Huntsman Corporation (NYSE – HUN)
Third Quarter 2026 Prepared Comments
November 2, 2026

On November 3, 2026, at 9:00 a.m. ET, Peter Huntsman, Chairman, President and CEO, and Phil Lister, Executive Vice President and CFO, will host a public question-and-answer session with analysts accessible on our website or by telephone as detailed in our third quarter 2026 financial results news release. These are their prepared remarks to accompany our results. They should be read together with the third quarter 2026 financial results news release and earnings slides, both of which were publicly issued and posted on our website (www.huntsman.com/investors) after the close of NYSE trading on November 2, 2026.

This document, the accompanying slides, and the call/webcast include certain forward-looking statements about our projections or expectations for the future. All such statements are forward-looking statements and, while they reflect our current expectations, they involve risks and uncertainties and are not guarantees of future performance. You should review our filings with the SEC for more information regarding factors that could cause actual results to differ materially from these projections or expectations. We do not plan on publicly updating or revising any forward-looking statements during the quarter.

We also refer to certain non-GAAP financial measures such as adjusted EBITDA, adjusted net income or loss and free cash flow. You can find reconciliations to the most directly comparable GAAP financial measures in our earnings release which has been posted to our website at www.huntsman.com/investors.

Slide 4: Overview

Huntsman reported third quarter 2026 revenues of $1.7 billion and adjusted EBITDA of $132 million. Third quarter net loss attributable to Huntsman was $18 million and operating cash flow provided by continuing operations was $115 million.

Slide 5: Polyurethanes

Third quarter adjusted EBITDA for the Polyurethanes division was $75 million. Sales volumes rose 2% year over year, primarily reflecting growth in the Americas. Industrial markets, including adhesives and elastomers, drove end-market growth, as well as some increased share with select key customers.

Demand remained steady throughout the quarter, with no meaningful change in underlying fundamentals. However, raw material costs remained volatile as European energy costs and global benzene prices rose sharply in the second quarter and continued at elevated levels in the third quarter. In response, our Polyurethanes business implemented price increases across all regions. However, the fourth quarter is seasonally weaker, and already-low demand is adding to the competitive conditions in Europe and North America that will make it challenging to offset the higher costs in a timely matter.

Adjusted EBITDA for the third quarter increased 56% versus the prior year, due to improved margins, higher volumes and restructuring savings. In addition, our China PO/MTBE joint venture delivered better earnings compared to last year. Third quarter adjusted EBITDA margin stood at 7%, above both the second quarter and prior year, although still notably below the mid-cycle average suggesting substantial room for improvement when industry conditions recover.

Volumes in the Americas rose approximately 5% from the prior-year third quarter, benefiting from favorable comparisons, select business wins in furniture and insulation, and stronger industrial demand. Price increases have generally offset higher costs but margins remain low. Recent industry capacity additions are also creating near-term headwinds. We expect North American profitability to return to cycle-average levels as demand recovers, but we are not waiting for market conditions to improve. Through our previously announced restructuring initiatives, we are taking proactive steps to reduce fixed costs.

European volumes increased 1% year over year. Demand remained subdued, with improvement in adhesives and automotive offset by lower construction volumes. Despite higher benzene prices and regional natural gas costs roughly eight times those in the U.S., Europe was slightly positive on an Adjusted EBITDA basis in the third quarter, a significant improvement from the prior year. Aggressive restructuring has helped improve the region's profitability, amid substantial cost pressures and weak demand. We have announced additional price increases to offset these costs, though we expect the net impact to remain a fourth quarter headwind compared with the third quarter. Higher raw material costs are being compounded by an unplanned outage at our Rotterdam facility initiated by a third-party issue. Beginning in September, the outage primarily affected one of the facility's two lines, which was down for much of September and October but has returned to normal operations. The estimated adjusted EBITDA impact is approximately $10 million to $15 million in September and October.

