwill	131	117
Deferred income taxes	243	229
Notes receivable from affiliates	1	2
Other noncurrent assets(a)	458	366
Total assets	$9,188	$8,884
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable(a)	$1,067	$1,102
Accounts payable to affiliates	46	48
Accrued liabilities(a)	726	705
Deferred income taxes	43	38
Current portion of debt(a)	277	288
Total current liabilities	2,159	2,181
Long-term debt(a)	3,633	3,414
Notes payable to affiliates	6	4
Deferred income taxes	313	228
Other noncurrent liabilities(a)	948	1,161
Total liabilities	7,059	6,988
Commitments and contingencies (Notes 18 and 19)		
Equity		
Huntsman Corporation stockholders' equity:		
Common stock $0.01 par value, 1,200,000,000 shares authorized, 245,930,859 and 243,813,779 issued and 240,401,442 and 238,273,422 outstanding in 2013 and 2012, respectively	2	2
Additional paid-in capital	3,305	3,264
Treasury stock, 4,043,526 shares at both December 31, 2013 and 2012	(50)	(50)
Unearned stock-based compensation	(13)	(12)
Accumulated deficit	(687)	(687)
Accumulated other comprehensive loss	(577)	(744)
Total Huntsman Corporation stockholders' equity	1,980	1,773
Noncontrolling interests in subsidiaries	149	123
Total equity	2,129	1,896
Total liabilities and equity	$9,188	$8,884

(a) At December 31, 2013 and 2012, respectively, $39 and $28 of cash and cash equivalents, $9 each of restricted cash, $41 and $38 of accounts and notes receivable (net), $54 and $55 of inventories, $3 and nil of other current assets, $369 and $378 of property, plant and equipment (net), $17 and $19 of intangible assets (net), $28 each of other noncurrent assets, $73 and $76 of accounts payable, $32 and $26 of accrued liabilities, $183 and $193 of current portion of debt, $64 and $77 of long-term debt, and $45 and $101 of other noncurrent liabilities from consolidated variable interest entities are included in the respective Balance Sheet captions above. See "Note 7. Variable Interest Entities."

See accompanying notes to consolidated financial statements.

HUNTSMAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(In Millions, Except Per Share Amounts)

	Year ended December 31,		
	2013	2012	2011
Revenues:			
Trade sales, services and fees, net	$10,847	$10,964	$11,041
Related party sales	232	223	180
Total revenues	11,079	11,187	11,221
Cost of goods sold	9,326	9,153	9,381
Gross profit	1,753	2,034	1,840
Operating expenses:			
Selling, general and administrative	942	951	921
Research and development	140	152	166
Other operating expense (income)	10	(6)	(20)
Restructuring, impairment and plant closing costs	151	92	167
Total expenses	1,243	1,189	1,234
Operating income	510	845	606
Interest expense, net	(190)	(226)	(249)
Equity in income of investment in unconsolidated affiliates	8	7	8
Loss on early extinguishment of debt	(51)	(80)	(7)
Other income	2	1	2
Income from continuing operations before income taxes	279	547	360
Income tax expense	(125)	(169)	(109)
Income from continuing operations	154	378	251
Loss from discontinued operations	(5)	(7)	(1)
Income before extraordinary gain	149	371	250
Extraordinary gain on the acquisition of a business, net of tax of nil	—	2	4
Net income	149	373	254
Net income attributable to noncontrolling interests	(21)	(10)	(7)
Net income attributable to Huntsman Corporation	$ 128	$ 363	$ 247

(continued)

HUNTSMAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Millions, Except Per Share Amounts)

	Year ended December 31,		
	2013	2012	2011
Basic income (loss) per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.55	$ 1.55	$ 1.03
Loss from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax	(0.02)	(0.03)	—
Extraordinary gain on the acquisition of a business attributable to Huntsman Corporation common stockholders, net of tax	—	0.01	0.01
Net income attributable to Huntsman Corporation common stockholders	$ 0.53	$ 1.53	$ 1.04
Weighted average shares	239.7	237.6	237.6
Diluted income (loss) per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.55	$ 1.53	$ 1.01
Loss from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax	(0.02)	(0.03)	—
Extraordinary gain on the acquisition of a business attributable to Huntsman Corporation common stockholders, net of tax	—	0.01	0.01
Net income attributable to Huntsman Corporation common stockholders	$ 0.53	$ 1.51	$ 1.02
Weighted average shares	242.4	240.6	241.7
Amounts attributable to Huntsman Corporation common stockholders:			
Income from continuing operations	$ 133	$ 368	$ 244
Loss from discontinued operations, net of tax	(5)	(7)	(1)
Extraordinary gain on the acquisition of a business, net of tax	—	2	4
Net income	$ 128	$ 363	$ 247
Dividends per share	$ 0.50	$ 0.40	$ 0.40

See accompanying notes to consolidated financial statements.

HUNTSMAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In Millions)

	Year ended December 31,		
	2013	2012	2011
Net income	$149	$ 373	$ 254
Other comprehensive income (loss), net of tax:			
Foreign currency translations adjustments, net of tax of $13, $20 and $24 in 2013, 2012 and 2011, respectively	(23)	51	(80)
Pension and other postretirement benefits adjustments, net of tax of $83, $197 and $124 in 2013, 2012 and 2011, respectively	185	(236)	(187)
Other, net	10	(1)	—
Other comprehensive income (loss), net of tax	172	(186)	(267)
Comprehensive income (loss)	321	187	(13)
Comprehensive income attributable to noncontrolling interests	(26)	(9)	(2)
Comprehensive income (loss) attributable to Huntsman Corporation	$295	$ 178	$ (15)

See accompanying notes to consolidated financial statements.

HUNTSMAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY

(In Millions, Except Share Amounts)

	Huntsman Corporation Stockholders' Equity								
	Shares								
	Common stock	Common stock	Additional paid-in capital	Treasury stock	Unearned stock-based compensation	Accumulated deficit	Accumulated other comprehensive loss	Noncontrolling interests in subsidiaries	Total equity
Balance, January 1, 2011	236,799,455	$ 2	$3,186	$ —	$(11)	$(1,090)	$(297)	$ 60	$1,850
Net income	—	—	—	—	—	247	—	7	254
Dividend paid to noncontrolling interest	—	—	—	—	—	—	—	(9)	(9)
Other comprehensive loss	—	—	—	—	—	—	(262)	(5)	(267)
Consolidation of a variable interest entity	—	—	—	—	—	—	—	61	61
Issuance of nonvested stock awards	—	—	11	—	(11)	—	—	—	—
Vesting of stock awards	2,229,418	—	13	—	—	—	—	—	13
Recognition of stock-based compensation	—	—	5	—	10	—	—	—	15
Repurchase of common stock	(4,043,526)	—	—	(50)	—	—	—	—	(50)
Repurchase and cancellation of stock awards	(507,624)	—	—	—	—	(8)	—	—	(8)
Stock options exercised	1,268,364	—	3	—	—	—	—	—	3
Excess tax benefit related to stock- based compensation	—	—	10	—	—	—	—	—	10
Dividends declared on common stock	—	—	—	—	—	(96)	—	—	(96)
Balance, December 31, 2011	235,746,087	2	3,228	(50)	(12)	(947)	(559)	114	1,776
Net income	—	—	—	—	—	363	—	10	373
Other comprehensive loss	—	—	—	—	—	—	(185)	(1)	(186)
Issuance of nonvested stock awards	—	—	12	—	(12)	—	—	—	—
Vesting of stock awards	2,162,043	—	10	—	—	—	—	—	10
Recognition of stock-based compensation	—	—	9	—	12	—	—	—	21
Repurchase and cancellation of stock awards	(537,039)	—	—	—	—	(7)	—	—	(7)
Stock options exercised	902,331	—	3	—	—	—	—	—	3
Excess tax benefit related to stock- based compensation	—	—	4	—	—	—	—	—	4
Acquisition of a business	—		(2)	—	—	—	—	—	(2)
Dividends declared on common stock	—	—	—	—	—	(96)	—	—	(96)
Balance, December 31, 2012	238,273,422	2	3,264	(50)	(12)	(687)	(744)	123	1,896
Net income	—	—	—	—	—	128	—	21	149
Other comprehensive income	—	—	—	—	—	—	167	5	172
Issuance of nonvested stock awards	—	—	14	—	(14)	—	—	—	—
Vesting of stock awards	1,067,888	—	5	—	—	—	—	—	5
Recognition of stock-based compensation	—	—	8	—	13	—	—	—	21
Repurchase and cancellation of stock awards	(304,209)	—	—	—	—	(6)	—	—	(6)
Stock options exercised	1,364,341	—	13	—	—	—	—	—	13
Excess tax benefit related to stock- based compensation	—	—	1	—	—	—	—	—	1
Accrued and unpaid dividends	—	—	—	—	—	(2)	—	—	(2)
Dividends declared on common stock	—	—	—	—	—	(120)	—	—	(120)
Balance, December 31, 2013	240,401,442	$ 2	$3,305	$(50)	$(13)	$ (687)	$(577)	$149	$2,129

See accompanying notes to consolidated financial statements.

HUNTSMAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)

	Year ended December 31,		
	2013	2012	2011
Operating Activities:			
Net income	$ 149	$ 373	$ 254
Adjustments to reconcile net income to net cash provided by operating activities:			
Extraordinary gain on the acquisition of a business, net of tax	—	(2)	(4)
Loss (gain) on initial consolidation of subsidiaries	—	4	(12)
Equity in income of investment in unconsolidated affiliates	(8)	(7)	(8)
Depreciation and amortization	448	432	439
Provision for losses (gains) on accounts receivable	2	4	(4)
Loss (gain) on disposal of businesses/assets, net	5	—	(38)
Loss on early extinguishment of debt	51	80	7
Noncash interest expense	11	33	38
Noncash restructuring and impairment charges	13	15	60
Deferred income taxes	10	(38)	(23)
Noncash loss (gain) on foreign currency transactions	31	11	(32)
Stock-based compensation	29	27	24
Other, net	—	(2)	(1)
Changes in operating assets and liabilities:			
Accounts and notes receivable	(11)	—	(121)
Inventories	77	(248)	(161)
Prepaid expenses	(11)	(3)	(4)
Other current assets	23	24	(108)
Other noncurrent assets	(113)	103	2
Accounts payable	(12)	146	24
Accrued liabilities	(39)	23	112
Other noncurrent liabilities	53	(201)	(79)
Net cash provided by operating activities	708	774	365
Investing Activities:			
Capital expenditures	(471)	(412)	(330)
Proceeds from settlements treated as reimbursement of capital expenditures	—	—	3
Cash received from unconsolidated affiliates	71	82	32
Investment in unconsolidated affiliates	(104)	(127)	(26)
Acquisition of businesses, net of cash acquired	(66)	(18)	(34)
Cash assumed in connection with the initial consolidation of a variable interest entity	—	—	28
Proceeds from sale of businesses/assets	2	6	48
Other, net	2	(2)	(1)
Net cash used in investing activities	(566)	(471)	(280)

(continued)

HUNTSMAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(In Millions)

	Year ended December 31, 2013	2012	2011
Financing Activities:			
Net repayments under revolving loan facilities	$ (4)	(15)	$ (2)
Net (repayments) on borrowings overdraft facilities	(9)	2	9
Repayments of short-term debt	(18)	(53)	(187)
Borrowings on short-term debt	15	—	162
Repayments of long-term debt	(840)	(694)	(408)
Proceeds from issuance of long-term debt	979	405	98
Repayments of notes payable	(40)	(37)	(34)
Borrowings on notes payable	35	34	35
Debt issuance costs paid	(11)	(11)	(7)
Call premiums related to early extinguishment of debt	(4)	(2)	(6)
Dividends paid to common stockholders	(120)	(96)	(96)
Repurchase and cancellation of stock awards	(6)	(7)	(8)
Repurchase of common stock	—	—	(50)
Proceeds from issuance of common stock	13	3	3
Dividends paid to noncontrolling interest	—	—	(9)
Excess tax benefit related to stock-based compensation	1	4	10
Other, net	3	(6)	—
Net cash used in financing activities	(6)	(473)	(490)
Effect of exchange rate changes on cash	(3)	3	(7)
Increase (decrease) in cash and cash equivalents	133	(167)	(412)
Cash and cash equivalents at beginning of period	387	554	966
Cash and cash equivalents at end of period	$ 520	$ 387	$ 554
Supplemental cash flow information:			
Cash paid for interest	$ 187	$ 209	$ 204
Cash paid for income taxes	78	224	119

During 2013, 2012 and 2011, the amount of capital expenditures in accounts payable (decreased) increased by $(16), $31 and $16, respectively.

See accompanying notes to consolidated financial statements.

HUNTSMAN CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

DEFINITIONS

For convenience in this report, the terms "Company," "our" or "we" may be used to refer to Huntsman Corporation and, unless the context otherwise requires, its subsidiaries and predecessors. Any references to our "Company" "we" "us" or "our" as of a date prior to October 19, 2004 (the date of our Company's formation) are to Huntsman Holdings, LLC and its subsidiaries (including their respective predecessors). In this report, "Huntsman International" refers to Huntsman International LLC (our 100% owned subsidiary) and, unless the context otherwise requires, its subsidiaries; "HPS" refers to Huntsman Polyurethanes Shanghai Ltd. (our consolidated splitting joint venture with Shanghai Chlor-Alkali Chemical Company, Ltd); and "SLIC" refers to Shanghai Liengheng Isocyanate Company (our unconsolidated manufacturing joint venture with BASF and three Chinese chemical companies).

In this report, we may use, without definition, the common names of competitors or other industry participants. We may also use the common names or abbreviations for certain chemicals or products. Each capitalized term used without definition in this report has the meaning specified in the Annual Report on Form 10-K for the year ended December 31, 2013, which was filed with the Securities and Exchange Commission on February 11, 2014.

DESCRIPTION OF BUSINESS

We are a global manufacturer of differentiated organic chemical products and of inorganic chemical products. Our products comprise a broad range of chemicals and formulations, which we market globally to a diversified group of consumer and industrial customers. Our products are used in a wide range of applications, including those in the adhesives, aerospace, automotive, construction products, personal care and hygiene, durable and non-durable consumer products, electronics, medical, packaging, paints and coatings, power generation, refining, synthetic fiber, textile chemicals and dye industries. We are a leading global producer in many of our key product lines, including MDI, amines, surfactants, maleic anhydride, epoxy-based polymer formulations, textile chemicals, dyes and titanium dioxide.

We operate in five segments: Polyurethanes, Performance Products, Advanced Materials, Textile Effects and Pigments. Our Polyurethanes, Performance Products, Advanced Materials and Textile Effects segments produce differentiated organic chemical products and our Pigments segment produces inorganic chemical products. In a series of transactions beginning in 2006, we sold or shutdown substantially all of our Australian styrenics operations and our North American polymers and base chemicals operations. We report the results of these businesses as discontinued operations.

COMPANY

Our Company, a Delaware corporation, was formed in 2004 to hold the Huntsman businesses. Jon M. Huntsman founded the predecessor to our Company in 1970 as a small packaging company. Since then, we have grown through a series of acquisitions and now own a global portfolio of businesses.

Currently, we operate all of our businesses through Huntsman International, our 100% owned subsidiary. Huntsman International is a Delaware limited liability company and was formed in 1999.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Asset Retirement Obligations

We accrue for asset retirement obligations, which consist primarily of landfill capping, closure and post-closure costs and asbestos abatement costs, in the period in which the obligations are incurred. Asset retirement obligations are accrued at estimated fair value. When the liability is initially recorded, we capitalize the cost by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its settlement value and the capitalized cost is depreciated over the useful life of the related asset. Upon settlement of the liability, we will recognize a gain or loss for any difference between the settlement amount and the liability recorded. Asset retirement obligations were $29 million and $28 million at December 31, 2013 and 2012, respectively.

Carrying Value of Long-Lived Assets

We review long-lived assets and all amortizable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Recoverability is based upon current and anticipated undiscounted cash flows, and we recognize an impairment when such estimated cash flows are less than the carrying value of the asset. Measurement of the amount of impairment, if any, is based upon the difference between carrying value and fair value. Fair value is generally estimated by discounting estimated future cash flows using a discount rate commensurate with the risks involved. See "Note 11. Restructuring, Impairment and Plant Closing Costs."

Cash and Cash Equivalents

We consider cash in checking accounts and cash in short-term highly liquid investments with remaining maturities of three months or less at the date of purchase, to be cash and cash equivalents. Cash flows from discontinued operations are not presented separately in our consolidated statements of cash flows.

Cost of Goods Sold

We classify the costs of manufacturing and distributing our products as cost of goods sold. Manufacturing costs include variable costs, primarily raw materials and energy, and fixed expenses directly associated with production. Manufacturing costs also include, among other things, plant site operating costs and overhead (including depreciation), production planning and logistics costs, repair and maintenance costs, plant site purchasing costs, and engineering and technical support costs. Distribution, freight and warehousing costs are also included in cost of goods sold.

Derivatives and Hedging Activities

All derivatives, whether designated in hedging relationships or not, are recorded on our balance sheet at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged items are recognized in earnings. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded in accumulated other comprehensive loss, to the extent effective, and will be recognized in the income statement when the hedged item affects earnings. Changes in the fair value of the hedge in the net investment of certain international operations are recorded in other comprehensive income (loss), to the extent effective. The effectiveness of a cash flow hedging relationship is established at the inception of the hedge, and after

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

inception we perform effectiveness assessments at least every three months. A derivative designated as a cash flow hedge is determined to be effective if the change in value of the hedge divided by the change in value of the hedged item is within a range of 80% to 125%. Hedge ineffectiveness in a cash flow hedge occurs only if the cumulative gain or loss on the derivative hedging instrument exceeds the cumulative change in the expected future cash flows on the hedged transaction. For a derivative that does not qualify or has not been designated as a hedge, changes in fair value are recognized in earnings.

Environmental Expenditures

Environmental related restoration and remediation costs are recorded as liabilities when site restoration and environmental remediation and clean-up obligations are either known or considered probable and the related costs can be reasonably estimated. Other environmental expenditures that are principally maintenance or preventative in nature are recorded when expended and incurred and are expensed or capitalized as appropriate. See "Note 19. Environmental, Health and Safety Matters."

Foreign Currency Translation

The accounts of our operating subsidiaries outside of the U.S., unless they are operating in highly inflationary economic environments, consider the functional currency to be the currency of the economic environment in which they operate. Accordingly, assets and liabilities are translated at rates prevailing at the balance sheet date. Revenues, expenses, gains and losses are translated at a weighted average rate for the period. Cumulative translation adjustments are recorded to equity as a component of accumulated other comprehensive loss.

If a subsidiary operates in an economic environment that is considered to be highly inflationary (100% cumulative inflation over a three-year period), the U.S. dollar is considered to be the functional currency and gains and losses from remeasurement to the U.S. dollar from the local currency are included in the statement of operations. Where a subsidiary's operations are effectively run, managed, financed and contracted in U.S. dollars, such as certain finance subsidiaries outside of the U.S., the U.S. dollar is considered to be the functional currency.

Foreign currency transaction gains and losses are recorded in other operating expense (income) in our consolidated statements of operations and were net losses of $11 million, $4 million and $3 million for the years ended December 31, 2013, 2012 and 2011, respectively.

Income Taxes

We use the asset and liability method of accounting for income taxes. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial and tax reporting purposes. We evaluate deferred tax assets to determine whether it is more likely than not that they will be realized. Valuation allowances are reviewed on a tax jurisdiction basis to analyze whether there is sufficient positive or negative evidence to support a change in judgment about the realizability of the related deferred tax assets for each jurisdiction. These conclusions require significant judgment. In evaluating the objective evidence that historical results provide, we consider the cyclicality of businesses and cumulative income or losses during the applicable period. Cumulative losses incurred over the period limits our ability to consider other subjective

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

evidence such as our projections for the future. Changes in expected future income in applicable jurisdictions could affect the realization of deferred tax assets in those jurisdictions.

We do not provide for income taxes or benefits on the undistributed earnings of our non-U.S. subsidiaries as earnings are reinvested and, in the opinion of management, will continue to be reinvested indefinitely.

