



Enriching lives through innovation

Earnings Summary

Second Quarter 2019

Conference Call

Tuesday, July 30, 2019

10:00 a.m. ET

Participant dial-in numbers:

Domestic callers: (877) 402-8037

International callers: (201) 378-4913

Webcast link:

<https://78449.themediaframe.com/dataconf/productusers/hun/mediaframe/31065/index1.html>

General Disclosure

This presentation includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenue or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, business trends and other information that is not historical information. When used in this presentation, the words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” “forecasts,” or future or conditional verbs, such as “will,” “should,” “could” or “may,” and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management’s examination of historical operating trends and data, are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith, and we believe there is a reasonable basis for them. However, there can be no assurance that management’s expectations, beliefs and projections will be achieved.

The forward-looking statements in this release are subject to uncertainty and changes in circumstances and involve risks and uncertainties that may affect the company's operations, markets, products, services, prices and other factors as discussed in the Huntsman companies' filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, reorganization or restructuring of Huntsman’s operations, including any delay of, or other negative developments affecting the ability to implement cost reductions and manufacturing optimization improvements in Huntsman businesses and realize anticipated cost savings, and other financial, economic, competitive, environmental, political, legal, regulatory and technological factors. Any forward-looking statement should be considered in light of the risks set forth under the caption “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2018.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date made. We undertake no obligation to update or revise forward-looking statements which may be made to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.

This presentation contains financial measures that are not in accordance with generally accepted accounting principles in the U.S. (“GAAP”), including EBITDA, adjusted EBITDA, adjusted EBITDA from discontinued operations, adjusted net income (loss), adjusted diluted income (loss) per share, free cash flow and net debt. Reconciliations of non-GAAP measures to GAAP are provided in the financial schedules attached to the earnings news release and available on the Company's website at <http://ir.huntsman.com/>.

The Company does not provide reconciliations of forward-looking non-GAAP financial measures to the most comparable GAAP financial measures on a forward-looking basis because the Company is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and amount of certain items, such as, but not limited to, (a) business acquisition and integration expenses, (b) merger costs, and (c) certain legal and other settlements and related costs. Each of such adjustments has not yet occurred, are out of the Company's control and/or cannot be reasonably predicted. For the same reasons, the Company is unable to address the probable significance of the unavailable information.

Highlights

<i>(\$ in millions, except per share amounts)</i>	2Q19	2Q18
Revenues	\$ 2,194	\$ 2,404
Net income	\$ 118	\$ 623
Adjusted net income	\$ 146	\$ 246
Diluted income per share	\$ 0.47	\$ 1.71
Adjusted diluted income per share	\$ 0.63	\$ 1.01
Adjusted EBITDA	\$ 318	\$ 415
Net cash provided by operating activities from continuing operations	\$ 304	\$ 228
Free cash flow	\$ 240	\$ 174

Note: Pigments & Additives business is treated as discontinued operations in all periods shown