Asian volumes declined slightly year over year, as growth in elastomers, adhesives, and coatings was more than offset by lower insulation and automotive volumes. Average regional MDI prices were stable to slightly higher in the third quarter, but raw material costs rose faster than pricing, placing

modest pressure on margins. In October, average MDI prices increased in response to higher costs. In the near term, Asia is expected to remain our highest returning Polyurethanes region, although meaningful improvement from current levels will likely require stronger consumer sentiment and economic activity in China. The PO/MTBE joint venture contributed $6 million to segment adjusted EBITDA, supported by stronger margins than in the prior year, and we expect the JV to remain a positive contributor in the fourth quarter.

Our global automotive business, which accounts for approximately 15% of Polyurethanes volume, declined approximately 3% in the third quarter. By contrast, our global elastomers business, representing roughly 10% of the portfolio, delivered double-digit sales growth and remained solidly profitable, with margins well above the Polyurethanes segment average. Improving trends in select TPU markets are supporting elastomers growth in 2026.

We expect our Polyurethanes business to return to cycle-average profitability, although the pace of improvement will depend on global supply and demand and a sustained recovery in construction markets. In the near term, we anticipate a sharper-than-normal seasonal decline in the fourth quarter, primarily due to the cost headwinds discussed earlier, while still delivering a material improvement from the prior-year period. We expect fourth quarter Polyurethanes adjusted EBITDA of $35 million to $50 million.

Slide 6: Performance Products

Performance Products reported third quarter 2026 adjusted EBITDA of $31 million, up 7% year over year despite the prior-year period benefiting from a $7 million reversal of a non-cash loss contingency accrual. The improvement primarily reflected stronger margins and a modestly better volume mix. Price increases implemented to offset higher raw material costs helped preserve overall margins, with adjusted EBITDA margin of 12%.

Underlying demand across most Performance Products markets remained generally stable, although some second quarter pre-buying in ethyleneamines and maleic anhydride contributed to a sharper-than-usual decline in the third quarter versus the second quarter 2026. Growth in coatings, infrastructure, gas treating, and other industrial markets offset lower construction sales. Our Saudi Arabia joint venture performed similarly to the second quarter, supported by a relatively steady production rate.

Performance Products' year-to-date and third quarter adjusted EBITDA improvement was driven by Performance Amines, which more than offset weaker ethyleneamines results compared with a very

strong 2025. Performance Amines benefited from regained market share, stronger product margins, and recent investments in ultra-pure amines serving semiconductor markets. We expect this momentum in Performance Amines to continue into 2027.

We will continue to offset most raw material cost escalation through pricing action to support margins, which remain well below mid-cycle levels. Cost reductions also remain a priority and are contributing to year-over-year improvement, including savings from the previously announced 2025 closure of the Maleic Anhydride site in Moers, Germany.

For the fourth quarter of 2026, we anticipate typical seasonal softness and currently expect Performance Products adjusted EBITDA of $20 million to $25 million.

Slide 7: Advanced Materials

Advanced Materials delivered adjusted EBITDA of $62 million in the third quarter of 2026, representing a 20% adjusted EBITDA margin. Sales increased 18% year over year, driven by 12% volume growth and favorable price/mix. Strong aerospace and power demand, along with automotive innovation gains, contributed to the division's best third-quarter performance on record.

Aerospace demand remained strong in the quarter, with sales rising significantly from the prior-year period, when industry supply chain disruptions constrained OEM build rates. We expect continued improvement as production increases, particularly for wide-body aircraft, supported by robust multi-year backlogs at Airbus and Boeing. Because our aerospace business is weighted toward wide-body platforms, higher build rates should continue to benefit results. We also expect aircraft interior adhesives to maintain strong performance and attractive margins.

All segment markets improved year over year, led by Power, Advanced Materials' most consistent growth area, which delivered another quarter of double-digit gains. We expect Power to benefit from sustained global investment in generation and grid infrastructure through at least the end of the decade. We will support this demand with modest, targeted growth investments as needed. In addition, U.S. and European PMI readings have averaged slightly above 50 in 2026, supporting improvement across most of Advanced Materials' industrial businesses.

Our long-term Advanced Materials strategy remains focused on strengthening the portfolio through targeted investments and bolt-on acquisitions as our capital structure permits. Near-term priorities include innovation-driven growth, commercial wins, and higher returns, while continuing to invest in organic initiatives and research and development, including Miralon.