Accounting for uncertainty in income taxes prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The application of income tax law is inherently complex. We are required to determine if an income tax position meets the criteria of more-likely-than-not to be realized based on the merits of the position under tax law, in order to recognize an income tax benefit. This requires us to make significant judgments regarding the merits of income tax positions and the application of income tax law. Additionally, if a tax position meets the recognition criteria of more-likely-than-not we are required to make judgments and apply assumptions to measure the amount of the tax benefits to recognize. These judgments are based on the probability of the amount of tax benefits that would be realized if the tax position was challenged by the taxing authorities. Interpretations and guidance surrounding income tax laws and regulations change over time. As a consequence, changes in assumptions and judgments can materially affect amounts recognized in our consolidated financial statements.

Intangible Assets and Goodwill

Intangible assets are stated at cost (fair value at the time of acquisition) and are amortized using the straight-line method over the estimated useful lives or the life of the related agreement as follows:

Patents and technology	5 - 30 years
Trademarks	15 - 30 years
Licenses and other agreements	5 - 15 years
Other intangibles	5 - 15 years

Goodwill represents costs in excess of fair values assigned to the underlying net assets of acquired businesses. Goodwill is not subject to any method of amortization, but is tested for impairment annually (at the beginning of the third quarter) and when events and circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. When the fair value is less than the carrying value of the related reporting unit, we are required to reduce the amount of goodwill through a charge to earnings. Fair value is estimated using the market approach, as well as the income approach based on discounted cash flow projections. Goodwill has been assigned to reporting units for purposes of impairment testing. Goodwill increased by $14 million during the year ended December 31, 2013 due to the finalization of purchase accounting.

Inventories

Inventories are stated at the lower of cost or market, with cost determined using LIFO, first-in first-out, and average costs methods for different components of inventory.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Legal Costs

We expense legal costs, including those legal costs incurred in connection with a loss contingency, as incurred.

Net Income Per Share Attributable to Huntsman Corporation

Basic income per share excludes dilution and is computed by dividing net income attributable to Huntsman Corporation common stockholders by the weighted average number of shares outstanding during the period. Diluted income per share reflects all potential dilutive common shares outstanding during the period and is computed by dividing net income available to Huntsman Corporation common stockholders by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding as dilutive securities.

Basic and diluted income per share is determined using the following information (in millions):

	2013	2012	2011
Numerator:			
Basic and diluted income from continuing operations:			
Income from continuing operations attributable to Huntsman Corporation	$ 133	$ 368	$ 244
Basic and diluted net income:			
Net income attributable to Huntsman Corporation	$ 128	$ 363	$ 247
Shares (denominator):			
Weighted average shares outstanding	239.7	237.6	237.6
Dilutive securities:			
Stock-based awards	2.7	3.0	4.1
Total weighted average shares outstanding, including dilutive shares	242.4	240.6	241.7

Additional stock-based awards of 7.3 million, 7.8 million and 6.7 million weighted average equivalent shares of stock were outstanding during the years ended December 31, 2013, 2012 and 2011, respectively. However, these stock-based awards were not included in the computation of diluted earnings per share for the respective periods mentioned because the effect would be anti-dilutive.

Other Noncurrent Assets

Other noncurrent assets consist primarily of spare parts, deferred debt issuance costs, the overfunded portion related to defined benefit plans for employees and capitalized turnaround costs. Debt issuance costs are amortized using the interest method over the term of the related debt.

Principles of Consolidation

Our consolidated financial statements include the accounts of our wholly-owned and majority-owned subsidiaries and any variable interest entities for which we are the primary beneficiary. All intercompany accounts and transactions have been eliminated, except for intercompany sales between continuing and discontinued operations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives or lease term as follows:

Buildings and equipment	5 - 50 years
Plant and equipment	3 - 30 years
Furniture, fixtures and leasehold improvements	5 - 20 years

Interest expense capitalized as part of plant and equipment was $7 million, $4 million and $2 million for the years ended December 31, 2013, 2012 and 2011, respectively.

Periodic maintenance and repairs applicable to major units of manufacturing facilities (a "turnaround") are accounted for on the deferral basis by capitalizing the costs of the turnaround and amortizing the costs over the estimated period until the next turnaround. Normal maintenance and repairs of plant and equipment are charged to expense as incurred. Renewals, betterments and major repairs that materially extend the useful life of the assets are capitalized, and the assets replaced, if any, are retired.

Revenue Recognition

We generate substantially all of our revenues through sales in the open market and long-term supply agreements. We recognize revenue when it is realized or realizable and earned. Revenue for product sales is recognized when a sales arrangement exists, risk and title to the product transfer to the customer, collectability is reasonably assured and pricing is fixed or determinable. The transfer of risk and title to the product to the customer usually occurs at the time shipment is made.

Revenue arrangements that contain multiple deliverables, which relate primarily to licensing of technology, are evaluated to determine whether the arrangements should be divided into separate units of accounting and how the arrangement consideration should be measured and allocated among the separate units of accounting.

Securitization of Accounts Receivable

Under our A/R Programs, we grant an undivided interest in certain of our trade receivables to the U.S. SPE and the EU SPE. This undivided interest serves as security for the issuance of debt. The A/R Programs provide for financing through a conduit program (in both U.S. dollars and euros). The amounts outstanding under our A/R Programs are accounted for as secured borrowings. See "Note 13. Debt—A/R Programs."

Stock-Based Compensation

We measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. That cost will be recognized over the period during which the employee is required to provide services in exchange for the award. See "Note 21. Stock-Based Compensation Plan."

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

We have evaluated material subsequent events through the date these consolidated financial statements were issued.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements

Accounting Pronouncements Adopted During 2013

In July 2012, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2012-02, *Intangibles—Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment*. The guidance in this ASU is intended to reduce complexity and costs of the annual impairment tests for indefinite-lived intangible assets by providing entities with the option of performing a qualitative assessment to determine whether further impairment testing is necessary. The amendments in this ASU include examples of events and circumstances that might indicate that an asset's fair value is less than its carrying value. The amendments in this ASU were effective prospectively for annual and interim indefinite-lived intangible assets impairment tests performed for fiscal years beginning after September 15, 2012. We adopted the amendments in this ASU effective January 1, 2013, and the initial adoption of the amendments in this ASU did not have a significant impact on our consolidated financial statements.

In February 2013, the FASB issued ASU No. 2013-02, *Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income*, requiring entities to disclose information about the amounts reclassified out of accumulated other comprehensive income by component, as well as report, either on the face of the income statement where net income is presented or in the notes, the effect of significant reclassifications out of accumulated other comprehensive income on the respective line items of net income. The amendments in this ASU were effective prospectively for interim and annual periods beginning after December 15, 2012. We adopted the amendments of this ASU effective January 1, 2013 and have disclosed the above additional information about reclassifications out of accumulated other comprehensive loss in the notes to our consolidated financial statements. See "Note 22. Other Comprehensive Income (Loss)."

In July 2013, the FASB issued ASU No. 2013-10, *Derivatives and Hedging (Topic 815): Inclusion of the Fed Funds Effective Swap Rate (or Overnight Index Swap Rate) as a Benchmark Interest Rate for Hedge Accounting Purposes*, permitting entities to use the Fed Funds Effective Swap Rate (OIS) as a U.S. benchmark interest rate for hedge accounting purposes under Topic 815, in addition to the U.S. Treasury rate and the London Interbank Offered Rate (LIBOR). The amendments also remove the restriction on using different benchmark rates for similar hedges. The amendments in this ASU were effective prospectively for qualifying new or redesignated hedging relationships entered into on or after July 17, 2013. We adopted the amendments in this ASU effective July 17, 2013, and the initial adoption

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

of the amendments in this ASU did not have a significant impact on our consolidated financial statements.

Accounting Pronouncements Pending Adoption in Future Periods

In February 2013, the FASB issued ASU No. 2013-04, *Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date*, requiring entities to measure obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date, as the sum of the amount the reporting entity agreed to pay on the basis of its arrangement among its co-obligors and any additional amount the reporting entity expects to pay on behalf of its co-obligors. The amendments in this ASU are effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. The amendments in this ASU should be applied retrospectively to all prior periods presented for those obligations resulting from joint and several liability arrangements that exist at the beginning of an entity's fiscal year of adoption. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

In March 2013, the FASB issued ASU No. 2013-05, *Foreign Currency Matters (Topic 830): Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity*, resolving diversity in practice and clarifying the applicable guidance for the release of the cumulative translation adjustment into net income when a parent either sells a part or all of its investment in a foreign entity or no longer holds a controlling financial interest in a subsidiary or group of assets that is a nonprofit activity or business within a foreign entity. The amendments in this ASU are effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

In July 2013, the FASB issued ASU No. 2013-11, *Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists*, providing guidance on the presentation of unrecognized tax benefits in the financial statements as either a reduction to a deferred tax asset or as a liability to better reflect the manner in which an entity would settle at the reporting date any additional income taxes that would result from the disallowance of a tax position when net operating loss carryforwards ("NOLs"), similar tax losses or tax credit carryforwards exist. The amendments in this ASU do not require new recurring disclosures. The amendments in this ASU are effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. The amendments in this ASU should be applied prospectively to all unrecognized tax benefits that exist at the effective date. Retrospective application is permitted. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

3. BUSINESS COMBINATIONS AND DISPOSITIONS

Performance Additives and Titanium Dioxide Acquisition

On September 17, 2013, we entered into a definitive agreement to acquire the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. for approximately $1.1 billion in cash, subject to certain purchase price adjustments, and the assumption of certain unfunded pension liabilities estimated at $225 million as of June 30, 2013. The transaction remains subject to regulatory approvals and customary closing conditions and is expected to close during the first half of 2014.

3. BUSINESS COMBINATIONS AND DISPOSITIONS (Continued)

OXID ACQUISITION

On August 29, 2013, we completed the Oxid Acquisition. The acquisition cost of approximately $76 million consisted of cash payments of approximately $66 million and contingent consideration of $10 million. The contingent consideration relates to an earn-out agreement which will be paid over two years if certain conditions are met. The acquired business has been integrated into our Polyurethanes segment. Transaction costs charged to expense related to this acquisition were not significant.

We have accounted for the Oxid Acquisition using the acquisition method. As such, we analyzed the fair value of tangible and intangible assets acquired and liabilities assumed. The preliminary allocation of acquisition cost to the assets acquired and liabilities assumed is summarized as follows (dollars in millions):

Cash paid for acquisition	$66
Contingent consideration	10
Acquisition cost	$76
Fair value of assets acquired and liabilities assumed:	
Accounts receivable	$ 9
Inventories	14
Property, plant and equipment	22
Intangible assets	36
Accounts payable	(4)
Accrued liabilities	(1)
Total fair value of net assets acquired	$76

The acquisition cost allocation is preliminary pending final determination of the fair value of assets acquired and liabilities assumed, including final valuation of property, plant and equipment and intangible assets. For purposes of this preliminary allocation of fair value, we have assigned any excess of the acquisition cost of historical carrying values to intangible assets and no amounts have been allocated to goodwill. It is possible that changes to this allocation could occur.

If this acquisition were to have occurred on January 1, 2011, the following estimated pro forma revenues and net income attributable to Huntsman Corporation (unaudited) would have been reported (dollars in millions):

	Pro Forma		
	Year ended December 31, (unaudited)		
	2013	2012	2011
Revenues	$11,142	$11,269	$11,294
Net income attributable to Huntsman Corporation	135	369	246

SALE OF STEREOLITHOGRAPHY RESIN AND DIGITALIS® MACHINE MANUFACTURING BUSINESSES

On November 1, 2011, our Advanced Materials division completed the sale of its stereolithography resin and Digitalis® machine manufacturing businesses to 3D Systems Corporation for $41 million in

3. BUSINESS COMBINATIONS AND DISPOSITIONS (Continued)

cash. The stereolithography business produced products that are used primarily in three-dimensional part building systems. The Digitalis® business is a stereolithography rapid manufacturing system that we were developing. In connection with this sale, we recognized a pre-tax gain in the fourth quarter of 2011 of $34 million which was reflected in other operating income in our consolidated statements of operations and comprehensive income (loss). We also derecognized $2 million of goodwill that was allocated to these businesses.

TEXTILE EFFECTS ACQUISITION

On June 30, 2006, we acquired Ciba's textile effects business and accounted for the Textile Effects Acquisition using the purchase method. As such, we analyzed the fair value of tangible and intangible assets acquired and liabilities assumed and determined the excess of fair value of net assets over cost. Because the fair value of the acquired assets and liabilities assumed exceeded the purchase price, the value of the long-lived assets acquired was reduced to zero. Accordingly, no basis was assigned to property, plant and equipment or any other non-current nonfinancial assets and the remaining excess was recorded as an extraordinary gain. During 2012 and 2011, we recorded an additional extraordinary gain on the acquisition of $2 million and $4 million, respectively, related to settlement of contingent purchase price consideration, the reversal of accruals for certain restructuring and employee termination costs recorded in connection with the Textile Effects Acquisition and a reimbursement by Ciba of certain costs pursuant to the acquisition agreements.

4. INVENTORIES

Inventories consisted of the following (dollars in millions):

	December 31,	
	2013	2012
Raw materials and supplies	$ 433	$ 484
Work in progress	92	98
Finished goods	1,290	1,311
Total	1,815	1,893
LIFO reserves	(74)	(74)
Net	$1,741	$1,819

For both December 31, 2013 and 2012, approximately 11% of inventories were recorded using the LIFO cost method.

5. PROPERTY, PLANT AND EQUIPMENT

The cost and accumulated depreciation of property, plant and equipment were as follows (dollars in millions):

	December 31, 2013	December 31, 2012
Land	$ 159	$ 151
Buildings	730	666
Plant and equipment	6,589	6,242
Construction in progress	613	549
Total	8,091	7,608
Less accumulated depreciation	(4,267)	(3,863)
Net	$ 3,824	$ 3,745

Depreciation expense for 2013, 2012 and 2011 was $415 million, $399 million and $398 million, respectively, of which $2 million, $5 million and nil was related to discontinued operations in 2013, 2012 and 2011, respectively.

6. INVESTMENT IN UNCONSOLIDATED AFFILIATES

Investments in companies in which we exercise significant influence, but do not control, are accounted for using the equity method. Investments in companies in which we do not exercise significant influence are accounted for using the cost method.

Our ownership percentage and investment in unconsolidated affiliates were as follows (dollars in millions):

	December 31, 2013	December 31, 2012
Equity Method:		
Louisiana Pigment Company, L.P. (50%)	$104	$111
BASF Huntsman Shanghai Isocyanate Investment BV (50%)(1)	87	81
Nanjing Jinling Huntsman New Material Co., Ltd. (49%)	62	24
Jurong Ningwu New Materials Development Co., Ltd. (30%)	15	12
Nippon Aqua Co., Ltd. (15)%	8	—
Others	1	2
Total equity method investments	277	230
Cost Method:		
International Diol Company (4%)	5	5
White Mountain Titanium Corporation (3%)	3	3
Total investments	$285	$238

(1) We own 50% of BASF Huntsman Shanghai Isocyanate Investment BV. BASF Huntsman Shanghai Isocyanate Investment BV owns a 70% interest in SLIC, thus giving us an indirect 35% interest in SLIC.

6. INVESTMENT IN UNCONSOLIDATED AFFILIATES (Continued)

On November 13, 2012, we entered into an agreement to form a joint venture with Sinopec (Nanjing Jingling). The joint venture involves the construction and operation of a PO/MTBE facility in China. Under the joint venture agreement, we hold a 49% interest in the joint venture and Sinopec holds a 51% interest. Our total equity investment is anticipated to be approximately $135 million, and we expect to receive approximately $50 million of license fees from the joint venture. The timing of equity contributions and license fee payments depends on various factors, but the majority are expected to be made over the course of the construction period of the plant (expected to be completed in 2015).

7. VARIABLE INTEREST ENTITIES

We evaluate our investments and transactions to identify variable interest entities for which we are the primary beneficiary. We hold a variable interest in the following four joint ventures for which we are the primary beneficiary:

- Rubicon LLC manufactures products for our Polyurethanes and Performance Products segments. The structure of the joint venture is such that the total equity investment at risk is not sufficient to permit the joint venture to finance its activities without additional financial support. By virtue of the operating agreement with this joint venture, we purchase a majority of the output, absorb a majority of the operating costs and provide a majority of the additional funding.

- Pacific Iron Products Sdn Bhd manufactures products for our Pigments segment. In this joint venture we supply all the raw materials through a fixed cost supply contract, operate the manufacturing facility and market the products of the joint venture to customers. Through a fixed price raw materials supply contract with the joint venture we are exposed to the risk related to the fluctuation of raw material pricing.

- Arabian Amines Company manufactures products for our Performance Products segment. As required in the operating agreement governing this joint venture, we purchase all of Arabian Amines Company's production and sell it to our customers. Substantially all of the joint venture's activities are conducted on our behalf.

- Sasol-Huntsman is our 50%-owned joint venture with Sasol that owns and operates a maleic anhydride facility in Moers, Germany. This joint venture manufactures products for our Performance Products segment. Prior to April 1, 2011, we accounted for Sasol-Huntsman using the equity method. In April 2011, an expansion at this facility began production, which triggered the reconsideration of this joint venture as a variable interest entity. The joint venture uses our technology and expertise, and we bear a disproportionate amount of risk of loss due to a related-party loan to Sasol-Huntsman for which we bear the default risk. As a result, we concluded that we were the primary beneficiary and began consolidating Sasol-Huntsman beginning April 1, 2011.

Creditors of these entities have no recourse to our general credit, except in the event that we offer guarantees of specified indebtedness. See "Note 13. Debt—Direct and Subsidiary Debt." As the primary beneficiary of these variable interest entities at December 31, 2013, the joint ventures' assets, liabilities and results of operations are included in our consolidated financial statements.

7. VARIABLE INTEREST ENTITIES (Continued)

The following table summarizes the carrying amount of our variable interest entities' assets and liabilities included in our consolidated balance sheets, before intercompany eliminations, as of December 31, 2013 and 2012 (dollars in millions):

	December 31,	
	2013	2012
Current assets	$147	$163
Property, plant and equipment, net	369	378
Other noncurrent assets	76	61
Deferred income taxes	28	45
Intangible assets	17	19
Goodwill	16	16
Total assets	$653	$682
Current liabilities	$330	$348
Long-term debt	72	82
Deferred income taxes	9	8
Other noncurrent liabilities	45	102
Total liabilities	$456	$540

In April 2011, Arabian Amines Company settled a dispute with its contractors and received an amount totaling $11 million. Of this $11 million settlement, $8 million was related to damages incurred due to the delayed initial acceptance of the plant. This amount was recorded as other operating expense (income) in our consolidated statements of operations and included in cash flows from operating activities in our consolidated statements of cash flows. The remaining $3 million of the settlement was received for the reimbursement of capital expenditures for work left unfinished by the contractors. This amount was included in cash flows from investing activities in our consolidated statements of cash flows.

Sasol-Huntsman had revenues and earnings of $116 million and $7 million, respectively, for the period from the date of consolidation to December 31, 2011. If this consolidation had occurred on January 1, 2011, the approximate pro forma revenues (unaudited) attributable to our Company would have been $11,259 million for 2011. There would have been no impact to the combined earnings attributable to us excluding a one-time noncash gain of approximately $12 million recognized upon consolidation included in other operating expense (income) in our consolidated statements of operations. Upon consolidation we also recognized a one-time noncash income tax expense of approximately $2 million.

8. INTANGIBLE ASSETS

The gross carrying amount and accumulated amortization of intangible assets were as follows (dollars in millions):

	December 31, 2013			December 31, 2012		
	Carrying Amount	Accumulated Amortization	Net	Carrying Amount	Accumulated Amortization	Net
Patents, trademarks and technology	$384	$339	$45	$355	$318	$37
Licenses and other agreements	52	19	33	41	16	25
Non-compete agreements	4	2	2	2	2	—
Other intangibles	62	55	7	60	54	6
Total	$502	$415	$87	$458	$390	$68

Amortization expense was $21 million, $23 million and $29 million for the years ended December 31, 2013, 2012 and 2011, respectively.

Our estimated future amortization expense for intangible assets over the next five years is as follows (dollars in millions):

Year ending December 31,	
2014	$15
2015	8
2016	8
2017	7
2018	6

9. OTHER NONCURRENT ASSETS

Other noncurrent assets consisted of the following (dollars in millions):

	2013	2012
Pension assets	$ 20	$ 1
Debt issuance costs	32	29
Capitalized turnaround costs	192	127
Spare parts inventory	100	93
Catalyst assets	26	25
Deposits	41	33
Other	47	58
Total	$458	$366

Amortization expense of catalyst assets for the years ended December 31, 2013, 2012 and 2011 was $12 million, $10 million and $12 million, respectively.