See Appendix for reconciliations and important explanatory notes

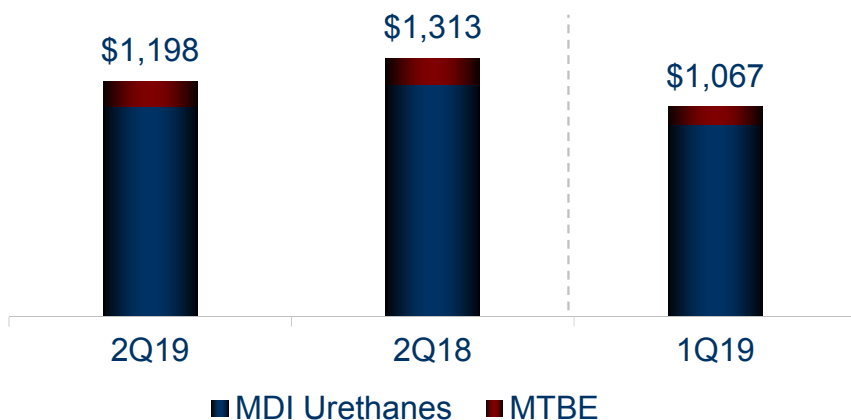
Polyurethanes

Second Quarter 2019

Revenues

\$ in millions

Y/Y ↓ 9% Q/Q ↑ 12%

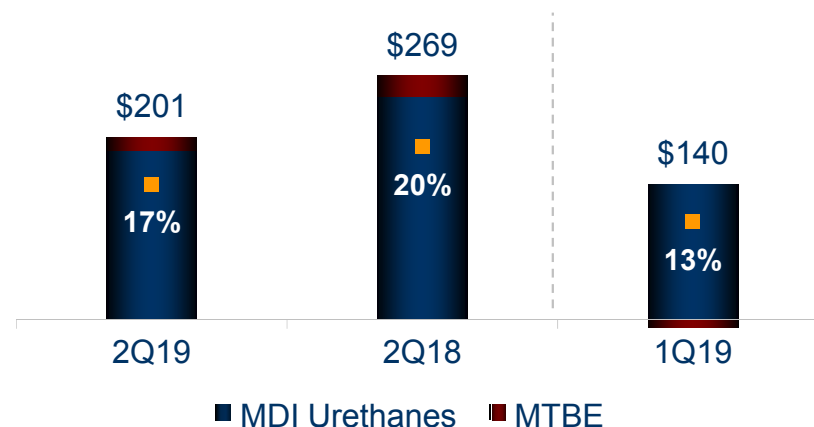


Adjusted EBITDA

\$ in millions

Adjusted PU EBITDA Margin

Y/Y ↓ 25% Q/Q ↑ 44%



Sales Factors

	Price: Local ⁽²⁾	Price: FX ⁽²⁾	Mix & Other	Volume ⁽³⁾
Y/Y	↓ 14%	↓ 3%	↑ 1%	↑ 7%
Y/Y ⁽⁴⁾	↓ 14%	↓ 3%	↑ 2%	↑ 3%
Q/Q	↓ 2%	---	↑ 1%	↑ 13%

Highlights

Current Quarter

- + Total MDI volumes grew 11% Y/Y
- + Stable differentiated MDI margins
- Lower component MDI margins
- Soft macro-economic fundamentals in China and the EU

Outlook

- + Volume growth and stable margins in differentiated business
- Lower overall component MDI margins Y/Y
- Continued demand headwinds in the EU and China markets
- Unplanned outage at Rotterdam impacts 3Q19 EBITDA ~\$20mm

(1) Excludes MTBE.

(2) Excludes sales from tolling, by-products and raw materials. Includes MTBE.

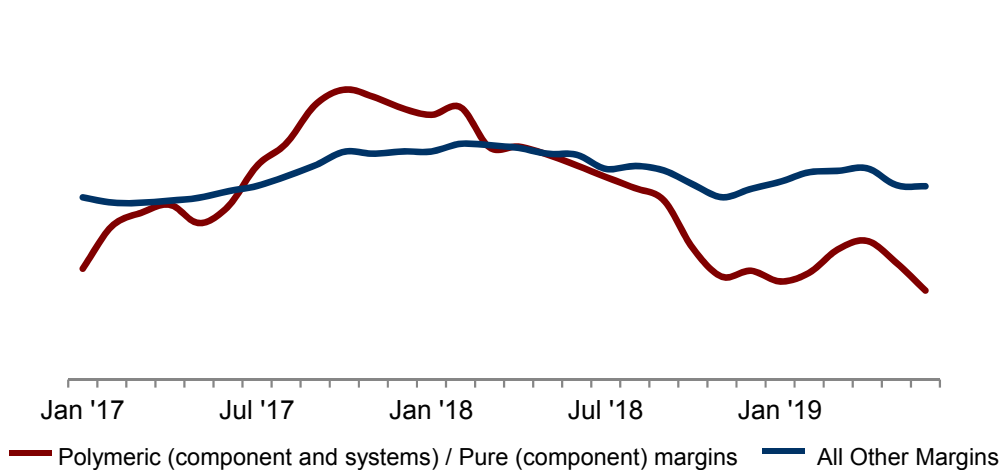
(3) Excludes sales volumes of by-products and raw materials. Includes MTBE.

