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Huntsman Completes the Purchase of Demilec, a Leading North American Spray Polyurethane Foam Insulation Manufacturer

THE WOODLANDS, Texas, April 23, 2018 /PRNewswire/ -- Huntsman Corporation (NYSE: HUN) today announced that it has completed the purchase of Demilec, one of North America's leading manufacturers and distributors of spray polyurethane foam (SPF) insulation systems. Huntsman acquired the business from an affiliate of Sun Capital Partners, Inc., for \$350 million, subject to customary working capital adjustments, in an all-cash transaction which was funded from available liquidity.

The acquisition of Demilec is aligned with Huntsman's stated strategy to grow its downstream polyurethanes business and leverage its global platform to expand Demilec's portfolio of SPF formulations into international markets. The acquisition will generate substantial synergies as a result of Huntsman's ability to pull through significant volumes of lower margin upstream polymeric MDI into the higher margin and growing specialized SPF systems.

Demilec has annual revenues of approximately \$170 million and two manufacturing facilities located in Arlington, Texas and Boisbriand, Quebec where it produces a full suite of MDI based SPF formulations which it markets directly to applicators as well as through distributors. Demilec specializes in both closed cell and open cell formulations, with a focus on products with renewable and recyclable content that are eco-friendly, bio-preferred and reduce energy consumption through highly efficient insulation properties.

Peter Huntsman, Chairman, President and CEO commented on the acquisition: *"This is a great fit for our downstream growth strategy. We are excited to have Demilec become part of our growing Polyurethanes business. We expect to integrate the business fully by the end of this year when we expect to enjoy integrated SPF EBITDA margins greater than 25%."*

Tony Hankins, President of Huntsman's Polyurethanes division, added: *"Our approach to integration will ensure that the Demilec team remains focused on meeting the needs of their customers while benefiting from access to Huntsman's raw material supply, innovation capabilities and established global network."*

About Huntsman:

Huntsman Corporation is a publicly traded global manufacturer and marketer of differentiated and specialty chemicals with 2017 revenues more than \$8 billion. 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 75 manufacturing, R&D and operations facilities in approximately 30 countries and

employ approximately 10,000 associates within our four distinct business divisions. For more information about Huntsman, please visit the company's website at www.huntsman.com.

Social Media:

Twitter: [www.twitter.com/Huntsman_Corp](https://twitter.com/Huntsman_Corp)

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Forward-Looking Statements:

Statements in this release that are not historical are forward-looking statements. These statements are based on management's current beliefs and expectations. The forward-looking statements in this release are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the company's operations, markets, products, services, prices and other factors as discussed in the Huntsman companies' filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, reorganization or restructuring of Huntsman's operations, the ability to implement cost reductions and manufacturing optimization improvements in Huntsman businesses, and other financial, economic, competitive, environmental, political, legal, regulatory and technological factors. The company assumes no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by applicable laws.



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