10. ACCRUED LIABILITIES

Accrued liabilities consisted of the following (dollars in millions):

	December 31, 2013	December 31, 2012
Payroll and related costs	$172	$149
Interest	35	34
Volume and rebate accruals	95	85
Income taxes	61	24
Taxes other than income taxes	79	87
Restructuring and plant closing costs	55	93
Environmental accruals	5	10
Pension liabilities	12	11
Other postretirement benefits	9	12
Self-insured casualty loss reserves	12	11
Deferred revenue	11	16
Legal reserve	3	15
Asset retirement obligations	1	—
Other miscellaneous accruals	176	158
Total	$726	$705

11. RESTRUCTURING, IMPAIRMENT AND PLANT CLOSING COSTS

As of December 31, 2013, 2012 and 2011, accrued restructuring, impairment and plant closing costs by type of cost and initiative consisted of the following (dollars in millions):

	Workforce reductions(1)	Demolition and decommissioning	Non-cancelable contract costs	Other restructuring costs	Total(2)
Accrued liabilities as of January 1, 2011	$ 36	$ 1	$ 7	$ 5	$ 49
2011 charges for 2010 and prior initiatives	4	2	10	7	23
2011 charges for 2011 initiatives	87	—	1	1	89
Reversal of reserves no longer required	(5)	—	—	—	(5)
2011 payments for 2010 and prior initiatives	(26)	(3)	(1)	(8)	(38)
2011 payments for 2011 initiatives	(13)	—	—	(1)	(14)
Net activity of discontinued operations	—	—	—	(2)	(2)
Foreign currency effect on liability balance	(10)	—	—	—	(10)
Accrued liabilities as of December 31, 2011	73	—	17	2	92
2012 charges for 2011 and prior initiatives	9	5	—	10	24
2012 charges for 2012 initiatives	64	—	—	5	69
Reversal of reserves no longer required	(15)	—	—	(1)	(16)
2012 payments for 2011 and prior initiatives	(31)	(6)	(2)	(11)	(50)
2012 payments for 2012 initiatives	(12)	—	—	(6)	(18)
Foreign currency effect on liability balance	2	1	—	1	4
Accrued liabilities as of December 31, 2012	90	—	15	—	105
2013 charges for 2012 and prior initiatives	32	16	53	20	121
2013 charges for 2013 initiatives	28	—	—	8	36
Reversal of reserves no longer required	(22)	—	(4)	—	(26)
2013 payments for 2012 and prior initiatives	(66)	(16)	(3)	(19)	(104)
2013 payments for 2013 initiatives	(10)	—	—	(8)	(18)
Net activity of discontinued operations	—	—	(3)	—	(3)
Foreign currency effect on liability balance	—	—	2	—	2
Accrued liabilities as of December 31, 2013	$ 52	$—	$60	$ 1	$113

(1) The total workforce reduction reserves of $52 million relate to the termination of 403 positions, of which 324 positions had not been terminated as of December 31, 2013.

(2) Accrued liabilities remaining at December 31, 2013 and 2012 by year of initiatives were as follows (dollars in millions):

	December 31, 2013	December 31, 2012
2011 initiatives and prior	$ 74	$ 52
2012 initiatives	21	53
2013 initiatives	18	—
Total	$113	$105

11. RESTRUCTURING, IMPAIRMENT AND PLANT CLOSING COSTS (Continued)

Details with respect to our reserves for restructuring, impairment and plant closing costs are provided below by segment and initiative (dollars in millions):

	Polyurethanes	Performance Products	Advanced Materials	Textile Effects	Pigments	Discontinued Operations	Corporate and other	Total
Accrued liabilities as of January 1, 2011	$—	$ 1	$ 2	$ 25	$ 8	$ 8	$ 5	$ 49
2011 charges for 2010 and prior initiatives	—	—	—	14	7	—	2	23
2011 charges for 2011 initiatives	—	—	21	65	3	—	—	89
Reversal of reserves no longer required	—	—	(1)	(4)	—	—	—	(5)
2011 payments for 2010 and prior initiatives	—	—	(1)	(18)	(13)	—	(6)	(38)
2011 payments for 2011 initiatives	—	—	(7)	(5)	(2)	—	—	(14)
Net activity of discontinued operations	—	—	—	—	—	(2)	—	(2)
Foreign currency effect on liability balance	—	—	(2)	(8)	—	—	—	(10)
Accrued liabilities as of December 31, 2011	—	1	12	69	3	6	1	92
2012 charges for 2011 and prior initiatives	—	1	4	14	4	—	1	24
2012 charges for 2012 initiatives	38	—	30	—	—	—	1	69
Reversal of reserves no longer required	—	—	—	(16)	—	—	—	(16)
2012 payments for 2011 and prior initiatives	—	(2)	(15)	(27)	(5)	—	(1)	(50)
2012 payments for 2012 initiatives	(12)	—	(6)	—	—	—	—	(18)
Foreign currency effect on liability balance	1	—	2	2	(1)	—	—	4
Accrued liabilities as of December 31, 2012	27	—	27	42	1	6	2	105
2013 charges for 2012 and prior initiatives	5	—	38	73	4	—	1	121
2013 charges for 2013 initiatives	—	18	—	1	—	—	17	36
Reversal of reserves no longer required	(9)	—	(8)	(9)	—	—	—	(26)
2013 payments for 2012 and prior initiatives	(14)	—	(45)	(41)	(3)	—	(1)	(104)
2013 payments for 2013 initiatives	—	(7)	—	—	(1)	—	(10)	(18)
Net activity of discontinued operations	—	—	—	—	—	(3)	—	(3)
Foreign currency effect on liability balance	—	(1)	—	2	1	—	—	2
Accrued liabilities as of December 31, 2013	$ 9	$10	$12	$ 68	$ 2	$ 3	$ 9	$ 113
Current portion of restructuring reserves	$ 4	$10	$12	$ 15	$ 2	$ 3	$ 9	$ 55
Long-term portion of restructuring reserve	5	—	—	53	—	—	—	58

11. RESTRUCTURING, IMPAIRMENT AND PLANT CLOSING COSTS (Continued)

Details with respect to cash and noncash restructuring charges for the years ended December 31, 2013, 2012 and 2011 by initiative are provided below (dollars in millions):

Cash charges:	
2013 charges for 2012 and prior initiatives	$121
2013 charges for 2013 initiatives	36
Reversal of reserves no longer required	(26)
Pension-related charges	7
Non-cash charges	13
Total 2013 Restructuring, Impairment and Plant Closing Costs	$151
Cash charges:	
2012 charges for 2011 and prior initiatives	$ 24
2012 charges for 2012 initiatives	69
Reversal of reserves no longer required	(16)
Non-cash charges	15
Total 2012 Restructuring, Impairment and Plant Closing Costs	$ 92
Cash charges:	
2011 charges for 2010 and prior initiatives	$ 23
2011 charges for 2011 initiatives	89
Reversal of reserves no longer required	(5)
Non-cash charges	60
Total 2011 Restructuring, Impairment and Plant Closing Costs	$167

2013 Restructuring Activities

During 2012, our Polyurethanes segment began implementing a restructuring program to reduce annualized fixed costs. As of December 31, 2013, our Polyurethanes segment restructuring reserve consisted of $9 million related to this program. In connection with this program, we recorded charges of $5 million and reversed charges of $9 million during 2013 primarily for workforce reductions. Our Polyurethanes segment also recorded pension-related charges of $6 million during 2013 related to this program.

During 2013, our Performance Products segment implemented a restructuring program to refocus our surfactants business in Europe. As of December 31, 2013, our Performance Products segment restructuring reserve consisted of $10 million related to this program. In connection with this program, we recorded charges of $13 million during 2013 primarily related to workforce reductions. Additionally, we recorded charges of $5 million during 2013 primarily related to workforce reductions in our Australian operation.

During the fourth quarter of 2012, our Advanced Materials segment began implementing a global transformational change program, subject to consultation with relevant employee representatives, designed to improve the segment's manufacturing efficiencies, enhance commercial excellence and improve its long-term global competitiveness. As of December 31, 2013, our Advanced Materials segment restructuring reserve consisted of $12 million primarily related to this program. During 2013,

11. RESTRUCTURING, IMPAIRMENT AND PLANT CLOSING COSTS (Continued)

we recorded charges of $38 million and noncash charges of $4 million and reversed charges of $8 million.

During 2011, our Textile Effects segment began implementing a significant restructuring program, including the closure of our production facilities and business support offices in Basel, Switzerland, as part of an ongoing strategic program aimed at improving the segment's long-term global competitiveness. In connection with this program, during 2013, our Textile Effects segment recorded charges of $53 million for the early termination of long-term fixed cost contracts, $16 million for decommissioning, $3 million for other restructuring and $1 million for workforce reductions and reversed charges of $5 million related to workforce reductions, as well as recorded a $9 million noncash charge for a pension settlement loss. In addition, during 2013, we reversed charges of $4 million that were no longer required for long term fixed costs contracts in relation to our consolidation of manufacturing activities and processes at our site in Basel, Switzerland.

As of December 31, 2013, our Pigments segment restructuring reserve consisted of $2 million primarily related to workforce reductions at our Scarlino, Italy plant. During 2013, our Pigments segment recorded charges of $4 million primarily related to the closure of our Grimsby, U.K. plant.

As of December 31, 2013, our Corporate and other segment restructuring reserve consisted of $9 million primarily related to a reorganization of our global information technology organization and a reorganization and regional consolidation of our purchasing activities. During 2013, we recorded charges of $18 million in Corporate and other primarily related to these initiatives. Our Corporate and other segment also recorded pension-related charges of $1 million during 2013 related to our initiatives.

2012 RESTRUCTURING ACTIVITIES

During 2012, our Polyurethanes segment implemented a restructuring program to reduce annualized fixed costs. In connection with this program, we recorded restructuring expenses of $38 million during 2012 primarily for workforce reductions. As of December 31, 2012, our Polyurethanes segment restructuring reserve consisted of $27 million related to this program.

During the fourth quarter of 2012, our Advanced Materials segment began implementing a global transformational change program, subject to consultation with relevant employee representatives, designed to improve the segment's manufacturing efficiencies, enhance commercial excellence and ensure its long-term global competitiveness. As of December 31, 2012, our Advanced Materials segment restructuring reserve consisted of $27 million primarily related to this program. During 2012, we recorded charges of $38 million of which $28 million related to our global transformational change program, $3 million related to the reorganization of our global structure and relocation of our divisional headquarters from Basel, Switzerland to The Woodlands, Texas and $3 million related primarily to a redesign of our planning process focused on inventory reduction. Our Advanced Materials segment also recorded noncash charges of $4 million related to pension settlements.

During 2011, our Textile Effects segment began implementing a significant restructuring program, including the closure of our production facilities and business support offices in Basel, Switzerland, as part of an ongoing strategic program aimed at improving the segment's long-term global competitiveness. In connection with this plan, during 2012, we recorded cash charges of $1 million for workforce reductions, $9 million for decommissioning and other restructuring expenses, and noncash charges of $11 million primarily for pension settlements. In addition, during 2012, our Textile Effects segment recorded charges of $4 million of which $2 million related to the closure of our St. Fons,

11. RESTRUCTURING, IMPAIRMENT AND PLANT CLOSING COSTS (Continued)

France facility and $2 million related to a global transfer pricing initiative. We reversed charges of $16 million which were no longer required for workforce reductions at our production facility in Langweid, Germany, the simplification of the commercial organization and optimization of our distribution network, the consolidation of manufacturing activities and processes at our site in Basel, Switzerland and the closure of our production facilities in Basel, Switzerland.

As of December 31, 2012, our Pigments segment restructuring reserve consisted of $1 million primarily related to workforce reductions at our Scarlino, Italy plant. During 2012, our Pigments segment recorded charges of $4 million related to the closure of our Grimsby, U.K. plant.

As of December 31, 2012, our Corporate and other segment restructuring reserve consisted of $2 million primarily related to a reorganization and regional consolidation of our purchasing activities. During 2012, we recorded charges of $2 million in Corporate and other primarily related to workforce reductions in connection with this project.

2011 Restructuring Activities

As of December 31, 2011, our Advanced Materials segment restructuring reserve consisted of $12 million related to workforce reductions in connection with a reorganization of its global structure and relocation of its divisional headquarters from Basel, Switzerland to The Woodlands, Texas. During 2011, our Advanced Materials segment recorded net charges of $20 million primarily related this activity.

On September 27, 2011, we announced plans to implement a significant restructuring of our Textile Effects segment, including the closure of our production facilities and business support offices in Basel, Switzerland, as part of an ongoing strategic program aimed at improving the Textile Effects segment's long-term global competitiveness. In connection with this plan during 2011, we recorded a charge of $62 million for workforce reduction, a pension curtailment gain of $38 million and a charge of $53 million for the impairment of long-lived assets at our Basel, Switzerland manufacturing facility. For purposes of calculating the impairment charge, the fair value of the Basel, Switzerland manufacturing facility was based on the discounted cash flows of that facility. As of December 31, 2011, our Textile Effects segment restructuring reserve consisted of $69 million, of which $2 million related to opening balance sheet liabilities from the Textile Effects Acquisition, $2 million related to workforce reductions at our production facility in Langweid, Germany, $2 million related to the simplification of the commercial organization and optimization of our distribution network, $15 million related to the consolidation of manufacturing activities and processes at our site in Basel, Switzerland, $47 million related to the closure of our production facilities and business support offices in Basel, Switzerland and $1 million related to the consolidation of our North Carolina sites.

In addition, during 2011, our Textile Effects segment recorded charges of $22 million, of which $5 million related to simplification of our commercial organization and optimization of our distribution network, $12 million related to non-workforce reductions incurred for the consolidation of our Switzerland manufacturing facilities, and $4 million related to the consolidation of our North Carolina sites. We reversed charges of $4 million which were no longer required for workforce reductions at our production facility in Langweid, Germany and the consolidation of manufacturing activities and processes at our site in Basel, Switzerland.

As of December 31, 2011, our Pigments segment restructuring reserve consisted of $3 million primarily related to workforce reductions at our Huelva, Spain and Scarlino, Italy plants. During 2011,

11. RESTRUCTURING, IMPAIRMENT AND PLANT CLOSING COSTS (Continued)

our Pigments segment recorded charges of $10 million, of which $7 million related to the closure of our Grimsby, U.K. plant and $3 million related to workforce reductions at our Umbogintwini, South Africa plant.

As of December 31, 2011, our Corporate and other segment restructuring reserve consisted of $1 million primarily related to a reorganization and regional consolidation of our transactional accounting activities. During 2011, we recorded charges of $2 million in Corporate and other primarily related to workforce reductions in connection with this project.

12. OTHER NONCURRENT LIABILITIES

Other noncurrent liabilities consisted of the following (dollars in millions):

	December 31,	
	2013	2012
Pension liabilities	$546	$ 830
Other postretirement benefits	101	131
Environmental accruals	22	24
Restructuring and plant closing costs	58	12
Asset retirement obligations	28	28
Employee benefit accrual	38	34
Legal reserve	11	11
Other	144	91
Total	$948	$1,161

13. DEBT

Outstanding debt of consolidated entities consisted of the following (dollars in millions):

	December 31, 2013	December 31, 2012
Senior Credit Facilities:		
Term loans	$1,351	$1,565
Amounts outstanding under A/R programs	248	241
Senior notes	1,061	568
Senior subordinated notes	891	892
HPS (China) debt	40	94
Variable interest entities	247	270
Other	72	72
Total debt—excluding debt to affiliates	$3,910	$3,702
Total current portion of debt	$ 277	$ 288
Long-term portion	3,633	3,414
Total debt—excluding debt to affiliates	$3,910	$3,702
Total debt—excluding debt to affiliates	$3,910	$3,702
Notes payable to affiliates-noncurrent	6	4
Total debt	$3,916	$3,706

Direct and Subsidiary Debt

Our direct debt and guarantee obligations consist of a guarantee of certain indebtedness incurred from time to time to finance certain insurance premiums. Substantially all of our other debt, including the facilities described below, has been incurred by our subsidiaries (primarily Huntsman International); Huntsman Corporation is not a guarantor of such subsidiary debt.

Certain of our subsidiaries are designated as nonguarantor subsidiaries and have third-party debt agreements. These debt agreements contain certain restrictions with regard to dividends, distributions, loans or advances. In certain circumstances, the consent of a third party would be required prior to the transfer of any cash or assets from these subsidiaries to us.

13. DEBT (Continued)

Senior Credit Facilities

As of December 31, 2013, our Senior Credit Facilities consisted of our Revolving Facility, our Extended Term Loan B, our Extended Term Loan B—Series 2 and our Term Loan C as follows (dollars in millions):

Facility	Committed Amount	Principal Outstanding	Carrying Value	Interest Rate(3)	Maturity
Revolving Facility	$400(1)	$ —(2)	$ —(2)	USD LIBOR plus 2.50%	2017
Extended Term Loan B	NA	962	961	USD LIBOR plus 2.50%	2017
Extended Term Loan B—Series 2	NA	342	342	USD LIBOR plus 3.00%	2017
Term Loan C	NA	50	48	USD LIBOR plus 2.25%	2016

(1) We have commitments with certain financial institutions to provide for a $200 million Revolving Increase to an aggregate Revolving Facility committed amount of $600 million upon completion of the acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc.

(2) We had no borrowings outstanding under our Revolving Facility; we had approximately $17 million (U.S. dollar equivalents) of letters of credit and bank guarantees issued and outstanding under our Revolving Facility.

(3) The applicable interest rate of the Senior Credit Facilities is subject to certain secured leverage ratio thresholds. As of December 31, 2013, the weighted average interest rate on our outstanding balances under the Senior Credit Facilities was approximately 3%.

Our obligations under the Senior Credit Facilities are guaranteed by our guarantors, which consist of substantially all of our domestic subsidiaries and certain of our foreign subsidiaries, and are secured by a first priority lien on substantially all of our domestic property, plant and equipment, the stock of all of our material domestic subsidiaries and certain foreign subsidiaries, and pledges of intercompany notes between certain of our subsidiaries.

On December 23, 2013, in conjunction with our 2021 Senior Notes issuance we repaid $368 million ($352 carrying value) of our Term Loan C. In connection with the repayment, we recognized a loss on early extinguishment of debt of approximately $16 million during the year ended December 31, 2013.

Amendment to Credit Agreement

On October 15, 2013, Huntsman International entered into a tenth amendment to the Credit Agreement. The amendment, among other things, permits us to incur the New Term Loan, a senior secured term loan facility in an aggregate principal amount of $1.2 billion, and to increase our Revolving Facility.

We have entered into commitments with certain financial institutions to provide for the New Term Loan and provide for $200 million of the Revolving Increase. We intend to use the net proceeds of the New Term Loan, when funded, to pay the cash consideration related to our acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. If the acquisition

13. DEBT (Continued)

is not consummated, we may use the net proceeds to refinance certain indebtedness of Huntsman International.

The New Term Loan will mature on the seventh anniversary of the date such New Term Loan is funded and will amortize in aggregate annual amounts equal to 1% of the original principal amount of the New Term Loan, payable quarterly commencing with the first full fiscal quarter ended after the date the New Term Loan is funded. The Revolving Increase will mature on the same date as the Revolving Facility.

On August 22, 2013, Huntsman International entered into a ninth amendment to the Credit Agreement. The amendment provided for additional term loans in the amount of $100 million, the net proceeds of which were used for general corporate purposes. The additional term loans have identical terms to our Extended Term Loan B and are reflected as part of our Extended Term Loan B.

On March 11, 2013, Huntsman International entered into an eighth amendment to the Credit Agreement. The amendment provided for an additional term loan of $225 million, the net proceeds of which were used to repay in full the remaining $193 million principal amount under our then outstanding term loan B facility and for general corporate purposes. The additional term loan is recorded at its carrying value of $224 million as of December 31, 2013. The additional term loan has identical terms to our Extended Term Loan B and is reflected as part of our Extended Term Loan B. In connection with this debt repayment, we recognized a loss on early extinguishment of debt of approximately $1 million.

In connection with these amendments and debt repayments, we recognized a loss on early extinguishment of debt with regard to our Senior Credit Facilities of approximately $17 million and $2 million during the years ended December 31, 2013 and 2012, respectively.