(4) Pro forma adjusted for 2Q18 Rotterdam outages onset by third-party constraints; EBITDA impact of \$20mm.

Focus Remains on Moving Downstream

Differentiated Margins Remain Stable with Growth Focus

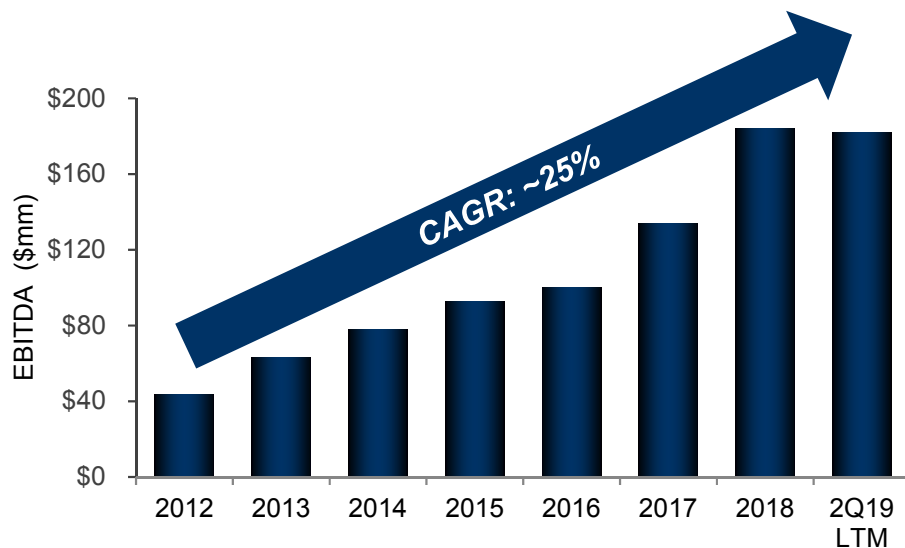
Polymeric / Pure vs. Other MDI Margins (Global)



Downstream Growth Initiatives

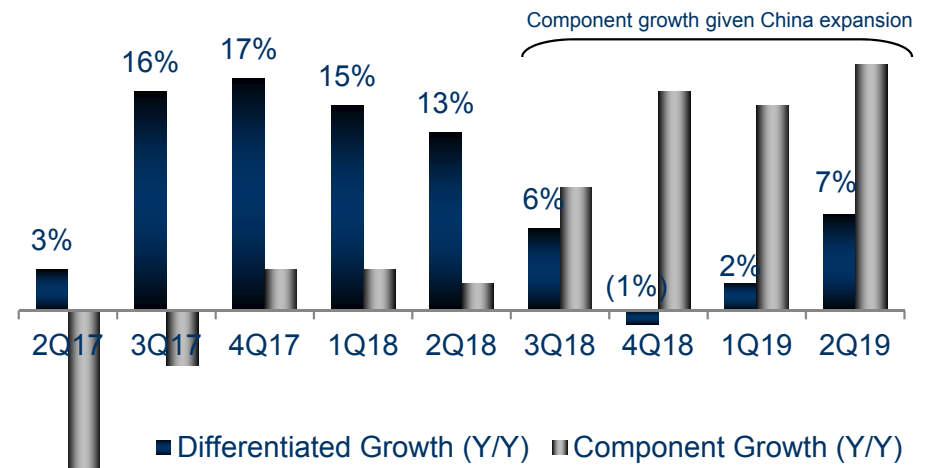
- Systems houses under construction in Dubai, North China, and Taiwan and TPU line in Jinshan, China
 - Recently opened systems house in Vietnam
- Construction of new MDI splitter in Geismar, LA to increase Americas differentiated split ratio by >50%
- Committed to bolt-on acquisition strategy to push our component MDI into our downstream businesses