Although the fourth quarter is typically seasonally weaker, we expect continued year-over-year improvement with an adjusted EBITDA range of $42 million to $47 million.

Slide 8 - 10: Year-over-Year & Quarter-over-Quarter and Cost Realignment Plans

Adjusted EBITDA for the third quarter was $132 million compared to $94 million in the third quarter of 2025 and $120 million in the prior quarter. Revenues improved by 18% compared to the prior year and increased by 3% compared to the prior quarter. Adjusted EBITDA margin improved both year-over-year and sequentially to 8%.

Volumes increased 3% year over year. North American volumes increased 5% year over year, benefiting from favorable comparisons, select business wins in furniture and insulation, and stronger industrial demand. European volumes decreased both year over and sequentially. Asia was flat sequentially and down year over year on weaker domestic demand in China. Overall, construction markets globally improved sequentially in line with typical seasonality but were flat year over year, despite an easy prior-year comparison. Outside of secular growth trends in power, aerospace and electronics, all three regions continue to face relatively subdued demand, along with elevated raw material costs.

In the third quarter, construction represented approximately 55% of global sales volumes and approximately 50% of revenue. Approximately 60% of our construction revenue globally derives from commercial or infrastructure sales, and approximately 40% comes from sales into residential end markets. By region, approximately 45% of total construction revenue came from North America sales mostly into residential housing, 25% from Europe driven by commercial sales, and approximately 20% from Asia where the majority of sales were for the infrastructure and commercial markets.

In local currency, price/mix increased 15% year over year, primarily reflecting pricing actions implemented across the portfolio in response to higher raw material costs, together with favorable mix in Advanced Materials from continued strength in aerospace and power markets. Polyurethanes price/mix increased 19% year over year and 4% sequentially, primarily reflecting price increases implemented across all regions in response to higher benzene prices and elevated European energy costs. Performance Products price/mix increased 7% year over year and 2% sequentially, reflecting pricing actions implemented to offset higher raw material costs and a modestly more favorable product mix. Advanced Materials price/mix increased 6% year over year, reflecting favorable mix from continued strength in aerospace and power markets, as well as automotive innovation gains.

SG&A expense increased slightly from the prior-year third quarter, primarily due to the timing of an approximately $15 million year-on-year movement in non-cash incentive compensation expense partially offset by our cost savings program.

Our cost realignment programs continue to support earnings improvement. In the third quarter, we achieved an annualized run-rate benefit of more than $120 million, and the programs are now substantially complete. We expect more than $50 million of cost optimization benefits in 2026, excluding inflation and changes in non-cash incentive compensation.

Corporate expenses were $36 million in the third quarter, compared with $27 million in the prior-year period and $47 million in the second quarter. The year-over-year increase primarily reflected higher non-cash incentive compensation accruals and LIFO expense, while the sequential decrease was due to foreign exchange, LIFO and cost savings benefits. For the full year, we expect Corporate and Other expense of approximately $160 million.

Our adjusted effective tax rate for the quarter was 56% and our effective tax rate was 108%. At lower levels of adjusted taxable income, our aggregate rates can fluctuate significantly depending on the level and mix of geographical income, particularly how much adjusted operating income is generated in China compared to Europe and the United States.

Slide 11: Cash Flow and Liquidity Considerations

Cash provided by operating activities from continuing operations was $115 million in the third quarter, compared with $200 million in the prior year period. Free cash flow was $82 million, compared with $157 million in the prior-year period, which benefited from inventory reductions typically realized in the fourth quarter. We continued to improve our cash conversion cycle compared to prior years through disciplined management of receivables, payables and inventory.

Capital expenditures were $33 million in the third quarter, compared with $43 million in the prior year period. We continue to manage capital spending prudently and expect full year 2026 capital expenditures of approximately $160 million. Depreciation and amortization are expected to be approximately $290 million for the year.