A/R Programs

Our A/R Programs are structured so that we grant a participating undivided interest in certain of our trade receivables to the U.S. SPE and the EU SPE. We retain the servicing rights and a retained interest in the securitized receivables. Information regarding our A/R Programs as of December 31, 2013 was as follows (monetary amounts in millions):

Facility	Maturity	Maximum Funding Availability(1)	Amount Outstanding	Interest Rate(2)(3)
U.S. A/R Program	April 2016	$250	$90(4)	Applicable rate plus 1.10%
EU A/R Program	April 2016	€225 (approximately $311)	€114 (approximately $158)	Applicable rate plus 1.35%

(1) The amount of actual availability under our A/R Programs may be lower based on the level of eligible receivables sold, changes in the credit ratings of our customers, customer concentration levels and certain characteristics of the accounts receivable being transferred, as defined in the applicable agreements.

13. DEBT (Continued)

(2) Each interest rate is defined in the applicable agreements. In addition, the U.S. SPE and the EU SPE are obligated to pay unused commitment fees to the lenders based on the amount of each lender's commitment.

(3) Applicable rate for our U.S. A/R Program is defined by the lender as USD LIBOR. Applicable rate for our EU A/R Program is either GBP LIBOR, USD LIBOR or EURIBOR.

(4) As of December 31, 2013, we had approximately $7 million (U.S. dollar equivalents) of letters of credit issued and outstanding under our U.S. A/R Program.

As of December 31, 2013 and 2012, $521 million and $520 million, respectively, of accounts receivable were pledged as collateral under our A/R Programs.

Amendments to A/R Programs

On April 29, 2013, Huntsman International entered into an amendment to the agreements governing our U.S. A/R Program. This amendment, among other things, extends the scheduled commitment termination date of our U.S. A/R Program by two years to April 2016, provides for additional availability under our U.S. A/R Program and reduces the applicable margin on borrowings to 1.10%.

On April 29, 2013, Huntsman International entered into an amendment to the agreements governing our EU A/R Program. This amendment, among other things, extends the scheduled commitment termination date of our EU A/R Program by two years to April 2016 and reduces the applicable margin on borrowings to 1.35%.

Notes

As of December 31, 2013, we had outstanding the following notes (monetary amounts in millions):

Notes	Maturity	Interest Rate	Amount Outstanding
2021 Senior Notes	April 2021	5.125%	€300 (approximately $415)
2020 Senior Notes	November 2020	4.875%	$650 ($647 carrying value)
Senior Subordinated Notes	March 2020	8.625%	$350
Senior Subordinated Notes	March 2021	8.625%	$530 ($541 carrying value)

Our notes are governed by indentures which impose certain limitations on Huntsman International including, among other things limitations on the incurrence of debt, distributions, certain restricted payments, asset sales, and affiliate transactions. The notes are unsecured obligations and are guaranteed by certain subsidiaries named as guarantors.

On December 23, 2013, Huntsman International issued €300 million (approximately $415) aggregate principal amount of 2021 Senior Notes. Huntsman International applied the net proceeds to redeem $368 million of its Term Loan C due 2016, pay associated accrued interest and for general corporate purposes.

The 2021 Senior Notes bear interest at the rate of 5.125% per year payable semi-annually on April 15 and October 15 of each year and are due on April 15, 2021. Huntsman International may redeem the 2021 Senior Notes in whole or in part at any time prior to January 15, 2021 at a price

13. DEBT (Continued)

equal to 100% of the principal amount thereof plus a "make-whole" premium and accrued and unpaid interest.

On March 4, 2013, pursuant to an indenture entered into on November 19, 2012, Huntsman International issued $250 million aggregate principal amount of 2020 Senior Notes. The aggregate additional notes are recorded at carrying value of $247 million as of December 31, 2013. Huntsman International applied the net proceeds to redeem the remaining $200 million in aggregate principal amount of its 2016 Senior Notes, to pay associated accrued interest and for general corporate purposes. Huntsman International issued, on November 19, 2012, $400 million aggregate principal amount of 2020 Senior Notes.

The 2020 Senior Notes bear interest at the rate of 4.875% per year payable semi-annually on May 15 and November 15 of each year and are due on November 15, 2020. Huntsman International may redeem the 2020 Senior Notes in whole or in part at any time prior to August 17, 2020 at a price equal to 100% of the principal amount thereof plus a "make-whole" premium and accrued and unpaid interest.

The 2021 Senior Notes and 2020 Senior Notes are general unsecured senior obligations of Huntsman International and are guaranteed on a general unsecured senior basis by the Guarantors. The indentures impose certain limitations on the ability of Huntsman International and its subsidiaries to, among other things, incur additional indebtedness secured by any principal properties, incur indebtedness of nonguarantor subsidiaries, enter into sale and leaseback transactions with respect to any principal properties and consolidate or merge with or into any other person or lease, sell or transfer all or substantially all of its properties and assets. Upon the occurrence of certain change of control events, holders of the 2021 Senior Notes and 2020 Senior Notes will have the right to require that Huntsman International purchase all or a portion of such holder's 2020 Senior Notes in cash at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest to the date of repurchase.

Redemption of Notes and Loss on Early Extinguishment of Debt

During the years ended December 31, 2013 and 2012, we redeemed or repurchased the following notes (monetary amounts in millions):

Date of Redemption	Notes	Principal Amount of Notes Redeemed	Amount Paid (Excluding Accrued Interest)	Loss on Early Extinguishment of Debt
March 4, 2013	5.50% Senior Notes due 2016	$200	$200	$34
December 3, 2012	5.50% Senior Notes due 2016	$400	$400	$77
March 26, 2012	7.50% Senior Subordinated Notes due 2015	€64 (approximately $86)	€65 (approximately $87)	$ 1

Variable Interest Entity Debt

As of December 31, 2013, Arabian Amines Company had $169 million outstanding under its loan commitments and debt financing arrangements. Arabian Amines Company, our consolidated

13. DEBT (Continued)

50%-owned joint venture, is currently not in compliance with payment and other obligations under these loan commitments. We do not guarantee these loan commitments and Arabian Amines Company is not a guarantor of any of our other debt obligations, and the noncompliance with these financial covenants does not affect any of our other debt obligations. We are currently in discussions with the lenders under these loan commitments and expect to resolve the noncompliance. As of December 31, 2013, the amounts outstanding under these loan commitments were classified as current in our consolidated balance sheets and are comprised of the following:

- A loan facility from Saudi Industrial Development Fund with SAR 451 million (approximately $120 million) outstanding. Repayment of the loan is to be made in semiannual installments with final maturity in 2019. The loan is secured by a mortgage over the fixed assets of the project and is 100% guaranteed by the Zamil Group, our 50% joint venture partner.
- A multipurpose Islamic term facility with $49 million outstanding. This facility is scheduled to be repaid in semiannual installments with final maturity in 2022.

As of December 31, 2013, Sasol-Huntsman, our consolidated 50%-owned venture has a facility agreement which included a €5 million (approximately $7 million) revolving facility and €56 million (approximately $78 million) outstanding under the term loan facility. The facility will be repaid over semiannual installments with the final repayment scheduled for December 2018. Obligations under the facility agreement are secured by, among other things, first priority right on the property, plant and equipment of Sasol-Huntsman.

Other Debt

During the year ended December 31, 2013, HPS repaid $4 million and RMB 293 million (approximately $47 million) on term loans and working capital loans under its secured facilities. As of December 31, 2013, HPS had $4 million and RMB 61 million (approximately $10 million) outstanding under its debt facilities. The interest rate on these facilities is LIBOR plus 0.48% for U.S. dollar borrowings and approximately 90% of the Peoples Bank of China rate for RMB borrowings. As of December 31, 2013, the interest rate was approximately 1% for the U.S. dollar borrowings and approximately 6% for RMB borrowings.

As of December 31, 2013, HPS has RMB 160 million (approximately $26 million) under its loan facility for working capital loans and discounting of commercial drafts, which is classified as current portion of debt in our consolidated balance sheets. Interest is calculated using a Peoples Bank of China rate plus the applicable margin. The average all-in rate as of December 31, 2013 was approximately 6%.

COMPLIANCE WITH COVENANTS

We believe that we are in compliance with the covenants contained in the agreements governing our material debt instruments, including our Senior Credit Facilities, our A/R Programs and our notes. However, Arabian Amines Company, our consolidated 50%-owned joint venture, is currently not in compliance with certain financial covenants under its loan commitments. See "—Variable Interest Entity Debt" above.

Our material financing arrangements contain certain covenants with which we must comply. A failure to comply with a covenant could result in a default under a financing arrangement unless we

13. DEBT (Continued)

obtained an appropriate waiver or forbearance (as to which we can provide no assurance). A default under these material financing arrangements generally allows debt holders the option to declare the underlying debt obligations immediately due and payable. Furthermore, certain of our material financing arrangements contain cross-default and cross-acceleration provisions under which a failure to comply with the covenants in one financing arrangement may result in an event of default under another financing arrangement.

Our Senior Credit Facilities are subject to the Leverage Covenant which applies only to the Revolving Facility and is tested at the Huntsman International level. The Leverage Covenant is applicable only if borrowings, letters of credit or guarantees are outstanding under the Revolving Facility (cash collateralized letters of credit or guarantees are not deemed outstanding). The Leverage Covenant is a net senior secured leverage ratio covenant which requires that Huntsman International's ratio of senior secured debt to EBITDA (as defined in the applicable agreement) is not more than 3.75 to 1.

If in the future Huntsman International fails to comply with the Leverage Covenant, then we may not have access to liquidity under our Revolving Facility. If Huntsman International failed to comply with the Leverage Covenant at a time when we had uncollateralized loans or letters of credit outstanding under the Revolving Facility, Huntsman International would be in default under the Senior Credit Facilities, and, unless Huntsman International obtained a waiver or forbearance with respect to such default (as to which we can provide no assurance), Huntsman International could be required to pay off the balance of the Senior Credit Facilities in full, and we may not have further access to such facilities.

The agreements governing our A/R Programs also contain certain receivable performance metrics. Any material failure to meet the applicable A/R Programs' metrics in the future could lead to an early termination event under the A/R Programs, which could require us to cease our use of such facilities, prohibiting us from additional borrowings against our receivables or, at the discretion of the lenders, requiring that we repay the A/R Programs in full. An early termination event under the A/R Programs would also constitute an event of default under our Senior Credit Facilities, which could require us to pay off the balance of the Senior Credit Facilities in full and could result in the loss of our Senior Credit Facilities.

MATURITIES

The scheduled maturities of our debt (excluding debt to affiliates) by year as of December 31, 2013 are as follows (dollars in millions):

Year ending December 31,	
2014	$ 277
2015	32
2016	326
2017	1,282
2018	23
Thereafter	1,970
	$3,910

14. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

We are exposed to market risks, such as changes in interest rates, foreign exchange rates and commodity pricing risks. From time to time, we enter into transactions, including transactions involving derivative instruments, to manage certain of these exposures. We also hedge our net investment in certain European operations. Changes in the fair value of the hedge in the net investment of certain European operations are recorded in accumulated other comprehensive loss.

Interest Rate Risks

Through our borrowing activities, we are exposed to interest rate risk. Such risk arises due to the structure of our debt portfolio, including the duration of the portfolio and the mix of fixed and floating interest rates. Actions taken to reduce interest rate risk include managing the mix and rate characteristics of various interest bearing liabilities, as well as entering into interest rate derivative instruments.

From time to time, we may purchase interest rate swaps and/or interest rate collars to reduce the impact of changes in interest rates on our floating-rate long-term debt. Under interest rate swaps, we agree with other parties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed notional principal amount. The collars entitle us to receive from the counterparties (major banks) the amounts, if any, by which our interest payments on certain of our floating-rate borrowings exceed a certain rate, and require us to pay to the counterparties (major banks) the amount, if any, by which our interest payments on certain of our floating-rate borrowings are less than a certain rate.

On December 9, 2009, we entered into a five-year interest rate contract to hedge the variability caused by monthly changes in cash flow due to associated changes in LIBOR under our Senior Credit Facilities. The notional value of the contract is $50 million, and it has been designated as a cash flow hedge. The effective portion of the changes in the fair value of the swap was recorded in other comprehensive income (loss). We will pay a fixed 2.6% on the hedge and receive the one-month LIBOR rate. As of December 31, 2013 and 2012, the fair value of the hedge was $1 million and $2 million, respectively, and was recorded in other noncurrent liabilities.

On January 19, 2010, we entered into an additional five-year interest rate contract to hedge the variability caused by monthly changes in cash flow due to associated changes in LIBOR under our Senior Credit Facilities. The notional value of the contract is $50 million, and it has been designated as a cash flow hedge. The effective portion of the changes in the fair value of the swap was recorded in other comprehensive income (loss). We will pay a fixed 2.8% on the hedge and receive the one-month LIBOR rate. As of December 31, 2013 and 2012, the fair value of the hedge was $1 million and $3 million, respectively, and was recorded in other noncurrent liabilities.

On September 1, 2011, we entered into a $50 million forward interest rate contract that will begin in December 2014 with maturity in April 2017 and a $50 million forward interest rate contract that will begin in January 2015 with maturity in April 2017. These two forward contracts are to hedge the variability caused by monthly changes in cash flow due to associated changes in LIBOR under our Senior Credit Facilities once our existing interest rate hedges mature. These swaps are designated as cash flow hedges and the effective portion of the changes in the fair value of the swaps were recorded in other comprehensive income (loss). Both interest rate contracts will pay a fixed 2.5% on the hedge and receive the one-month LIBOR rate once the contracts begin in 2014 and 2015, respectively. As of

14. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES (Continued)

December 31, 2013 and 2012, the combined fair value of these two hedges was $3 million and $4 million, respectively, and was recorded in other noncurrent liabilities.

In 2009, Sasol-Huntsman entered into derivative transactions to hedge the variable interest rate associated with its local credit facility. These derivative rate hedges include a floating to fixed interest rate contract providing Sasol-Huntsman with EURIBOR interest payments for a fixed payment of 3.62% and a cap for future periods with a strike price of 3.62%. In connection with the consolidation of Sasol-Huntsman as of April 1, 2011, the interest rate contract is now included in our consolidated results. See "Note 7. Variable Interest Entities." The notional amount of the hedge as of December 31, 2013 was €31 million (approximately $42 million) and the derivative transactions do not qualify for hedge accounting. As of December 31, 2013 and 2012, the fair value of this hedge was €1 million (approximately $1 million) and €2 million (approximately $3 million), respectively, and was recorded in other noncurrent liabilities in our consolidated balance sheets. For 2013 and 2012, we recorded a reduction of interest expense of €1 million (approximately $2 million) and less than €1 million (approximately $1 million), respectively, due to changes in the fair value of the swap.

Beginning in 2009, Arabian Amines Company entered into a 12-year floating to fixed interest rate contract providing for a receipt of LIBOR interest payments for a fixed payment of 5.02%. In connection with the consolidation of Arabian Amines Company as of July 1, 2010, the interest rate contract is now included in our consolidated results. See "Note 7. Variable Interest Entities." The notional amount of the swap as of December 31, 2013 was $32 million, and the interest rate contract is not designated as a cash flow hedge. As of December 31, 2013 and 2012, the fair value of the swap was $4 million and $6 million, respectively, and was recorded in other noncurrent liabilities in our consolidated balance sheets. For 2013 and 2012, we recorded a reduction of interest expense of $2 million and $1 million, respectively, due to changes in fair value of the swap. As of December 31, 2013 Arabian Amines Company was not in compliance with certain financial covenants contained in its loan commitments. For more information, see "Note 13. Debt—Direct and Subsidiary Debt—Variable Interest Entity Debt."

For the years ended December 31, 2013 and 2012, the changes in accumulated other comprehensive gain (loss) associated with these cash flow hedging activities were approximately $3 million and $(1) million, respectively.

During 2014, accumulated other comprehensive loss of nil is expected to be reclassified to earnings. The actual amount that will be reclassified to earnings over the next twelve months may vary from this amount due to changing market conditions. We would be exposed to credit losses in the event of nonperformance by a counterparty to our derivative financial instruments. We anticipate, however, that the counterparties will be able to fully satisfy their obligations under the contracts. Market risk arises from changes in interest rates.

Foreign Exchange Rate Risk

Our cash flows and earnings are subject to fluctuations due to exchange rate variation. Our revenues and expenses are denominated in various currencies. We enter into foreign currency derivative instruments to minimize the short-term impact of movements in foreign currency rates. Where practicable, we generally net multicurrency cash balances among our subsidiaries to help reduce exposure to foreign currency exchange rates. Certain other exposures may be managed from time to time through financial market transactions, principally through the purchase of spot or forward foreign

14. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES (Continued)

exchange contracts (generally with maturities of three months or less). We do not hedge our currency exposures in a manner that would eliminate the effect of changes in exchange rates on our cash flows and earnings. As of December 31, 2013 and 2012, we had approximately $193 million and $217 million notional amount (in U.S. dollar equivalents) outstanding, respectively, in foreign currency contracts with a term of approximately one month.

In conjunction with the issuance of our 8.625% senior subordinated notes due 2020, we entered into cross-currency interest rate contracts with three counterparties. On March 17, 2010, we made payments of $350 million to these counterparties and received €255 million from these counterparties, and on maturity (March 15, 2015) we are required to pay €255 million to these counterparties and will receive $350 million from these counterparties. On March 15 and September 15 of each year, we will receive U.S. dollar interest payments of approximately $15 million (equivalent to an annual rate of 8.625%) and make interest payments of approximately €11 million (equivalent to an annual rate of approximately 8.41%). This swap is designated as a hedge of net investment for financial reporting purposes. As of December 31, 2013 and 2012, the fair value of this swap was $2 million and $18 million, respectively, and was recorded in noncurrent assets.

A portion of our debt is denominated in euros. We also finance certain of our non-U.S. subsidiaries with intercompany loans that are, in many cases, denominated in currencies other than the entities' functional currency. We manage the net foreign currency exposure created by this debt through various means, including cross-currency swaps, the designation of certain intercompany loans as permanent loans because they are not expected to be repaid in the foreseeable future and the designation of certain debt and swaps as net investment hedges.

Foreign currency transaction gains and losses on intercompany loans that are not designated as permanent loans are recorded in earnings. Foreign currency transaction gains and losses on intercompany loans that are designated as permanent loans are recorded in other comprehensive income (loss). From time to time, we review such designation of intercompany loans.

We review our non-U.S. dollar denominated debt and derivative instruments to determine the appropriate amounts designated as hedges. As of December 31, 2013, we have designated approximately €525 million (approximately $725 million) of euro-denominated debt and cross-currency interest rate contracts as a hedge of our net investment. For the years ended December 31, 2013, 2012 and 2011, the amount of gain (loss) recognized on the hedge of our net investment was $(22) million, $(11) million and $5 million, respectively, and was recorded in other comprehensive income (loss). As of December 31, 2013, we had approximately €988 million (approximately $1,364 million) in net euro assets.

Commodity Prices Risk

Our exposure to changing commodity prices is somewhat limited since the majority of our raw materials are acquired at posted or market related prices, and sales prices for many of our finished products are at market related prices which are largely set on a monthly or quarterly basis in line with industry practice. Consequently, we do not generally hedge our commodity exposures.

15. FAIR VALUE

The fair values of our financial instruments were as follows (dollars in millions):

	December 31,			
	2013		2012	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Non-qualified employee benefit plan investments	$ 21	$ 21	$ 14	$ 14
Cross-currency interest rate contacts	2	2	18	18
Interest rate contracts	(10)	(10)	(18)	(18)
Long-term debt (including current portion)	(3,910)	(4,010)	(3,702)	(3,869)

The carrying amounts reported in the balance sheets of cash and cash equivalents, accounts receivable and accounts payable approximate fair value because of the immediate or short-term maturity of these financial instruments. The fair value of non-qualified employee benefit plan investments is obtained through market observable pricing using prevailing market prices. The estimated fair values of our long-term debt are based on quoted market prices for the identical liability when traded as an asset in an active market (Level 1).

The fair value estimates presented herein are based on pertinent information available to management as of December 31, 2013 and 2012. Although management is not aware of any factors that would significantly affect the estimated fair value amounts, such amounts have not been comprehensively revalued for purposes of these financial statements since December 31, 2013, and current estimates of fair value may differ significantly from the amounts presented herein.