EBITDA from Bolt-On Acquisitions



Focus on Differentiated Volumes

Differentiated volumes continue to grow while demonstrating stability in margins



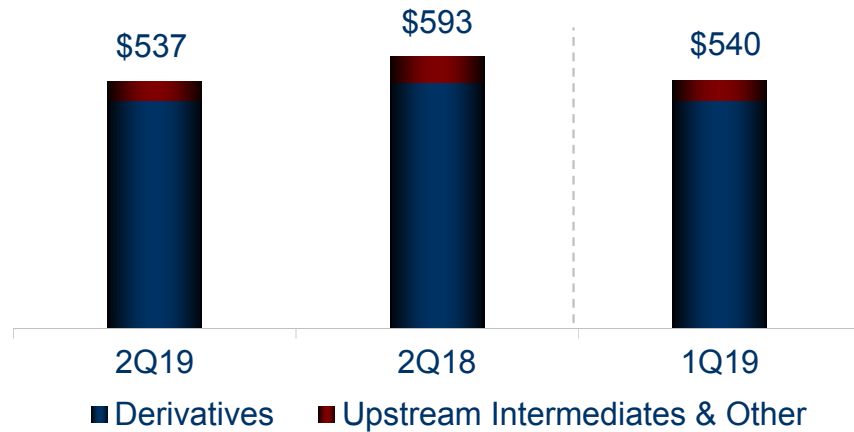
Performance Products

Second Quarter 2019

Revenues

\$ in millions

Y/Y ↓ 9% Q/Q ↓ 1%

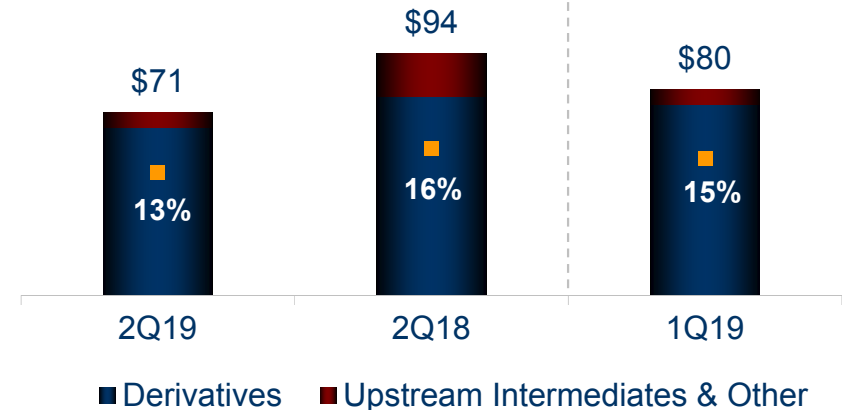


Adjusted EBITDA

\$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 24% Q/Q ↓ 11%



Sales Factors

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

Highlights

Current Quarter

- + Stable margins in maleic anhydride
- Lower demand across several markets including ag and auto
- Pressured margins in upstream intermediates and certain amines

Outlook

- + Growth in key downstream markets, incl. gas treatment and oilfield
- + Stable margins in maleic anhydride
- Lower margins in upstream intermediates and ethyleneamines

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

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

(3) Pro forma adjusted for 2Q18 multi-year scheduled maintenance; EBITDA impact of \$15mm.