Net debt leverage improved to 4.7 times at the end of the third quarter, compared with approximately 6 times at the beginning of the year, and as we indicated on our prior earnings call, we expect leverage to move towards 4 times by the end of the year. We ended the quarter with approximately $0.9 billion of liquidity. The fourth quarter typically benefits from a seasonal working

capital release, and we expect this pattern to support full year cash generation in 2026. Accordingly, we continue to expect full-year free cash flow to meet our full year dividend payout.

Diluted loss per share was $0.10 in the third quarter, while adjusted diluted income per share was $0.04. Our quarterly dividend remains $0.0875 per share, representing an annual payout of $0.35 per share and an approximate dividend yield of 4%. We did not repurchase any shares during the quarter and do not currently expect to repurchase shares in 2026.

Slide 13: Merger of Equals Transaction Update

Turning to our planned merger of equals with Olin, we continue to make progress toward closing. Stockholders have approved the merger and related proposals, and regulatory clearances have been received in the United States, Brazil and other jurisdictions. Remaining reviews, including by the European Commission, are progressing, and we now expect the transaction to close in the first quarter of 2027. Also of note, the OlinHuntsman credit agreement will be in place at the time of closing with a $2.5 billion facility. Integration planning has accelerated, including development of a ground-up organizational design and Day 1 readiness plans. We remain confident in the strategic and financial benefits of the combination, including $400 million of anticipated cost synergies and integration benefits, greater scale and vertical integration, and improved profitability and resilience across the cycle. Following closing, the combined company is expected to trade on the NYSE under the ticker OHN.

This concludes our prepared remarks regarding the third quarter 2026 results and our current outlook. We look forward to updating the market when we report our fourth quarter 2026 results.

About Huntsman:
Huntsman Corporation is a publicly traded global manufacturer and marketer of diversified chemical products with 2025 revenues of approximately $6 billion from our continuing operations. Our chemical products number in the thousands and are sold worldwide to manufacturers serving a broad and diverse range of consumer and industrial end markets. We operate more than 55 manufacturing, R&D and operations facilities in approximately 25 countries and employ approximately 6,000 associates within our continuing operations. For more information about Huntsman, please visit the company's website at www.huntsman.com.

Social Media:
X: www.x.com/Huntsman_Corp
Facebook: www.facebook.com/huntsmancorp
LinkedIn: www.linkedin.com/company/huntsman

Forward-Looking Statements:

This release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, divestitures or strategic transactions, including the planned merger of equals with Olin Corporation, business trends and any other information that is not historical information. When used in this release, the words "estimates," "expects," "anticipates," "likely," "projects," "outlook," "plans," "intends," "believes," "forecasts," or future or conditional verbs, such as "will," "should," "could" or "may," and variations of such words or similar expressions are intended to identify forward-looking statements. These forward-looking statements, including, without limitation, management's examination of historical operating trends and data, are based upon our current expectations and various assumptions and beliefs. In particular, such forward-looking statements are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the Company's operations, markets, products, prices and other factors as discussed in the Company's filings with the Securities and Exchange Commission (the "SEC"). Significant risks and uncertainties may relate to, but are not limited to, uncertainties as to the timing of the contemplated merger; the possibility that the closing conditions to the contemplated merger may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant a necessary regulatory approval; the effects of disruption caused by the contemplated merger making it more difficult to maintain relationships with employees, customers, vendors and other business partners; the risk that stockholder litigation in connection with the contemplated merger may affect the timing or occurrence of the contemplated merger or result in significant costs of defense, indemnification and liability; ability to refinance existing indebtedness of Huntsman in connection with the contemplated merger; other business effects, including the effects of industry, economic or political conditions outside of the control of the parties to the contemplated merger; transaction costs; high energy costs in Europe, inflation and high capital costs, geopolitical instability, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, reorganization or restructuring of the Company's operations, including any delay of, or other negative developments affecting the ability to implement cost reductions and manufacturing optimization improvements in the Company's businesses and to realize anticipated cost savings, and other financial, operational, economic, competitive, environmental, political, legal, regulatory and technological factors. Any forward-looking statement should be considered in light of the risks set forth under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025, which may be supplemented by other risks and uncertainties disclosed in any subsequent reports filed or furnished by the Company from time to time. All forward-looking statements apply only as of the date made. Except as required by law, the Company undertakes no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.