The following assets and liabilities are measured at fair value on a recurring basis (dollars in millions):

		Fair Value Amounts Using		
Description	December 31, 2013	Quoted prices in active markets for identical assets (Level 1)(3)	Significant other observable inputs (Level 2)(3)	Significant unobservable inputs (Level 3)
Assets:				
Available-for sale equity securities:				
Equity mutual funds	$ 21	$21	$ —	$—
Derivatives:				
Cross-currency interest rate contracts(1)	2	—	2	—
Total assets	$ 23	$21	$ 2	$—
Liabilities:				
Derivatives:				
Interest rate contracts(2)	$(10)	$—	$(10)	$—

15. FAIR VALUE (Continued)

		Fair Value Amounts Using		
Description	December 31, 2012	Quoted prices in active markets for identical assets (Level 1)(3)	Significant other observable inputs (Level 2)(3)	Significant unobservable inputs (Level 3)
Assets:				
Available-for sale equity securities:				
Equity mutual funds	$ 14	$14	$ —	$—
Derivatives:				
Cross-currency interest rate contracts(1)	18	—	18	—
Total assets	$ 32	$14	$ 18	$—
Liabilities:				
Derivatives:				
Interest rate contracts(2)	$(18)	$—	$(18)	$—

(1) The income approach is used to calculate the fair value of these instruments. Fair value represents the present value of estimated future cash flows, calculated using relevant interest rates, exchange rates, and yield curves at stated intervals.

(2) The income approach is used to calculate the fair value of these instruments. Fair value represents the present value of estimated future cash flows, calculated using relevant interest rates and yield curves at stated intervals. There were no material changes to the valuation methods or assumptions used to determine the fair value during the current period.

(3) There were no transfers between Levels 1 and 2 within the fair value hierarchy for the years ended December 31, 2013 and 2012. During the year ended December 31, 2013, there were no instruments categorized as Level 3 within the fair value hierarchy.

The following table shows a reconciliation of beginning and ending balances for the year ended December 31, 2012 for instruments measured at fair value on a recurring basis using significant

15. FAIR VALUE (Continued)

unobservable inputs (Level 3) (dollars in millions). During the year ended December 31, 2013, there were no instruments categorized as Level 3 within the fair value hierarchy.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)	Cross-Currency Interest Rate Contracts
Beginning balance, January 1, 2012	$ 27
Transfers into Level 3	—
Transfers out of Level 3(1)	(27)
Total gains (losses):	
Included in earnings	—
Included in other comprehensive income (loss)	—
Purchases, sales, issuances and settlements	—
Ending balance, December 31, 2012	$ —
The amount of total gains (losses) for the period included in earnings attributable to the change in unrealized gains (losses) relating to assets still held at December 31, 2012	$ —

(1) We are party to cross-currency interest rate contracts that are measured at fair value in our consolidated financial statements. These instruments have historically been categorized by us as Level 3 within the fair value hierarchy due to an unobservable input associated with the credit valuation adjustment, which we deemed to be a significant input to the overall measurement of fair value at inception. During 2012, this credit valuation adjustment has ceased to be a significant input to the entire fair value measurement of these instruments. The remaining inputs which are significant to the fair value measurement of these instruments represent observable market inputs that are inputs other than quoted prices (Level 2 inputs).

Our policy is to recognize transfers between levels within the fair value hierarchy as of the beginning of the reporting period. Due to the change in significance of the credit valuation adjustment to the entire fair value measurement of these instruments, effective January 1, 2012, we have categorized our cross-currency interest rate contracts as Level 2 within the fair value hierarchy.

We also have assets that under certain conditions are subject to measurement at fair value on a non-recurring basis. These assets include property, plant and equipment and those associated with acquired businesses, including goodwill and intangible assets. For these assets, measurement at fair value in periods subsequent to their initial recognition is applicable if one or more is determined to be impaired. During 2013 and 2012, we had no impairments related to these assets.

16. EMPLOYEE BENEFIT PLANS

Defined Benefit and Other Postretirement Benefit Plans

Our employees participate in a trusteed, non-contributory defined benefit pension plan (the "Plan") that covers substantially all of our full-time U.S. employees. Effective July 1, 2004, the Plan formula for employees not covered by a collective bargaining agreement was converted to a cash balance design. For represented employees, participation in the cash balance design is subject to the terms of negotiated contracts. For participating employees, benefits accrued under the prior formula were converted to opening cash balance accounts. The new cash balance benefit formula provides annual pay credits from 4% to 12% of eligible pay, depending on age and service, plus accrued interest. Participants in the plan on July 1, 2004 may be eligible for additional annual pay credits from 1% to 8%, depending on their age and service as of that date, for up to five years. The conversion to the cash balance plan did not have a significant impact on the accrued benefit liability, the funded status or ongoing pension expense.

During 2013, we amended the Plan which enabled us to transfer some benefit amounts out of the Huntsman Supplemental Executive Retirement Plan (the "SERP") to the Plan as permitted by the IRS rules. There was no impact to the overall projected benefit obligation to the Company as a result of this amendment.

We sponsor defined benefit plans in a number of countries outside of the U.S. The availability of these plans, and their specific design provisions, are consistent with local competitive practices and regulations.

We also sponsor unfunded postretirement benefit plans other than pensions, which provide medical and life insurance benefits.

Our postretirement benefit plans provide a fully insured Medicare Part D plan including prescription drug benefits affected by the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (the "Act"). We cannot determine whether the medical benefits provided by our postretirement benefit plans are actuarially equivalent to those provided by the Act. We do not collect a subsidy and our net periodic postretirement benefits cost, and related benefit obligation, do not reflect an amount associated with the subsidy.

During 2013, we amended certain of our postretirement benefit plans to discontinue subsidizing the cost of health care coverage for retirees who are eligible for Medicare. As a result of this amendment, our projected benefit obligation decreased by $22 million with an offset to other comprehensive income (loss) during the year ended December 31, 2013.

On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act. On March 30, 2010, President Obama signed into law a reconciliation measure, the Health Care and Education Reconciliation Act of 2010. The passage of this legislation has resulted in comprehensive reform of health care in the U.S. We do not believe that this will have a significant impact on our financial position.

16. EMPLOYEE BENEFIT PLANS (Continued)

The following table sets forth the funded status of the plans and the amounts recognized in our consolidated balance sheets at December 31, 2013 and 2012 (dollars in millions):

	Defined Benefit Plans				Other Postretirement Benefit Plans			
	2013		2012		2013		2012	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Change in benefit obligation								
Benefit obligation at beginning of year	$ 958	$2,755	$ 834	$2,331	$ 136	$ 7	$ 128	$ 7
Service cost	31	38	26	32	4	—	4	—
Interest cost	40	90	42	102	5	—	7	1
Participant contributions	—	9	—	9	5	—	5	—
Plan amendments	—	1	(26)	—	(22)	—	—	(1)
Foreign currency exchange rate changes	—	92	—	80	—	(1)	—	—
Settlements/transfers	—	—	—	(2)	—	—	—	—
Curtailments	—	(5)	—	—	—	—	—	—
Special termination benefits	—	9	—	—	—	—	—	—
Actuarial (gain) loss	(100)	39	127	360	(9)	—	8	—
Benefits paid	(52)	(169)	(45)	(157)	(14)	(1)	(16)	—
Benefit obligation at end of year	$ 877	$2,859	$ 958	$2,755	$ 105	$ 5	$ 136	$ 7
Change in plan assets								
Fair value of plan assets at beginning of year	$ 636	$2,237	$ 538	$2,026	$ —	$—	$ —	$—
Actual return on plan assets	99	198	71	221	—	—	—	—
Foreign currency exchange rate changes	—	79	—	65	—	—	—	—
Participant contributions	—	9	—	9	5	—	5	—
Company contributions	72	89	72	75	9	1	11	—
Settlements/transfers	—	—	—	(2)	—	—	—	—
Benefits paid	(52)	(169)	(45)	(157)	(14)	(1)	(16)	—
Fair value of plan assets at end of year	$ 755	$2,443	$ 636	$2,237	$ —	$—	$ —	$—
Funded status								
Fair value of plan assets	$ 755	$2,443	$ 636	$2,237	$ —	$—	$ —	$—
Benefit obligation	877	2,859	958	2,755	105	5	136	7
Accrued benefit cost	$(122)	$ (416)	$(322)	$ (518)	$(105)	$(5)	$(136)	$(7)
Amounts recognized in balance sheet:								
Noncurrent asset	$ —	$ 20	$ —	$ 1	$ —	$—	$ —	$—
Current liability	(6)	(6)	(6)	(5)	(9)	—	(11)	(1)
Noncurrent liability	(116)	(430)	(316)	(514)	(96)	(5)	(125)	(6)
	$(122)	$ (416)	$(322)	$ (518)	$(105)	$(5)	$(136)	$(7)

16. EMPLOYEE BENEFIT PLANS (Continued)

	Defined Benefit Plans				Other Postretirement Benefit Plans			
	2013		2012		2013		2012	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Amounts recognized in accumulated other comprehensive loss:								
Net actuarial loss	$264	$705	$448	$797	$ 21	$—	$32	$ 1
Prior service cost	(35)	5	(42)	4	(27)	—	(8)	—
Transition obligation	—	—	1	—	—	—	—	—
	$229	$710	$407	$801	$ (6)	$—	$24	$ 1

The amounts in accumulated other comprehensive loss that are expected to be recognized as components of net periodic benefit cost during the next fiscal year are as follows (dollars in millions):

	Defined Benefit Plans		Other Postretirement Benefit Plans	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Actuarial loss	$19	$33	$ 2	$—
Prior service cost	(6)	1	(4)	—
Total	$13	$34	$(2)	$—

Components of net periodic benefit costs for the years ended December 31, 2013, 2012 and 2011 were as follows (dollars in millions):

	Defined Benefit Plans					
	U.S. plans			Non-U.S. plans		
	2013	2012	2011	2013	2012	2011
Service cost	$ 31	$ 26	$ 23	$ 38	$ 32	$ 44
Interest cost	40	42	44	90	102	110
Expected return on plan assets	(50)	(48)	(47)	(124)	(133)	(140)
Amortization of prior service cost	(7)	(6)	(4)	1	(1)	(2)
Amortization of actuarial loss	35	21	16	43	23	16
Settlement loss	—	—	—	12	13	—
Special termination benefits	—	—	—	9	—	8
Net periodic benefit cost	$ 49	$ 35	$ 32	$ 69	$ 36	$ 36

16. EMPLOYEE BENEFIT PLANS (Continued)

	Other Postretirement Benefit Plans					
	U.S. plans			Non-U.S. plans		
	2013	2012	2011	2013	2012	2011
Service cost	$ 4	$ 4	$ 3	$ —	$ —	$ —
Interest cost	5	7	7	—	1	1
Amortization of prior service cost	(2)	(3)	(3)	—	—	—
Amortization of actuarial loss	2	2	2	—	—	—
Net periodic benefit cost	$ 9	$ 10	$ 9	$ —	$ 1	$ 1

The amounts recognized in net periodic benefit cost and other comprehensive income (loss) as of December 31, 2013, 2012 and 2011 were as follows (dollars in millions):

	Defined Benefit Plans					
	U.S. plans			Non-U.S. plans		
	2013	2012	2011	2013	2012	2011
Current year actuarial (gain) loss	$(149)	$103	$101	$(40)	$272	$182
Amortization of actuarial loss	(35)	(21)	(16)	(43)	(23)	(16)
Current year prior service (credits) cost	—	(26)	—	1	—	(2)
Amortization of prior service cost (credits)	7	6	4	(1)	1	2
Curtailment effects	—	—	—	—	—	(38)
Settlements	—	—	—	(12)	(13)	—
Total recognized in other comprehensive (income) loss	(177)	62	89	(95)	237	128
Net periodic benefit cost	49	35	32	69	36	36
Total recognized in net periodic benefit cost and other comprehensive income (loss)	$(128)	$ 97	$121	$(26)	$273	$164

	Other Postretirement Benefit Plans					
	U.S. plans			Non-U.S. plans		
	2013	2012	2011	2013	2012	2011
Current year actuarial (gain) loss	$ (8)	$ 9	$ 1	$ (1)	$ —	$ —
Amortization of actuarial loss	(2)	(2)	(2)	—	—	—
Current year prior service credit	(22)	—	—	—	—	—
Amortization of prior service cost	2	3	3	—	—	—
Total recognized in other comprehensive (income) loss	(30)	10	2	(1)	—	—
Net periodic benefit cost	9	10	9	—	1	1
Total recognized in net periodic benefit cost and other comprehensive income (loss)	$ (21)	$ 20	$ 11	$ (1)	$ 1	$ 1

16. EMPLOYEE BENEFIT PLANS (Continued)

The following weighted-average assumptions were used to determine the projected benefit obligation at the measurement date and the net periodic pension cost for the year:

	Defined Benefit Plans					
	U.S. plans			Non U.S. plans		
	2013	2012	2011	2013	2012	2011
Projected benefit obligation						
Discount rate	5.13%	4.18%	5.30%	3.62%	3.38%	4.39%
Rate of compensation increase	4.17%	4.19%	3.88%	3.37%	3.34%	3.44%
Net periodic pension cost						
Discount rate	4.18%	5.30%	5.70%	3.38%	4.39%	4.69%
Rate of compensation increase	4.19%	3.88%	3.88%	3.34%	3.44%	3.38%
Expected return on plan assets	7.75%	8.00%	8.19%	5.75%	6.52%	6.62%

	Other Postretirement Benefit Plans					
	U.S. plans			Non U.S. plans		
	2013	2012	2011	2013	2012	2011
Projected benefit obligation						
Discount rate	4.79%	3.89%	5.09%	6.49%	5.79%	6.09%
Net periodic pension cost						
Discount rate	3.89%	5.09%	5.46%	5.79%	6.09%	6.69%

At December 31, 2013 and 2012, the health care trend rate used to measure the expected increase in the cost of benefits was assumed to be 7.0% and 7.5%, respectively, decreasing to 5% after 2018. Assumed health care cost trend rates can have a significant effect on the amounts reported for the postretirement benefit plans. A one-percent point change in assumed health care cost trend rates would have the following effects (dollars in millions):

	Increase	Decrease
Asset category		
Effect on total of service and interest cost	$ 1	$ (1)
Effect on postretirement benefit obligation	—	—

The projected benefit obligation and fair value of plan assets for the defined benefit plans with projected benefit obligations in excess of plan assets as of December 31, 2013 and 2012 were as follows (dollars in millions):

	U.S. plans		Non-U.S. plans	
	2013	2012	2013	2012
Projected benefit obligation in excess of plan assets				
Projected benefit obligation	$871	$958	$2,234	$2,742
Fair value of plan assets	749	636	1,797	2,223

16. EMPLOYEE BENEFIT PLANS (Continued)

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for the defined benefit plans with an accumulated benefit obligation in excess of plan assets as of December 31, 2013 and 2012 were as follows (dollars in millions):

	U.S. plans		Non-U.S. plans	
	2013	2012	2013	2012
Accumulated benefit obligation in excess of plan assets				
Projected benefit obligation	$871	$958	$1,868	$1,751
Accumulated benefit obligation	853	925	1,732	1,603
Fair value of plan assets	749	636	1,451	1,266

Expected future contributions and benefit payments are as follows (dollars in millions):

	U.S. Plans		Non-U.S. Plans	
	Defined Benefit Plans	Other Postretirement Benefit Plans	Defined Benefit Plans	Other Postretirement Benefit Plans
2014 expected employer contributions				
To plan trusts	$ 46	$ 9	$ 79	$1
Expected benefit payments				
2014	63	10	149	1
2015	63	9	83	1
2016	56	9	81	1
2017	59	9	83	1
2018	61	9	86	1
2019 - 2023	340	41	456	2

Our investment strategy with respect to pension assets is to pursue an investment plan that, over the long term, is expected to protect the funded status of the plan, enhance the real purchasing power of plan assets, and not threaten the plan's ability to meet currently committed obligations. Additionally, our investment strategy is to achieve returns on plan assets, subject to a prudent level of portfolio risk. Plan assets are invested in a broad range of investments. These investments are diversified in terms of domestic and international equities, both growth and value funds, including small, mid and large capitalization equities; short-term and long-term debt securities; real estate; and cash and cash equivalents. The investments are further diversified within each asset category. The portfolio diversification provides protection against a single investment or asset category having a disproportionate impact on the aggregate performance of the plan assets.

Our pension plan assets are managed by outside investment managers. The investment managers value our plan assets using quoted market prices, other observable inputs or unobservable inputs. For certain assets, the investment managers obtain third-party appraisals at least annually, which use valuation techniques and inputs specific to the applicable property, market, or geographic location. During 2013, there were no transfers in or out of Level 3 assets.

We have established target allocations for each asset category. Our pension plan assets are periodically rebalanced based upon our target allocations.

16. EMPLOYEE BENEFIT PLANS (Continued)

The fair value of plan assets for the pension plans was $3.2 billion and $2.9 billion at December 31, 2013 and 2012, respectively. The following plan assets are measured at fair value on a recurring basis (dollars in millions):

Asset category	December 31, 2013	Fair Value Amounts Using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
U.S. pension plans:				
Equities	$ 428	$ 245	$ 183	$—
Fixed income	208	88	120	—
Real estate/other	92	45	—	47
Cash	27	27	—	—
Total U.S. pension plan assets	$ 755	$ 405	$ 303	$47
Non-U.S. pension plans:				
Equities	$1,053	$ 580	$ 473	$—
Fixed income	908	668	240	—
Real estate/other	400	30	341	29
Cash	82	80	2	—
Total Non-U.S. pension plan assets	$2,443	$1,358	$1,056	$29

Asset category	December 31, 2012	Fair Value Amounts Using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
U.S. pension plans:				
Equities	$ 340	$ 195	$145	$—
Fixed income	196	116	80	—
Real estate/other	89	48	—	41
Cash	11	11	—	—
Total U.S. pension plan assets	$ 636	$ 370	$225	$41
Non-U.S. pension plans:				
Equities	$ 862	$ 649	$213	$—
Fixed income	905	632	273	—
Real estate/other	357	27	303	27
Cash	113	112	1	—
Total Non-U.S. pension plan assets	$2,237	$1,420	$790	$27

16. EMPLOYEE BENEFIT PLANS (Continued)

The following table reconciles the beginning and ending balances of plan assets measured at fair value using unobservable inputs (Level 3) (dollars in millions):

Fair Value Measurements of Plan Assets Using Significant Unobservable Inputs (Level 3)	Real Estate/Other Year ended December 31, 2013	Real Estate/Other Year ended December 31, 2012
Balance at beginning of period	$68	$61
Return on pension plan assets	6	4
Purchases, sales and settlements	2	10
Transfers (out of) into Level 3	—	(7)
Balance at end of period	$76	$68

Based upon historical returns, the expectations of our investment committee and outside advisors, the expected long-term rate of return on the pension assets is estimated to be between 5.75% and 8.19%. The asset allocation for our pension plans at December 31, 2013 and 2012 and the target allocation for 2014, by asset category are as follows:

Asset category	Target Allocation 2014	Allocation at December 31, 2013	Allocation at December 31, 2012
U.S. pension plans:			
Equities	54%	57%	53%
Fixed income	33%	27%	31%
Real estate/other	13%	12%	14%
Cash	—	4%	2%
Total U.S. pension plans	100%	100%	100%
Non-U.S. pension plans:			
Equities	38%	38%	38%
Fixed income	40%	40%	41%
Real estate/other	11%	11%	20%
Cash	11%	11%	1%
Total non-U.S. pension plans	100%	100%	100%

Equity securities in our pension plans did not include any equity securities of our Company or our affiliates at the end of 2013.

Defined Contribution Plans

We have a money purchase pension plan covering substantially all of our domestic employees who were hired prior to January 1, 2004. Employer contributions are made based on a percentage of employees' earnings (ranging up to 8%).

We also have a salary deferral plan covering substantially all U.S. employees. Plan participants may elect to make voluntary contributions to this plan up to a specified amount of their compensation. We

16. EMPLOYEE BENEFIT PLANS (Continued)

contribute an amount equal to one-half of the participant's contribution, not to exceed 2% of the participant's compensation.

Along with the introduction of the cash balance formula within our defined benefit pension plan, the money purchase pension plan was closed to new hires. At the same time, our match in the salary deferral plan was increased, for new hires, to a 100% match, not to exceed 4% of the participant's compensation, once the participant has achieved six years of service with our Company.

Our total combined expense for the above defined contribution plans for each of the years ended December 31, 2013, 2012 and 2011 was $14 million.