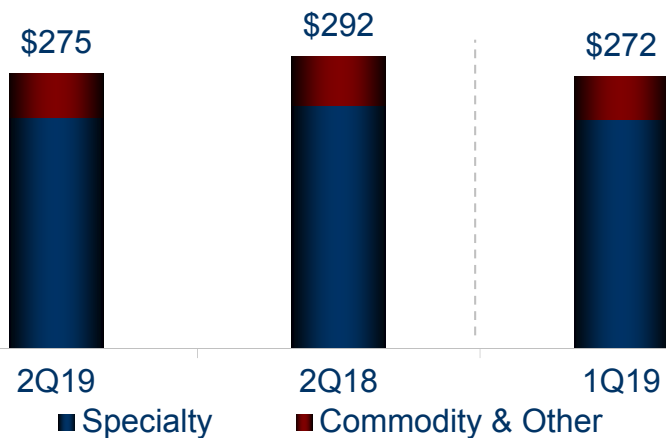
Advanced Materials

Second Quarter 2019

Revenues

\$ in millions

Y/Y ↓ 6% Q/Q ↑ 1%



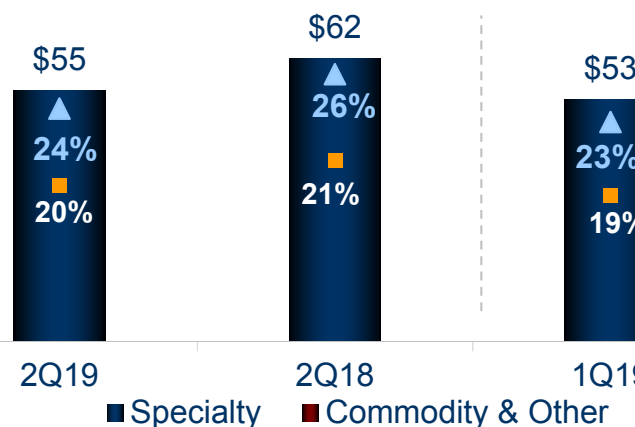
Adjusted EBITDA

\$ in millions

▲ Adj. EBITDA Margin Specialty & Differentiated

■ Adjusted EBITDA Margin

Y/Y ↓ 11% Q/Q ↑ 4%



Sales Factors

	Price: Local ⁽¹⁾	Price: FX ⁽¹⁾	Mix & Other	Volume ⁽²⁾
Y/Y	↑ 3%	↓ 4%	↓ 2%	↓ 3%
Q/Q	↑ 2%	↓ 1%	↓ 5%	↑ 5%

Highlights

Current Quarter

- + Steady aerospace growth
- Higher costs and lower demand in most industrial markets

Outlook

- + Steady growth in aerospace markets
- Demand headwinds in the EU and China markets

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

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

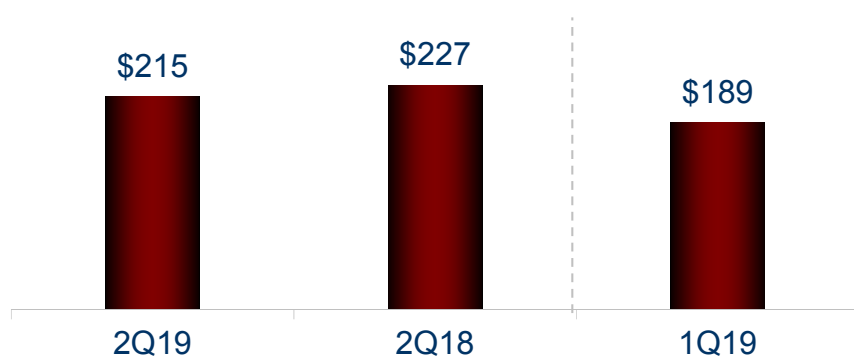
Textile Effects

Second Quarter 2019

Revenues

\$ in millions

Y/Y ↓ 5% Q/Q ↑ 14%

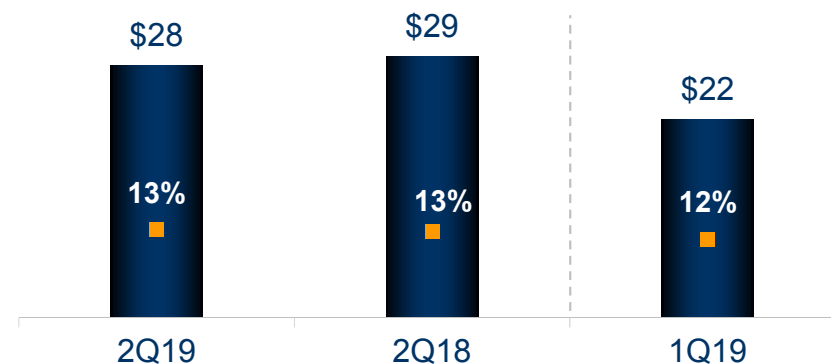


Adjusted EBITDA

\$ in millions

Adjusted EBITDA Margin

Y/Y ↓ 3% Q/Q ↑ 27%



Sales Factors

	Price: Local ⁽¹⁾	Price: FX ⁽¹⁾	Mix & Other	Volume ⁽²⁾
Y/Y	↑ 11%	↓ 4%	↓ 1%	↓ 11%
Q/Q	↑ 5%	---	↓ 1%	↑ 10%