Supplemental Salary Deferral Plan and Supplemental Executive Retirement Plan

The Huntsman Supplemental Savings Plan ("Huntsman SSP") is a non-qualified plan covering key management employees and allows participants to defer amounts that would otherwise be paid as compensation. The participant can defer up to 75% of their salary and bonus each year. This plan also provides benefits that would be provided under the Huntsman Salary Deferral Plan if that plan were not subject to legal limits on the amount of contributions that can be allocated to an individual in a single year. The Huntsman SSP was amended and restated effective as of January 1, 2005 to allow eligible executive employees to comply with Section 409A of the Internal Revenue Code of 1986.

The SERP is an unfunded non-qualified pension plan established to provide certain executive employees with benefits that could not be provided, due to legal limitations, under the Huntsman Defined Benefit Pension Plan, a qualified defined benefit pension plan, and the Huntsman Money Purchase Pension Plan, a qualified money purchase pension plan.

Assets of these plans are included in other noncurrent assets and as of December 31, 2013 and 2012 were $21 million and $14 million, respectively. During each of the years ended December 31, 2013, 2012 and 2011, we expensed a total of $1 million as contributions to the Huntsman SSP and the SERP.

Stock-based Incentive Plan

In connection with the initial public offering of common and preferred stock on February 16, 2005, we adopted the Huntsman Stock Incentive Plan (the "Stock Incentive Plan"). The Stock Incentive Plan permits the grant of non-qualified stock options, incentive stock options, stock appreciation rights, nonvested stock, phantom stock, performance awards and other stock-based awards to our employees, directors and consultants and to employees and consultants of our subsidiaries, provided that incentive stock options may be granted solely to employees. As of December 31, 2013 we are authorized to grant up to 32.6 million shares under the Stock Incentive Plan. See "Note 21. Stock-Based Compensation Plan."

International Plans

International employees are covered by various post-employment arrangements consistent with local practices and regulations. Such obligations are included in other long-term liabilities in our consolidated balance sheets.

17. INCOME TAXES

The following is a summary of U.S. and non-U.S. provisions for current and deferred income taxes (dollars in millions):

	Year ended December 31,		
	2013	2012	2011
Income tax expense (benefit):			
U.S.			
Current	$ 75	$156	$ 69
Deferred	79	17	4
Non-U.S.			
Current	42	51	63
Deferred	(71)	(55)	(27)
Total	$125	$169	$109

The following schedule reconciles the differences between the U.S. federal income taxes at the U.S. statutory rate to our provision (benefit) for income taxes (dollars in millions):

	Year ended December 31,		
	2013	2012	2011
Income from continuing operations before income taxes	$279	$547	$360
Expected tax expense at U.S. statutory rate of 35%	$ 98	$192	$126
Change resulting from:			
State tax expense (benefit) net of federal benefit	11	15	7
Non-U.S. tax rate differentials	10	1	6
Effects of non-U.S. operations	1	(2)	8
U.S. domestic manufacturing deduction	(14)	(16)	(5)
Unrealized currency exchange gains and losses	14	11	(5)
Effect of tax holidays	—	(12)	(1)
U.S. foreign tax credits, net of associated income and taxes	(86)	(21)	(4)
Tax benefit of losses with valuation allowances as a result of other comprehensive income	(22)	—	—
Tax authority audits and dispute resolutions	9	5	4
Change in valuation allowance	100	(11)	(16)
Other, net	4	7	(11)
Total income tax expense	$125	$169	$109

Included in the non-U.S. deferred tax expense is a $22 million income tax benefit for losses from continuing operations for certain jurisdictions with valuation allowances to the extent that income was recorded in other comprehensive income in that same jurisdiction. This benefit in 2013 was largely attributable to Switzerland where changes in pension related items resulted in income in other comprehensive income (loss) and where we have a full valuation allowance against the net deferred tax asset. An offsetting income tax expense was recognized in accumulated other comprehensive loss.

17. INCOME TAXES (Continued)

Included in the $14 million unrealized exchange gains and losses reconciliation item above is $10 million which occurred in Luxembourg where an offsetting valuation allowance was released.

We operate in over 40 non-U.S. tax jurisdictions with no specific country earning a predominant amount of our off-shore earnings. While the vast majority of these countries have income tax rates that are lower than the U.S. statutory rate, the operating losses we incur in some of our non-U.S. jurisdictions results in a tax benefit for losses lower than the U.S. statutory rate and therefore mitigates or reverses the amount of tax rate benefit we would otherwise realize from these tax rate differentials. For the year ended December 31, 2013, this amount was an additional tax expense of $10 million, reflected in the reconciliation above.

During 2013, we repatriated a significant amount of earnings to the U.S. from our Netherlands holding company, which included bringing onshore certain U.S. foreign tax credits. The foreign tax credits brought onshore significantly exceeded the amount needed to fully offset the cash tax impact of the dividend. After a net $9 million benefit for the utilization of foreign tax credits in 2013, a full valuation allowance was placed on the remaining foreign tax credits as it is currently more likely than not that the credits will expire unused due to a shortage of foreign source income for income tax purposes. These credits represent a potential future cash benefit to the Company and we intend to expend resources and explore changes to future business operations all of which could enable us to utilize the foreign tax credits and release the valuation allowance. This is a complex area of tax law subject to very specific factors and our ability to utilize these credits will likely have a significant impact on future income tax expense.

During 2012, we were granted a tax holiday for the period from January 1, 2012 through December 31, 2016 with respect to certain income from Pigments products manufactured in Malaysia. We are required to make certain investments in order to enjoy the benefits of the tax holiday and we intend to make these investments.

The components of income (loss) from continuing operations before income taxes were as follows (dollars in millions):

	Year ended December 31,		
	2013	**2012**	**2011**
U.S.	$ 419	$482	$256
Non-U.S.	(140)	65	104
Total	$ 279	$547	$360

17. INCOME TAXES (Continued)

Components of deferred income tax assets and liabilities were as follows (dollars in millions):

	December 31, 2013	December 31, 2012
Deferred income tax assets:		
Net operating loss carryforwards	$ 853	$ 819
Pension and other employee compensation	197	289
Property, plant and equipment	72	69
Intangible assets	22	34
Foreign tax credits	114	71
Other, net	106	107
Total	$1,364	$1,389
Deferred income tax liabilities:		
Property, plant and equipment	$ (543)	$ (551)
Pension and other employee compensation	(6)	—
Other, net	(61)	(88)
Total	$ (610)	$ (639)
Net deferred tax asset before valuation allowance	$ 754	$ 750
Valuation allowance—net operating losses and other	(700)	(715)
Valuation allowance—foreign tax credits	(114)	(21)
Net deferred tax asset	$ (60)	$ 14
Current deferred tax asset	$ 53	$ 51
Current deferred tax liability	(43)	(38)
Non-current deferred tax asset	243	229
Non-current deferred tax liability	(313)	(228)
Net deferred tax asset	$ (60)	$ 14

We have NOLs of $3,189 million in various non-U.S. jurisdictions. While the majority of the non-U.S. NOLs have no expiration date, $923 million have a limited life (of which $860 million are subject to a valuation allowance) and $15 million are scheduled to expire in 2014 (all of which are subject to a valuation allowance). We had $15 million of NOLs expire unused in 2013 (all of which were subject to a valuation allowance).

Included in the $3,189 million of non-U.S. NOLs is $758 million attributable to our Luxembourg entities. As of December 31, 2013, there is a valuation allowance of $180 million against these net tax-effected NOLs of $220 million. Due to the uncertainty surrounding the realization of the benefits of these losses, we have reduced the related deferred tax asset with a valuation allowance.

Valuation allowances are reviewed each period on a tax jurisdiction by jurisdiction basis to analyze whether there is sufficient positive or negative evidence to support a change in judgment about the realizability of the related deferred tax assets. These conclusions require significant judgment. In evaluating the objective evidence that historical results provide, we consider the cyclicality of businesses and cumulative income or losses during the applicable period. Cumulative losses incurred over the

17. INCOME TAXES (Continued)

period limits our ability to consider other subjective evidence such as our projections for the future. Our judgments regarding valuation allowances are also influenced by the costs and risks associated with any tax planning idea.

During 2013, we released valuations allowances of $16 million on a portion of our net deferred assets primarily in Luxembourg as a result of significant changes in estimated future taxable income resulting from increased intercompany debt and, therefore, increased interest income in Luxembourg.

During 2012, we released valuation allowances of $24 million on a portion of our net deferred tax assets in China, in certain U.S. states and in Luxembourg, and we established valuation allowances of $23 million on certain net deferred tax assets in the U.S., India and Indonesia. Primarily as a result of a cumulative history of operating profits, we released the above noted valuation allowances in China and certain U.S. state tax jurisdictions. Additionally, a partial valuation allowance release was recognized in Luxembourg for $12 million as a result of significant changes in estimated future taxable income resulting from increased intercompany debt and, therefore, increased interest income in Luxembourg.

During 2012, we amended certain prior year U.S. federal income tax filings and claimed $31 million of additional U.S. foreign tax credits. Due to uncertainty regarding our ability to actually utilize these credits before they expire in 2015, we established a partial valuation allowance of $21 million against the incremental deferred tax asset.

During 2011, we released valuation allowances of $27 million on certain net deferred tax assets in France and Spain (as a result of recent profitability in our Pigments business), Singapore (as a result of a cumulative history of operating profits), Australia (as a result of discontinuing the unprofitable portion of the business operations in that country) and Luxembourg (as a result of significant changes in estimated future taxable income).

Uncertainties regarding expected future income in certain jurisdictions could affect the realization of deferred tax assets in those jurisdictions and result in additional valuation allowances in future periods.

The following is a summary of changes in the valuation allowance (dollars in millions):

	2013	2012	2011
Valuation allowance as of January 1	$ 736	$756	$797
Valuation allowance as of December 31	814	736	756
Net decrease	(78)	20	41
Foreign currency movements	16	7	(30)
(Decrease) increase to deferred tax assets with no impact on operating tax expense, including an offsetting (decrease) increase to valuation allowances	(38)	(16)	5
Change in valuation allowance per rate reconciliation	$(100)	$ 11	$ 16
Components of change in valuation allowance affecting tax expense:			
Pre-tax losses in jurisdictions with valuation allowances resulting in no tax expense or benefit	$ (21)	$ 10	$ (6)
Releases of valuation allowances in various jurisdictions	16	24	27
Establishments of valuation allowances in various jurisdictions	(95)	(23)	(5)
Change in valuation allowance per rate reconciliation	$(100)	$ 11	$ 16

17. INCOME TAXES (Continued)

The following is a reconciliation of our unrecognized tax benefits (dollars in millions):

	2013	2012
Unrecognized tax benefits as of January 1	$57	$39
Gross increases and decreases—tax positions taken during a prior period	39	15
Gross increases and decreases—tax positions taken during the current period	11	9
Decreases related to settlements of amounts due to tax authorities	(3)	(3)
Reductions resulting from the lapse of statutes of limitation	(7)	(3)
Foreign currency movements	(1)	—
Unrecognized tax benefits as of December 31	$96	$57

As of December 31, 2013 and 2012, the amount of unrecognized tax benefits which, if recognized, would affect the effective tax rate is $78 million and $37 million, respectively.

In accordance with our accounting policy, we continue to recognize interest and penalties accrued related to unrecognized tax benefits in income tax expense.

	Year ended December 31,		
	2013	2012	2011
Interest expense included in tax expense	$ 2	$(1)	$ 5
Penalties expense included in tax expense	(1)	—	—

	December 31,	
	2013	2012
Accrued liability for interest	$13	$10
Accrued liability for penalties	—	1

We conduct business globally and, as a result, we file income tax returns in U.S. federal, various U.S. state and various non-U.S. jurisdictions. The following table summarizes the tax years that remain subject to examination by major tax jurisdictions:

Tax Jurisdiction	Open Tax Years
China	2001 and later
France	2002 and later
India	2004 and later
Italy	2009 and later
Malaysia	2003 and later
Switzerland	2007 and later
The Netherlands	2007 and later
United Kingdom	2011 and later
United States federal	2012 and later

17. INCOME TAXES (Continued)

Certain of our U.S. and non-U.S. income tax returns are currently under various stages of audit by applicable tax authorities and the amounts ultimately agreed upon in resolution of the issues raised may differ materially from the amounts accrued.

We estimate that it is reasonably possible that certain of our non-U.S. unrecognized tax benefits could change within 12 months of the reporting date with a resulting decrease in the unrecognized tax benefits within a reasonably possible range of $3 million to $41 million. For the 12-month period from the reporting date, we would expect that a substantial portion of the decrease in our unrecognized tax benefits would result in a corresponding benefit to our income tax expense.

During 2012, we concluded and settled tax examinations in the U.S. (both federal and various states) and various non-U.S. jurisdictions including, but not limited to, China, France and Italy. During 2012, we concluded and effectively settled tax examinations in the U.S. (both federal and various states) and various non-U.S. jurisdictions including, but not limited to, Hong Kong, Thailand and Japan. During 2011, we concluded and settled tax examinations in the U.S. (both federal and various states) and various non-U.S. jurisdictions including, but not limited to, Australia, China, France and Germany.

For non-U.S. entities that were not treated as branches for U.S. tax purposes, we do not provide for income taxes on the undistributed earnings of these subsidiaries as earnings are reinvested and, in the opinion of management, will continue to be reinvested indefinitely. As discussed, we made a distribution of a portion of our earnings in 2013 when the amount of foreign tax credits associated with the distribution was greater than the amount of tax otherwise due. The undistributed earnings of foreign subsidiaries that are deemed to be permanently invested were approximately $194 million at December 31, 2013. It is not practicable to determine the unrecognized deferred tax liability on those earnings. We have material inter-company debt obligations owed by our non-U.S. subsidiaries to the U.S. We do not intend to repatriate earnings to the U.S. via dividend based on estimates of future domestic cash generation and our ability to return cash to the U.S. through payments of inter-company debt owned by our non-U.S. subsidiaries to the U.S. To the extent that cash is required in the U.S., rather than repatriate earnings to the U.S. via dividend, we expect to utilize our inter-company debt. If any earnings were repatriated via dividend, we would need to accrue and pay taxes on the distributions.

18. COMMITMENTS AND CONTINGENCIES

Purchase Commitments

We have various purchase commitments extending through 2029 for materials, supplies and services entered into in the ordinary course of business. Included in the purchase commitments table below are contracts which require minimum volume purchases that extend beyond one year or are renewable annually and have been renewed for 2014. Certain contracts allow for changes in minimum required purchase volumes in the event of a temporary or permanent shutdown of a facility. To the extent the contract requires a minimum notice period, such notice period has been included in the table below. The contractual purchase prices for substantially all of these contracts are variable based upon market prices, subject to annual negotiations. We have estimated our contractual obligations by using the terms of our current pricing for each contract. We also have a limited number of contracts which require a minimum payment even if no volume is purchased. We believe that all of our purchase obligations will be utilized in our normal operations. For the years ended December 31, 2013, 2012 and 2011, we made minimum payments of $7 million, nil and nil, respectively, under such take or pay contracts without taking the product.

18. COMMITMENTS AND CONTINGENCIES (Continued)

Total purchase commitments as of December 31, 2013 are as follows (dollars in millions):

Year ending December 31,	
2014	$1,315
2015	515
2016	181
2017	91
2018	71
Thereafter	169
	$2,342

Operating Leases

We lease certain railcars, aircraft, equipment and facilities under long-term lease agreements. The total expense recorded under operating lease agreements in our consolidated statements of operations is approximately $80 million, $79 million and $83 million for 2013, 2012 and 2011, respectively, net of sublease rentals of approximately $4 million for each of 2013, 2012 and 2011.

Future minimum lease payments under operating leases as of December 31, 2013 are as follows (dollars in millions):

Year ending December 31,	
2014	$ 83
2015	68
2016	59
2017	53
2018	50
Thereafter	174
	$487

Future minimum lease payments have not been reduced by minimum sublease rentals of $19 million due in the future under noncancelable subleases.

Legal Matters

Asbestos Litigation

We have been named as a "premises defendant" in a number of asbestos exposure cases, typically claims by nonemployees of exposure to asbestos while at a facility. These complaints generally do not provide specific information about the amount of damages being sought, the time period in which the alleged injuries occurred or the alleged exposures giving rise to the asserted liability. This information, which would be central to any estimate of probable loss, generally must be obtained through legal discovery.

Where a claimant's alleged exposure occurred prior to our ownership of the relevant "premises," the prior owners generally have contractually agreed to retain liability for, and to indemnify us against,

18. COMMITMENTS AND CONTINGENCIES (Continued)

asbestos exposure claims. This indemnification is not subject to any time or dollar amount limitations. Upon service of a complaint in one of these cases, we tender it to the prior owner. The prior owner accepts responsibility for the conduct of the defense of the cases and payment of any amounts due to the claimants. In our nineteen-year experience with tendering these cases, we have not made any payment with respect to any tendered asbestos cases. We believe that the prior owners have the intention and ability to continue to honor their indemnity obligations, although we cannot assure you that they will continue to do so or that we will not be liable for these cases if they do not.

The following table presents for the periods indicated certain information about cases for which service has been received that we have tendered to the indemnifying party, all of which have been accepted by the indemnifying party.

	Year ended December 31,		
	2013	2012	2011
Unresolved at beginning of period	1,080	1,080	1,116
Tendered during period	6	3	10
Resolved during period(1)	13	3	46
Unresolved at end of period	1,073	1,080	1,080

(1) Although the indemnifying party informs us when tendered cases have been resolved, it generally does not inform us of the settlement amounts relating to such cases, if any. The indemnifying party has informed us that it typically manages our defense together with the defense of other entities in such cases and resolves claims involving multiple defendants simultaneously, and that it considers the allocation of settlement amounts, if any, among defendants to be confidential and proprietary. Consequently, we are not able to provide the number of cases resolved with payment by the indemnifying party or the amount of such payments.

We have never made any payments with respect to these cases. As of December 31, 2013, we had an accrued liability of approximately $10 million relating to these cases and a corresponding receivable of approximately $10 million relating to our indemnity protection with respect to these cases. We cannot assure you that our liability will not exceed our accruals or that our liability associated with these cases would not be material to our financial condition, results of operations or liquidity; accordingly, we are not able to estimate the amount or range of loss in excess of our accruals. Additional asbestos exposure claims may be made against us in the future, and such claims could be material. However, because we are not able to estimate the amount or range of losses associated with such claims, we have made no accruals with respect to unasserted asbestos exposure claims as of December 31, 2013.

Certain cases in which we are a premises defendant are not subject to indemnification by prior owners or operators. However, we may be entitled to insurance or other recoveries in some of these cases. The following table presents for the periods indicated certain information about these cases.

18. COMMITMENTS AND CONTINGENCIES (Continued)

Cases include all cases for which service has been received by us. Certain prior cases that were filed in error against us have been dismissed.

	Year ended December 31,		
	2013	2012	2011
Unresolved at beginning of period	50	36	37
Filed during period	3	21	11
Resolved during period	5	7	12
Unresolved at end of period	48	50	36

We paid gross settlement costs for asbestos exposure cases that are not subject to indemnification of $45,000, $559,000 and $584,000 during the years ended December 31, 2013, 2012 and 2011, respectively. As of December 31, 2013, we had an accrual of $356,000 relating to these cases. We cannot assure you that our liability will not exceed our accruals or that our liability associated with these cases would not be material to our financial condition, results of operations or liquidity; accordingly, we are not able to estimate the amount or range of loss in excess of our accruals. Additional asbestos exposure claims may be made against us in the future, and such claims could be material. However, because we are not able to estimate the amount or range of losses associated with such claims, we have made no accruals with respect to unasserted asbestos exposure claims as of December 31, 2013.

Antitrust Matters

We have been named as a defendant in consolidated class action civil antitrust suits filed on February 9 and 12, 2010 in the U.S. District Court for the District of Maryland alleging that we and our co-defendants and other asserted co-conspirators conspired to fix prices of titanium dioxide sold in the U.S. between at least March 1, 2002 and the present. The other defendants named in this matter are DuPont, Kronos and Cristal (formerly Millennium). On August 28, 2012, the court certified a class consisting of all U.S. customers who purchased titanium dioxide directly from the Direct Purchasers since February 1, 2003. We and all other defendants settled the Direct Purchasers litigation and the court approved the settlement on December 13, 2013. We have paid the settlement in an amount immaterial to our consolidated financial statements.

On November 22, 2013, we were named as a defendant in a civil antitrust suit filed in the U.S. District Court for the District of Minnesota brought by a Direct Purchaser who opted out of the Direct Purchasers class litigation. It is possible that additional claims will be filed by other Direct Purchasers who opted out of the class litigation.