Highlights

Current Quarter

- + Specialty volumes grew 3%
- Volume headwinds in China
- + Margin expansion

Outlook

- + Growth in specialty markets
- Continued headwinds in China and with FX

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

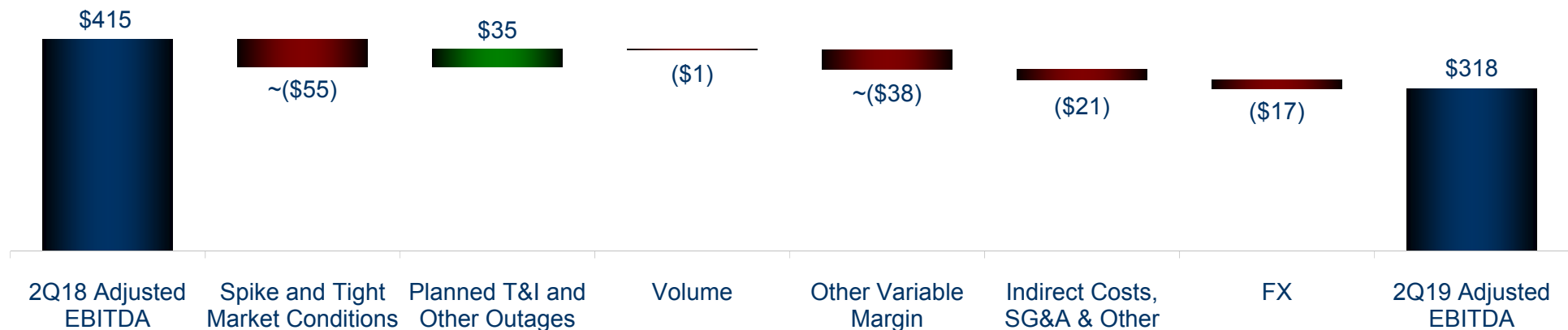
(2) Excludes sales volumes of by-products and raw materials.