We have also been named as a defendant in a class action civil antitrust suit filed on March 15, 2013 in the U.S. District Court for the Northern District of California by the Indirect Purchasers making essentially the same allegations as the Direct Purchasers. The Opt-Out Litigation and Indirect Purchasers plaintiffs seek to recover injunctive relief, treble damages or the maximum damages allowed by state law, costs of suit and attorneys' fees. We are not aware of any illegal conduct by us or any of our employees. Nevertheless, we have incurred costs relating to these claims and could incur additional costs in amounts which in the aggregate could be material to us. Because of the overall complexity of these cases, we are unable to reasonably estimate any possible loss or range of loss associated with these claims and we have made no accruals with respect to these claims.

18. COMMITMENTS AND CONTINGENCIES (Continued)

Product Delivery Claim

We have been notified by a customer of potential claims related to our allegedly delivering a different product than it had ordered. Our customer claims that it was unaware that the different product had been delivered until after it had been used to manufacture materials which were subsequently sold. Originally, the customer stated that it had been notified of claims of up to an aggregate of €153 million (approximately $211 million) relating to this matter and believed that we may be responsible for all or a portion of these potential claims. Our customer has since resolved some of these claims and the aggregate amount of the current claims is now approximately €113 million (approximately $156 million). Based on the facts currently available to us, we believe that we are insured for any liability we may ultimately have in excess of $10 million. However, no assurance can be given regarding our ultimate liability or costs. We believe our range of possible loss in this matter is between €0 and €113 million, and we have made no accrual with respect to this matter.

Indemnification Matter

On July 3, 2012, Deutsche Bank Securities Inc. and Credit Suisse Securities (USA) LLC, or the banks, demanded that we indemnify them for claims brought by certain MatlinPatterson entities that were formerly our shareholders, the plaintiffs, in litigation filed June 19, 2012 in the 9th District Court in Montgomery County, Texas. The banks assert that they are entitled to indemnification pursuant to the Agreement of Compromise and Settlement between the banks and our Company, dated June 22, 2009, wherein the banks and our Company settled claims that we brought relating to the failed merger with Hexion. The plaintiffs claim that the banks knowingly made materially false representations about the nature of the financing for the acquisition of our Company by Hexion and that they suffered substantial losses to their 19 million shares of our common stock as a result of the banks' misrepresentations. The plaintiffs are asserting statutory fraud, common law fraud and aiding and abetting statutory fraud and are seeking actual damages, exemplary damages, costs and attorney's fees, pre-judgment and post-judgment interest. We denied the banks' indemnification demand. On December 21, 2012, the court dismissed the plaintiffs' claims. The plaintiffs have appealed to the Ninth Court of Appeals at Beaumont, Texas.

Other Proceedings

We are a party to various other proceedings instituted by private plaintiffs, governmental authorities and others arising under provisions of applicable laws, including various environmental, products liability and other laws. Except as otherwise disclosed in this report, we do not believe that the outcome of any of these matters will have a material effect on our financial condition, results of operations or liquidity.

19. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

General

We are subject to extensive federal, state, local and international laws, regulations, rules and ordinances relating to safety, pollution, protection of the environment, product management and distribution, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. In the ordinary course of business, we are subject to frequent environmental inspections and monitoring and occasional investigations by governmental enforcement authorities. In addition, our production facilities require operating permits that are subject to renewal, modification and, in certain circumstances, revocation. Actual or alleged violations of safety laws, environmental laws or permit requirements could result in restrictions or prohibitions on plant operations or product distribution, substantial civil or criminal sanctions, as well as, under some environmental laws, the assessment of strict liability and/or joint and several liability. Moreover, changes in environmental regulations could inhibit or interrupt our operations, or require us to modify our facilities or operations. Accordingly, environmental or regulatory matters may cause us to incur significant unanticipated losses, costs or liabilities.

Environmental, Health and Safety Systems

We are committed to achieving and maintaining compliance with all applicable EHS legal requirements, and we have developed policies and management systems that are intended to identify the multitude of EHS legal requirements applicable to our operations, enhance compliance with applicable legal requirements, improve the safety of our employees, contractors, community neighbors and customers and minimize the production and emission of wastes and other pollutants. Although EHS legal requirements are constantly changing and are frequently difficult to comply with, these EHS management systems are designed to assist us in our compliance goals while also fostering efficiency and improvement and reducing overall risk to us.

EHS Capital Expenditures

We may incur future costs for capital improvements and general compliance under EHS laws, including costs to acquire, maintain and repair pollution control equipment. For the years ended December 31, 2013, 2012 and 2011, our capital expenditures for EHS matters totaled $92 million, $105 million, and $92 million, respectively. Because capital expenditures for these matters are subject to evolving regulatory requirements and depend, in part, on the timing, promulgation and enforcement of specific requirements, our capital expenditures for EHS matters have varied significantly from year to year and we cannot provide assurance that our recent expenditures are indicative of future amounts we may spend related to EHS and other applicable laws.

Remediation Liabilities

We have incurred, and we may in the future incur, liability to investigate and clean up waste or contamination at our current or former facilities or facilities operated by third parties at which we may have disposed of waste or other materials. Similarly, we may incur costs for the cleanup of waste that was disposed of prior to the purchase of our businesses. Under some circumstances, the scope of our liability may extend to damages to natural resources.

Under CERCLA and similar state laws, a current or former owner or operator of real property in the U.S. may be liable for remediation costs regardless of whether the release or disposal of hazardous

19. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS (Continued)

substances was in compliance with law at the time it occurred, and a current owner or operator may be liable regardless of whether it owned or operated the facility at the time of the release. Outside the U.S., analogous contaminated property laws, such as those in effect in France and Australia, can hold past owners and/or operators liable for remediation at former facilities. Currently, there are approximately 10 former facilities or third-party sites in the U.S. for which we have been notified of potential claims against us for cleanup liabilities, including, but not limited to, sites listed under CERCLA. Based on current information and past experiences at other CERCLA sites, we do not expect these third-party claims to have a material impact on our consolidated financial statements.

One of these sites, the North Maybe Canyon Mine site, involves a former phosphorous mine near Soda Springs, Idaho, which is believed to have been operated by several companies, including a predecessor company to us. In 2004, the U.S. Forest Service notified us that we are a CERCLA PRP for contamination originating from the site. In February 2010, we and Wells Cargo (another PRP) agreed to conduct a Remedial Investigation/Feasibility Study of a portion of the site and are currently engaged in that process. At this time, we are unable to reasonably estimate our potential liabilities at this site.

In addition, under the RCRA in the U.S. and similar state laws, we may be required to remediate contamination originating from our properties as a condition to our hazardous waste permit. Some of our manufacturing sites have an extended history of industrial chemical manufacturing and use, including on-site waste disposal. We are aware of soil, groundwater or surface contamination from past operations at some of our sites, and we may find contamination at other sites in the future. For example, our Port Neches, Texas, and Geismar, Louisiana, facilities are the subject of ongoing remediation requirements imposed under RCRA. Similar laws exist in a number of locations in which we currently operate, or previously operated, manufacturing facilities, such as Australia, India, France, Hungary and Italy.

By letter dated March 7, 2006, our former Base Chemicals and Polymers facility in West Footscray, Australia was issued a clean-up notice by the EPA Victoria due to concerns about soil and groundwater contamination emanating from the site. On August 23, 2010, EPA Victoria revoked the second clean-up notice and issued a revised notice that included a requirement for financial assurance for the remediation. We have reached agreement with the agency that a mortgage on the land will be held by the agency as financial surety during the period covered by the current clean-up notice, which ends on July 30, 2014. As of December 31, 2013, we had an accrued liability of approximately $24 million related to estimated environmental remediation costs at this site. We can provide no assurance that the agency will not seek to institute additional requirements for the site or that additional costs will not be required for the clean up.

In many cases, our potential liability arising from historical contamination is based on operations and other events occurring prior to our ownership of a business or specific facility. In these situations, we frequently obtained an indemnity agreement from the prior owner addressing remediation liabilities arising from pre-closing conditions. We have successfully exercised our rights under these contractual covenants for a number of sites and, where applicable, mitigated our ultimate remediation liability. We cannot assure you, however, that the liabilities for all such matters subject to indemnity will be honored by the prior owner or that our existing indemnities will be sufficient to cover our liabilities for such matters.

19. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS (Continued)

Based on available information and the indemnification rights we believe are likely to be available, we believe that the costs to investigate and remediate known contamination will not have a material effect on our financial statements. However, if such indemnities are not honored or do not fully cover the costs of investigation and remediation or we are required to contribute to such costs, then such expenditures may have a material effect on our financial statements. At the current time, we are unable to estimate the total cost, exclusive of indemnification benefits, to remediate any of the known contamination sites.

Environmental Reserves

We have accrued liabilities relating to anticipated environmental cleanup obligations, site reclamation and closure costs and known penalties. Liabilities are recorded when potential liabilities are either known or considered probable and can be reasonably estimated. Our liability estimates are calculated using present value techniques as appropriate and are based upon requirements placed upon us by regulators, available facts, existing technology and past experience. The environmental liabilities do not include amounts recorded as asset retirement obligations. We had accrued $27 million and $34 million for environmental liabilities as of December 31, 2013 and 2012, respectively. Of these amounts, $5 million and $10 million were classified as accrued liabilities in our consolidated balance sheets as of December 31, 2013 and 2012, respectively, and $22 million and $24 million were classified as other noncurrent liabilities in our consolidated balance sheets as of December 31, 2013 and 2012, respectively. In certain cases, our remediation liabilities may be payable over periods of up to 30 years. We may incur losses for environmental remediation in excess of the amounts accrued; however, we are not able to estimate the amount or range of such potential excess.

REGULATORY DEVELOPMENTS

The European Union regulatory framework for chemicals, called "REACH," became effective in 2007 and is designed to be phased in gradually over 11 years. As a REACH-regulated company that manufactures in or imports more than one metric ton per year of a chemical substance into the European Economic Area, we were required to pre-register with the European Chemicals Agency such chemical substances and isolated intermediates to take advantage of the 11 year phase-in period. To meet our compliance obligations, a cross-business REACH team was established, through which we were able to fulfill all required pre-registrations, our first phase registrations by the November 30, 2010 deadline and our second phase registrations by the May 31, 2013 deadline. While we continue our registration efforts to meet the next registration deadline of May 31, 2018, our REACH implementation team is now strategically focused on the authorization phase of the REACH process, directing its efforts to address "Substances of Very High Concern" and evaluating potential business implications. Where warranted, evaluation of substitute chemicals will be an important element of our ongoing manufacturing sustainability efforts. As a chemical manufacturer with global operations, we are also actively monitoring and addressing analogous regulatory regimes being considered or implemented outside of the European Union, such as in Korea and Taiwan.

Although the total long-term cost for REACH compliance is unknown at this time, we spent approximately $4 million, $8 million and $5 million in 2013, 2012 and 2011, respectively, to meet the initial REACH requirements. We cannot provide assurance that these recent expenditures are indicative of future amounts that we may be required to spend for REACH compliance.

19. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS (Continued)

GREENHOUSE GAS REGULATION

Globally, our operations are increasingly subject to regulations that seek to reduce emissions of GHGs, such as carbon dioxide and methane, which may be contributing to changes in the Earth's climate. At the Durban negotiations of the Conference of the Parties to the Kyoto Protocol in 2012, a limited group of nations, including the European Union, agreed to a second commitment period for the Kyoto Protocol, an international treaty that provides for reductions in GHG emissions. More significantly, the European Union GHG Emissions Trading System, established pursuant to the Kyoto Protocol to reduce GHG emissions in the European Union, continues in its third phase. The European Union parliament continues with a process to formalized "backloading"—the withholding of GHG allowances to prop up carbon prices. In addition, the European Union has recently announced its intentions to cut GHG emissions to 40% below 1990 levels by 2040 and impose a 27% renewable energy requirement at the European Union level. In the U.S., California has commenced the first compliance period of its cap-and-trade program. In June 2013, China implemented its first pilot carbon emissions exchange in Shenzhen, China. Pilot carbon emissions schemes have also begun in Beijing, Shanghai, Guangdong, and Tianjin. Further expansion of China's regional cap-and-trade is planned, and ultimately it is expected that these regional systems will form the backbone of a national cap-and-trade program. As these programs have not been fully implemented and have experienced significant price volatility on low early trading volumes, we are unable at this time to determine their impact on our operations.

Federal climate change legislation in the U.S. appears unlikely in the near-term. As a result, domestic efforts to curb GHG emissions will continue to be led by the EPA's GHG regulations and the efforts of states. To the extent that our domestic operations are subject to the EPA's GHG regulations, we may face increased capital and operating costs associated with new or expanded facilities. Significant expansions of our existing facilities or construction of new facilities may be subject to the CAA Prevention of Significant Deterioration requirements under the EPA's GHG "Tailoring Rule." Some of our facilities are also subject to the EPA's Mandatory Reporting of Greenhouse Gases rule, and any further regulation may increase our operational costs.

Under a consent decree with states and environmental groups, the EPA is due to propose new source performance standards for GHG emissions from refineries. These standards could significantly increase the costs of constructing or adding capacity to refineries and may ultimately increase the costs or decrease the supply of refined products. Either of these events could have an adverse effect on our business.

We are already managing and reporting GHG emissions, to varying degrees, as required by law for our sites in locations subject to Kyoto Protocol obligations and/or European Union emissions trading scheme requirements. Although these sites are subject to existing GHG legislation, few have experienced or anticipate significant cost increases as a result of these programs, although it is possible that GHG emission restrictions may increase over time. Potential consequences of such restrictions include capital requirements to modify assets to meet GHG emission restrictions and/or increases in energy costs above the level of general inflation, as well as direct compliance costs. Currently, however, it is not possible to estimate the likely financial impact of potential future regulation on any of our sites.

Finally, it should be noted that some scientists have concluded that increasing concentrations of GHGs in the earth's atmosphere may produce climate changes that have significant physical effects,

19. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS (Continued)

such as increased frequency and severity of storms, droughts, and floods and other climatic events. If any of those effects were to occur, they could have an adverse effect on our assets and operations.

Port Neches Flaring Matter

As part of the EPA's national enforcement initiative on flaring operations and by letter dated October 12, 2012, the DOJ notified us that we were in violation of the CAA based on our response to a 2010 CAA Section 114 Information Request. The EPA has used the enforcement initiative to bring similar actions against refiners and other chemical manufacturers. Specifically, the EPA alleged violations at our Port Neches, Texas facility from 2007-2012 for flare operations not consistent with good pollution control practice and not in compliance with certain flare-related regulations. As a result of these findings, the EPA referred this matter to the DOJ. We provided a formal response to the DOJ and the EPA with a supplemental data submission on April 29, 2013. We have been engaged in discussions with the DOJ and the EPA regarding these alleged violations. We are currently unable to determine the likelihood or magnitude of potential penalty or injunctive relief that may be incurred in resolving this matter.

20. HUNTSMAN CORPORATION STOCKHOLDERS' EQUITY

Dividends on Common Stock

During each quarter of 2013, we paid cash dividends of $30 million, or $0.125 per share, to common stockholders for a total of $120 million of cash dividends paid during 2013. During each quarter of 2012, we paid cash dividends of $24 million, or $0.10 per share, to common stockholders for a total of $96 million of cash dividends paid during 2012.

21. STOCK-BASED COMPENSATION PLAN

Under the Stock Incentive Plan, a plan approved by stockholders, we may grant non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, phantom stock, performance awards and other stock-based awards to our employees, directors and consultants and to employees and consultants of our subsidiaries, provided that incentive stock options may be granted solely to employees. The terms of the grants are fixed at the grant date. As of December 31, 2013 we were authorized to grant up to 32.6 million shares under the Stock Incentive Plan. As of December 31, 2013, we had 6 million shares remaining under the Stock Incentive Plan available for grant. Option awards have a maximum contractual term of 10 years and generally must have an exercise price at least equal to the market price of our common stock on the date the option award is granted. Stock-based awards generally vest over a three-year period.

The compensation cost from continuing operations under the Stock Incentive Plan was as follows (dollars in millions):

	Year ended December 31,		
	2013	2012	2011
Compensation cost	$29	$27	$24

21. STOCK-BASED COMPENSATION PLAN (Continued)

The total income tax benefit recognized in the statement of operations for stock-based compensation arrangements was $7 million, $6 million and $6 million for the years ended December 31, 2013, 2012 and 2011, respectively.

The fair value of each stock option award is estimated on the date of grant using the Black-Scholes valuation model that uses the assumptions noted in the following table. Expected volatilities are based on the historical volatility of our common stock through the grant date. The expected term of options granted was estimated based on the contractual term of the instruments and employees' expected exercise and post-vesting employment termination behavior. The risk-free rate for periods within the contractual life of the option was based on the U.S. Treasury yield curve in effect at the time of grant. The assumptions noted below represent the weighted averages of the assumptions utilized for all stock options granted during the year.

	Year ended December 31,		
	2013	2012	2011
Dividend yield	2.8%	3.0%	2.3%
Expected volatility	62.5%	65.3%	65.6%
Risk-free interest rate	1.0%	1.3%	2.8%
Expected life of stock options granted during the period	5.6 years	6.6 years	6.6 years

STOCK OPTIONS

A summary of stock option activity under the Stock Incentive Plan as of December 31, 2013 and changes during the year then ended is presented below:

Option Awards	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
	(in thousands)		(years)	(in millions)
Outstanding at January 1, 2013	10,517	$14.52		
Granted	1,239	17.87		
Exercised	(1,365)	9.65		
Forfeited	(372)	21.18		
Outstanding at December 31, 2013	10,019	15.39	4.9	$92
Exercisable at December 31, 2013	7,614	15.14	3.8	72

The weighted-average grant-date fair value of stock options granted during 2013, 2012 and 2011 was $7.93, $6.36 and $9.17 per option, respectively. As of December 31, 2013, there was $10 million of total unrecognized compensation cost related to nonvested stock option arrangements granted under the Stock Incentive Plan. That cost is expected to be recognized over a weighted-average period of approximately 1.7 years.

During the years ended December 31, 2013, 2012 and 2011, the total intrinsic value of stock options exercised was $14 million, $10 million and $19 million, respectively.

21. STOCK-BASED COMPENSATION PLAN (Continued)

NONVESTED SHARES

Nonvested shares granted under the Stock Incentive Plan consist of restricted stock, which is accounted for as an equity award, and phantom stock, which is accounted for as a liability award because it can be settled in either stock or cash. A summary of the status of our nonvested shares as of December 31, 2013 and changes during the year then ended is presented below:

	Equity Awards		Liability Awards	
	Shares	Weighted Average Grant-Date Fair Value	Shares	Weighted Average Grant-Date Fair Value
	(in thousands)		(in thousands)	
Nonvested at January 1, 2013	1,789	$13.87	638	$14.50
Granted	803	17.88	270	17.85
Vested	(753)(1)	14.61	(314)	14.57
Forfeited	(9)	17.01	(20)	15.60
Nonvested at December 31, 2013	1,830	15.31	574	16.03

(1) As of December 31, 2013, a total of 591,106 restricted stock units were vested, of which 74,768 vested during 2013. These shares have not been reflected as vested shares in this table because, in accordance with the restricted stock unit agreements, shares of common stock are not issued for vested restricted stock units until termination of employment.

As of December 31, 2013, there was $21 million of total unrecognized compensation cost related to nonvested share compensation arrangements granted under the Stock Incentive Plan. That cost is expected to be recognized over a weighted-average period of approximately 1.7 years. The value of share awards that vested during the years ended December 31, 2013, 2012 and 2011 was $18 million, $21 million and $23 million, respectively.

22. OTHER COMPREHENSIVE INCOME (LOSS)

Other comprehensive income (loss) consisted of the following (dollars in millions):

	Foreign currency translation adjustment(a)	Pension and other postretirement benefits adjustments, net of tax(b)	Other comprehensive income of unconsolidated affiliates	Other, net	Total	Amounts attributable to noncontrolling interests	Amounts attributable to Huntsman Corporation
Beginning balance, January 1, 2013	$269	$(1,036)	$ 7	$ 3	$(757)	$13	$(744)
Other comprehensive (loss) income before reclassifications	(23)	246	5	5	233	(5)	228
Amounts reclassified from accumulated other comprehensive loss(c)	—	(61)	—	—	(61)	—	(61)
Net current-period other comprehensive (loss) income	(23)	185	5	5	172	(5)	167
Ending balance, December 31, 2013	$246	$ (851)	$12	$ 8	$(585)	$ 8	$(577)

(a) Amounts are net of tax of $13 and $20 as of December 31, 2013 and January 1, 2013, respectively.