Adjusted EBITDA Bridge

Second Quarter 2019 – Year / Year

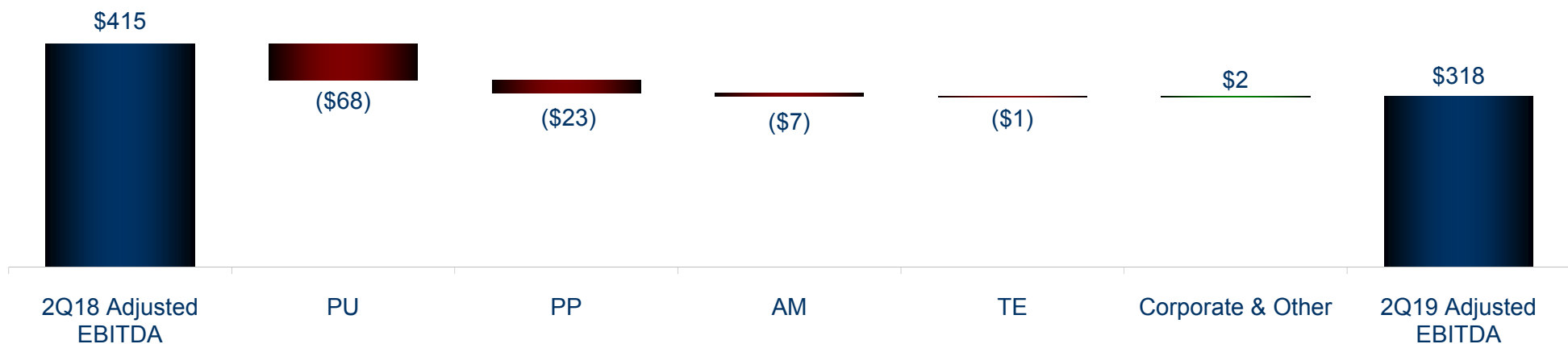
Year / Year – Total Company

\$ in millions



Year / Year – By Segment

\$ in millions



Finance and Cash Considerations

Y/Y Free Cash Flow Comparison

\$ in millions	2Q19	2Q18	1H19	1H18
Adjusted EBITDA	\$ 318	\$ 415	\$ 575	\$ 820
Capital expenditures, net	(63)	(53)	(129)	(107)
Cash interest	(27)	(47)	(53)	(59)
Cash income taxes	(54)	(51)	(68)	(77)
Primary working capital change	97	22	(41)	(151)
Restructuring	(2)	(6)	(11)	(6)
Pension	(26)	(28)	(55)	(59)
Maintenance & other	(3)	(78)	(79)	(131)
Free Cash Flow	\$ 240	\$ 174	\$ 139	\$ 230

Annual Free Cash Flow Conversion Target ~40%

2016:
One-time
working
capital
release

2017:
One-time
tax refund

2018:
One-time
China cash
management
improvement

2Q19 LTM:
One-time
China cash
management
improvement

FCF
Conversion

66%

47%

44%

46%

Pro Forma
FCF
Conversion

44%

40%

40%

40%

~40%

2016

2017

2018

2Q19 LTM

Forward
Target

Liquidity, Debt & Cash Considerations

- Liquidity
 - \$1,538mm combined cash and available borrowing capacity
 - 2019 expected capital expenditures of \$350mm - 360mm
 - Inventory returned to normal levels and is now comparable to the prior year in days
- Taxes
 - 2Q19 adj. effective tax rate 25%
 - Forward adj. effective tax rate range 22%-24%
- Other
 - 2Q19 share repurchases of \$81mm or ~4.0mm shares (as of June 30, 2019, \$608mm remained under the \$1.0bn authorized share repurchase program)
- 2019 Guidance
 - 2019 EBITDA expected to be around 20% below 2018 if market conditions remain as is
 - 2019 free cash flow conversion of ~40% to Adj. EBITDA



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Appendix

Adjusted EBITDA Reconciliation

(\$ in millions)

	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Net Income (loss)	\$ 183	\$ 179	\$ 287	\$ 350	\$ 623	\$ (8)	\$ (315)	\$ 131	\$ 118
Net income attributable to noncontrolling interests	(16)	(32)	(41)	(76)	(209)	(3)	(25)	(12)	(8)
Net income (loss) attributable to Huntsman Corporation	\$ 167	\$ 147	\$ 246	\$ 274	\$ 414	\$ (11)	\$ (340)	\$ 119	\$ 110
Interest expense, net	47	39	31	27	29	30	29	30	29
Income tax expense (benefit)	24	35	(14)	53	4	27	13	52	50
Depreciation and amortization	79	80	84	82	83	85	93	90	92
Interest, income taxes, depreciation and amortization in discontinued operations	50	34	37	29	95	(42)	(12)	(2)	2
Acquisition and integration expenses, purchase accounting adjustments	4	10	2	1	7	2	(1)	1	-
EBITDA from discontinued operations	(95)	(97)	(94)	(143)	(429)	279	418	1	-
Noncontrolling interest of discontinued operations	3	12	31	55	188	(21)	10	-	-
U.S. tax reform impact on noncontrolling interest	-	-	(6)	-	-	-	-	-	-
(Gain) loss on disposition of businesses/assets	(8)	-	(1)	-	-	-	-	-	-
Fair value adjustments to Venator Investment	-	-	-	-	-	-	62	(76)	18
Loss on early extinguishment of debt	1	35	18	-	3	-	-	23	-
Certain legal and other settlements and related expenses (income)	1	-	(12)	7	1	1	(3)	-	-
Plant incident remediation costs	-	13	3	-	-	-	1	-	-
Expenses associated with merger	6	12	10	-	1	1	-	-	-
Amortization of pension and postretirement actuarial losses	17	19	18	17	18	18	18	18	17
Restructuring, impairment, plant closing and transition costs (credits)	3	1	7	3	1	5	(13)	1	-
Adjusted EBITDA	299	340	360	405	415	374	275	257	318