(b) Amounts are net of tax of $83 and $197 as of December 31, 2013 and January 1, 2013, respectively.

(c) See table below for details about these reclassifications.

	Foreign currency translation adjustment(a)	Pension and other postretirement benefits adjustments, net of tax(b)	Other comprehensive income (loss) of unconsolidated affiliates	Other, net	Total	Amounts attributable to noncontrolling interests	Amounts attributable to Huntsman Corporation
Beginning balance, January 1, 2012	$218	$ (800)	$ 8	$ 3	$(571)	$12	$(559)
Other comprehensive income (loss) before reclassifications	51	(194)	(1)	—	(144)	1	(143)
Amounts reclassified from accumulated other comprehensive loss(c)	—	(42)	—	—	(42)	—	(42)
Net current-period other comprehensive income (loss)	51	(236)	(1)	—	(186)	1	(185)
Ending balance, December 31, 2012	$269	$(1,036)	$ 7	$ 3	$(757)	$13	$(744)

(a) Amounts are net of tax of $20 and $24 as of December 31, 2012 and January 1, 2012, respectively.

(b) Amounts are net of tax of $197 and $124 as of December 31, 2012 and January 1, 2012, respectively.

(c) See table below for details about these reclassifications.

22. OTHER COMPREHENSIVE INCOME (LOSS) (Continued)

Details about Accumulated Other Comprehensive Loss Components(a):	Year ended December 31, 2013 Amount reclassified from accumulated other comprehensive loss	Year ended December 31, 2012 Amount reclassified from accumulated other comprehensive loss	Year ended December 31, 2011 Amount reclassified from accumulated other comprehensive loss	Affected line item in the statement where net income is presented
Amortization of pension and other postretirement benefits:				
Prior service credit	$ 8	$ 10	$ 9	(b)
Actuarial loss	(80)	(46)	(34)	(b)(c)
Settlement loss	(12)	(13)	—	(b)
	(84)	(49)	(25)	Total before tax
	23	7	5	Income tax expense
Total reclassifications for the period	$(61)	$(42)	$(20)	Net of tax

(a) Pension and other postretirement benefits amounts in parentheses indicate credits on our condensed consolidated statements of operations.

(b) These accumulated other comprehensive loss components are included in the computation of net periodic pension costs. See "Note 16. Employee Benefit Plans."

(c) Amounts contain approximately $6 million, $4 million and $3 million of actuarial losses related to discontinued operations for the years ended December 31, 2013, 2012 and 2011, respectively.

Items of other comprehensive income (loss) of our Company and our consolidated affiliates have been recorded net of tax, with the exception of the foreign currency translation adjustments related to subsidiaries with earnings permanently reinvested. The tax effect is determined based upon the jurisdiction where the income or loss was recognized and is net of valuation allowances.

23. RELATED PARTY TRANSACTIONS

Our consolidated financial statements include the following transactions with our affiliates not otherwise disclosed (dollars in millions):

	Year ended December 31, 2013	2012	2011
Sales to:			
Unconsolidated affiliates	$232	$223	$180
Inventory purchases from:			
Unconsolidated affiliates	597	565	465

Pursuant to an agreement entered into in 2001, our subsidiary Airstar Corporation ("Airstar") subleases a Gulfstream IV-SP Aircraft (the "Aircraft") from Jstar Corporation ("Jstar"), a corporation wholly owned by Jon M. Huntsman. Jon M. Huntsman is the Executive Chairman and the father of our Chief Executive Officer, Peter R. Huntsman, and our director, Jon M. Huntsman, Jr. In 2011, this arrangement was extended for an additional 10 year period. Under this arrangement, monthly sublease payments from Airstar to Jstar are approximately $115,000, and an aggregate of $11 million is payable through the end of the remaining eight year lease term. These monthly sublease payments are used to fund financing costs paid by Jstar to a leasing company. An unrelated third party pays $2.4 million per

23. RELATED PARTY TRANSACTIONS (Continued)

year to our subsidiary for such third party's part-time use of the Aircraft (or an alternate owned by us if the Aircraft is unavailable), subject to an annual adjustment, which typically has been at least fair market value for the number of flight hours used by such third party. We bear all other costs of operating the Aircraft. In accordance with our Aircraft Use Policy, we have entered into aircraft time-sharing agreements with certain members of the Huntsman family, pursuant to which these persons pay for the costs of any personal use of the Aircraft by them.

An agreement was reached prior to the initial public offering of our common stock in February 2005 with the Huntsman Foundation, a private charitable foundation established by Jon M. and Karen H. Huntsman, to further the charitable interests of the Huntsman family, that we would donate our Salt Lake City office building and our option to acquire an adjacent undeveloped parcel of land to the foundation free of debt. On March 24, 2010, we completed this donation. At the time of the donation, the building had an appraised value of approximately $10 million. We continue to occupy and use a portion of the building under a lease pursuant to which we make annual lease payments of approximately $2 million to the Huntsman Foundation. During each of the years ended 2013, 2012 and 2011, we made payments of approximately $2 million to the Huntsman Foundation under the lease. The lease expires on December 31, 2018, subject to a five-year extension, at our option.

Through May 2002, we paid the premiums on various life insurance policies for Jon M. Huntsman. These policies have been liquidated, and the cash values have been paid to Mr. Huntsman. Mr. Huntsman is indebted to us in the amount of approximately $2 million with accrued interest, which represents the insurance premiums paid on his behalf through May 2002. This amount is included in other noncurrent assets in our consolidated balance sheets.

24. OPERATING SEGMENT INFORMATION

We derive our revenues, earnings and cash flows from the manufacture and sale of a wide variety of differentiated and commodity chemical products. We have reported our operations through five segments: Polyurethanes, Performance Products, Advanced Materials, Textile Effects and Pigments. We have organized our business and derived our operating segments around differences in product lines.

The major products of each reportable operating segment are as follows:

Segment	Products
Polyurethanes	MDI, PO, polyols, PG, TPU, aniline and MTBE
Performance Products	amines, surfactants, LAB, maleic anhydride, other performance chemicals, EG, olefins and technology licenses
Advanced Materials	Basic liquid and solid epoxy resins; specialty resin compounds; cross-linking, matting and curing agents; epoxy, acrylic and polyurethane-based formulations
Textile Effects	textile chemicals and dyes
Pigments	titanium dioxide

24. OPERATING SEGMENT INFORMATION (Continued)

Sales between segments are generally recognized at external market prices and are eliminated in consolidation. We use EBITDA to measure the financial performance of our global business units and for reporting the results of our operating segments. This measure includes all operating items relating to the businesses. The EBITDA of operating segments excludes items that principally apply to our Company as a whole. The revenues and EBITDA for each of our reportable operating segments are as follows (dollars in millions):

	Year ended December 31,		
	2013	2012	2011
Revenues:			
Polyurethanes	$ 4,964	$ 4,894	$ 4,434
Performance Products	3,019	3,065	3,301
Advanced Materials	1,267	1,325	1,372
Textile Effects	811	752	737
Pigments	1,269	1,436	1,642
Eliminations	(251)	(285)	(265)
Total	$11,079	$11,187	$11,221
Segment EBITDA(1):			
Polyurethanes	$ 696	$ 726	$ 469
Performance Products	372	360	385
Advanced Materials	86	54	125
Textile Effects	(78)	(49)	(199)
Pigments	79	352	501
Corporate and other(2)	(261)	(251)	(236)
Subtotal	894	1,192	1,045
Discontinued Operations(3)	(5)	(5)	(6)
Total	889	1,187	1,039
Interest expense, net	(190)	(226)	(249)
Income tax expense—continuing operations	(125)	(169)	(109)
Income tax benefit—discontinued operations	2	3	5
Depreciation and amortization	(448)	(432)	(439)
Net income attributable to Huntsman Corporation	$ 128	$ 363	$ 247
Depreciation and Amortization:			
Polyurethanes	$ 156	$ 152	$ 160
Performance Products	121	113	110
Advanced Materials	38	31	33
Textile Effects	17	23	27
Pigments	73	69	74
Corporate and other(2)	41	39	35
Subtotal	446	427	439
Discontinued Operations	2	5	—
Total	$ 448	$ 432	$ 439

24. OPERATING SEGMENT INFORMATION (Continued)

	Year ended December 31,		
	2013	2012	2011
Capital Expenditures:			
Polyurethanes	$ 132	$ 107	$ 85
Performance Products	115	117	96
Advanced Materials	73	41	39
Textile Effects	31	27	34
Pigments	98	98	57
Corporate and other	22	22	19
Total	$ 471	$ 412	$ 330

	December 31,		
	2013	2012	2011
Total Assets(4):			
Polyurethanes	$2,839	$2,733	$2,687
Performance Products	2,320	2,242	2,205
Advanced Materials	918	909	874
Textile Effects	653	630	591
Pigments	1,469	1,536	1,376
Corporate and other	989	834	924
Total	$9,188	$8,884	$8,657

(1) Segment EBITDA is defined as net income attributable to Huntsman Corporation before interest, income tax, depreciation and amortization, and certain Corporate and other items.

(2) Corporate and other includes unallocated corporate overhead, unallocated foreign exchange gains and losses, LIFO inventory valuation reserve adjustments, loss on early extinguishment of debt, expenses associated with the Terminated Merger and related litigation, unallocated restructuring, impairment and plant closing costs and non-operating income and expense.

(3) The operating results of our former polymers, base chemicals and Australian styrenics businesses are classified as discontinued operations, and, accordingly, the revenues of these businesses are excluded for all periods presented. The EBITDA of our former polymers, base chemicals and Australian styrenics businesses are included in discontinued operations for all periods presented.

(4) Effective in the fourth quarter of 2013, we began reclassifying cash and deferred tax amounts from our business segments to Corporate and other and we began reclassifying intercompany investment amounts from our business segments to Corporate and other to

24. OPERATING SEGMENT INFORMATION (Continued)

mirror the treatment of related elimination amounts. The amounts for prior periods have been reclassified to conform to the current presentation.

	Year ended December 31,		
	2013	2012	2011
By Geographic Area			
Revenues(1):			
United States	$ 3,319	$ 3,347	$ 3,470
China	1,081	1,040	944
Mexico	853	954	723
Germany	586	600	638
Italy	437	465	558
Other nations	4,803	4,781	4,888
Total	$11,079	$11,187	$11,221

	December 31,		
	2013	2012	2011
Long-lived assets(2):			
United States	$1,422	$1,387	$1,390
The Netherlands	356	351	310
United Kingdom	312	314	306
Saudi Arabia	220	231	243
Germany	200	201	205
China	202	169	162
Italy	197	164	152
Switzerland	154	163	166
France	162	154	126
Spain	138	147	157
Other nations	461	464	405
Total	$3,824	$3,745	$3,622

(1) Geographic information for revenues is based upon countries into which product is sold.

(2) Long-lived assets consist of property, plant and equipment, net.

25. SELECTED UNAUDITED QUARTERLY FINANCIAL DATA

A summary of selected unaudited quarterly financial data for the years ended December 31, 2013 and 2012 is as follows (dollars in millions, except per share amounts):

	Three months ended			
	March 31, 2013	June 30, 2013	September 30, 2013	December 31, 2013
Revenues	$2,702	$2,830	$2,842	$2,705
Gross profit	349	451	507	446
Restructuring, impairment and plant closing costs	44	29	37	41
(Loss) income from continuing operations	(15)	54	72	43
Net (loss) income	(17)	54	70	42
Net (loss) income attributable to Huntsman Corporation	(24)	47	64	41
Basic income (loss) per share(3):				
(Loss) income from continuing operations attributable to Huntsman Corporation common stockholders	(0.09)	0.20	0.28	0.17
Net (loss) income attributable to Huntsman Corporation common stockholders	(0.10)	0.20	0.27	0.17
Diluted (loss) income per share(3):				
(Loss) income from continuing operations attributable to Huntsman Corporation common stockholders	(0.09)	0.19	0.27	0.17
Net (loss) income attributable to Huntsman Corporation common stockholders	(0.10)	0.19	0.26	0.17

25. SELECTED UNAUDITED QUARTERLY FINANCIAL DATA (Continued)

	Three months ended			
	March 31, 2012(1)	June 30, 2012	September 30, 2012(1)	December 31, 2012(1)(2)
Revenues	$2,913	$2,914	$2,741	$2,619
Gross profit	550	527	537	420
Restructuring, impairment and plant closing costs	—	5	47	40
Income (loss) from continuing operations	167	130	120	(39)
Income (loss) before extraordinary gain	163	128	119	(39)
Net income (loss)	163	128	120	(38)
Net income (loss) attributable to Huntsman Corporation	163	124	116	(40)
Basic income (loss) per share(3):				
Income (loss) from continuing operations attributable to Huntsman Corporation common stockholders	0.71	0.53	0.49	(0.17)
Net income (loss) attributable to Huntsman Corporation common stockholders	0.69	0.52	0.49	(0.17)
Diluted income (loss) per share(3):				
Income (loss) from continuing operations attributable to Huntsman Corporation common stockholders	0.70	0.52	0.48	(0.17)
Net income (loss) attributable to Huntsman Corporation common stockholders	0.68	0.52	0.48	(0.17)

(1) During 2012, our Polyurethanes segment implemented a restructuring program to reduce annualized fixed costs. In connection with this program, we recorded restructuring expenses of $5 million, $32 million and $1 million in the first, third and fourth quarters of 2012, respectively.

(2) During the fourth quarter of 2012, our Advanced Materials segment began implementing a global transformational change program, subject to consultation with relevant employee representatives, designed to improve the segment's manufacturing efficiencies, enhance commercial excellence and ensure its long-term global competitiveness. In connection with this global transformational change program, we recorded charges of $28 million related primarily to workforce reduction costs.

Also during the fourth quarter of 2012, we recorded a loss on early extinguishment of debt of $77 million in connection with the redemption of $400 million of our 2016 Senior Notes.

(3) Basic and diluted income per share are computed independently for each of the quarters presented based on the weighted average number of common shares outstanding during that period. Therefore, the sum of quarterly basic and diluted per share information may not equal annual basic and diluted earnings per share.

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MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information and Holders

Our common stock is listed on the New York Stock Exchange under the symbol "HUN." As of February 3, 2014, there were approximately 191 stockholders of record and the closing price of our common stock on the New York Stock Exchange was $21.28 per share.

The reported high and low sale prices of our common stock on the New York Stock Exchange for each of the periods set forth below are as follows:

Period	High	Low
2013		
First Quarter	$19.51	$16.16
Second Quarter	20.14	16.02
Third Quarter	21.11	16.18
Fourth Quarter	24.74	20.53

Period	High	Low
2012		
First Quarter	$14.92	$ 9.75
Second Quarter	15.98	11.51
Third Quarter	16.35	10.99
Fourth Quarter	17.17	14.18

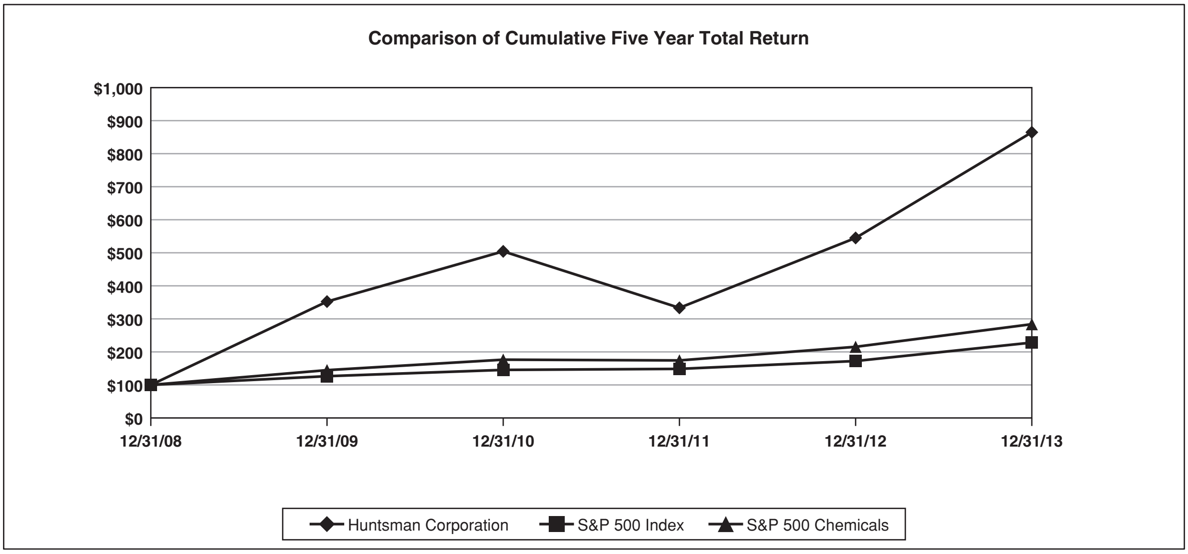
Dividends

During each quarter of 2013, we paid cash dividends of $30 million, or $0.125 per share, to common stockholders for a total of $120 million of cash dividends paid during 2013. During each quarter of 2012, we paid cash dividends of $24 million, or $0.10 per share, to common stockholders for a total of $96 million of cash dividends paid during 2012. The payment of dividends is a business decision made by our Board of Directors from time to time based on our earnings, financial position and prospects, and such other considerations as our Board of Directors considers relevant. Accordingly, while management currently expects that the Company will continue to pay the quarterly cash dividend, its dividend practice may change at any time.

Purchases of Equity Securities by the Company

None.

STOCK PERFORMANCE GRAPH



Total Return To Shareholders
(Includes reinvestment of dividends)

Company / Index	ANNUAL RETURN PERCENTAGE Years Ending 12/31/09	12/31/10	12/31/11	12/31/12	12/31/13
Huntsman Corporation	252.30	43.15	−33.90	63.47	58.69
S&P 500 Index	26.46	15.06	2.11	16.00	32.39
S&P 500 Chemicals	44.76	21.90	−1.26	23.61	31.80

Company / Index	Base Period 12/31/08	INDEXED RETURNS Years Ending 12/31/09	12/31/10	12/31/11	12/31/12	12/31/13
Huntsman Corporation	**100**	352.30	504.32	333.34	544.92	864.72
S&P 500 Index	**100**	126.46	145.51	148.59	172.37	228.19
S&P 500 Chemicals	**100**	144.76	176.46	174.24	215.38	283.88

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CORPORATE INFORMATION

HEADQUARTERS

10003 Woodloch Forest Drive
The Woodlands, Texas 77380
Tel.: +1-281-719-6000

500 Huntsman Way
Salt Lake City, Utah 84108
Tel.: +1-801-584-5700

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP

STOCKHOLDER INQUIRIES

Inquiries from stockholders and other interested parties regarding our company are always welcome. Please direct your requests to:

Investor Relations
500 Huntsman Way
Salt Lake City, Utah 84108
Tel.: +1-801-584-5959
Fax.: +1-801-584-5788
Email: ir@huntsman.com

STOCK TRANSFER AGENT

By Regular Mail:
Computershare
P.O. Box 30170
College Station, TX 77842
United States of America

By Overnight Delivery:
Computershare
211 Quality Circle
Suite 210
College Station, TX 77845
United States of America

Toll Free: 1-866-210-6997
International: +1-201-680-6578
TTY—Hearing Impaired Toll Free:
1-800-952-9245
TTY—Hearing Impaired International:
+1-781-575-4592

Website:
www.computershare.com/investor

STOCK LISTING

Our common stock is listed on the New York Stock Exchange under the symbol HUN.

HUN
LISTED
NYSE

ANNUAL MEETING

The 2014 annual meeting of stockholders will take place on Thursday, May 8, 2014 at 8:30 a.m., local time, at the following location:
The Woodlands Waterway Marriott
Hotel and Convention Center
1601 Lake Robbins Drive
The Woodlands, Texas 77380
Tel.: +1-281-367-9797

WEBSITE

www.huntsman.com

FORWARD-LOOKING STATEMENTS

Statements in this report that are not historical are forward-looking statements. These statements are based on management's current belief and expectations. The forward-looking statements in this report are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect our operations, markets, products, services, prices and other factors as discussed in our filings with the 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. We assume no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.

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www.curran-connors.com

HUNTSMAN

Enriching lives through innovation

Global Headquarters
Huntsman Corporation
10003 Woodloch Forest Drive
The Woodlands, Texas 77380 USA
Telephone +1-281-719-6000
Fax +1-281-719-6416

www.huntsman.com