	2013	2014	2015	2016	2017	2018	2Q19 LTM
Net Income	\$ 149	\$ 345	\$ 126	\$ 357	\$ 741	\$ 650	\$ (74)
Net income attributable to noncontrolling interests	(21)	(22)	(33)	(31)	(105)	(313)	(48)
Net income attributable to Huntsman Corporation	\$ 128	\$ 323	\$ 93	\$ 326	\$ 636	\$ 337	\$ (122)
Interest expense, net	190	205	205	203	165	115	118
Income tax expense	109	59	60	109	64	97	142
Depreciation and amortization	364	358	298	318	319	343	360
Interest, income taxes, depreciation and amortization in discontinued operations	98	77	85	89	154	70	(54)
Acquisition and integration expenses, purchase accounting adjustments	11	7	9	12	19	9	2
EBITDA from discontinued operations	(78)	63	217	(81)	(312)	125	698
Noncontrolling interest of discontinued operations	-	1	7	11	49	232	(11)
U.S. tax reform impact on noncontrolling interest	-	-	-	-	(6)	-	-
(Gain) loss on disposition of businesses/assets	-	(2)	1	(97)	(9)	-	-
Fair value adjustments to Venator Investment	-	-	-	-	-	62	4
Loss on early extinguishment of debt	51	28	31	3	54	3	23
Certain legal and other settlements and related expenses (income)	4	-	1	1	(11)	6	(2)
Plant incident remediation costs	-	-	-	-	16	1	1
Purchase accounting inventory adjustments	1	2	-	-	-	-	-
Expenses associated with merger	-	-	-	-	28	2	1
Amortization of pension and postretirement actuarial losses	64	41	66	55	73	71	71
Restructuring, impairment, plant closing and transition costs (credits)	160	102	87	48	20	(4)	(7)
Adjusted EBITDA	1,102	1,264	1,160	997	1,259	1,469	1,224
Acquisition of PU Systems house from Rockwood ⁽¹⁾	6	7	-	-	-	-	-
Sale of European differentiated surfactants business ⁽²⁾	(10)	(8)	(21)	(28)	-	-	-
Proforma adjusted EBITDA	\$ 1,098	\$ 1,263	\$ 1,139	\$ 969	\$ 1,259	\$ 1,469	\$ 1,224

(1) Pro forma adjusted to include the Polyurethanes system house acquired from Rockwood in October 2014.
(2) Pro forma adjusted for the sale of the European Surfactants business on December 30, 2016.

Revenue, Adjusted EBITDA & Margin by Segment

(\$ in millions)

	Pro Forma ⁽²⁾								
Revenue	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Polyurethanes	\$ 1,022	\$ 1,197	\$ 1,227	\$ 1,222	\$ 1,313	\$ 1,355	\$ 1,204	\$ 1,067	\$ 1,198
Performance Products	561	501	514	603	593	599	560	540	537
Advanced Materials	260	263	258	279	292	279	266	272	275
Textile Effects	205	193	190	200	227	204	193	189	215
Corporate, LIFO and other	6	15	14	(9)	(21)	7	13	(34)	(31)
Total	\$ 2,054	\$ 2,169	\$ 2,203	\$ 2,295	\$ 2,404	\$ 2,444	\$ 2,236	\$ 2,034	\$ 2,194

Revenue	Pro Forma ⁽²⁾⁽³⁾ 2013	Pro Forma ⁽²⁾⁽³⁾ 2014	Pro Forma ⁽²⁾⁽³⁾ 2015	Pro Forma ⁽²⁾⁽³⁾ 2016	Pro Forma ⁽²⁾ 2017	2018	2Q19 LTM
Polyurethanes	\$ 4,991	\$ 5,053	\$ 3,811	\$ 3,667	\$ 4,399	\$ 5,094	\$ 4,824
Performance Products	2,566	2,695	2,251	1,885	2,109	2,355	2,236
Advanced Materials	1,267	1,248	1,103	1,020	1,040	1,116	1,092
Textile Effects	811	896	804	751	776	824	801
Corporate, LIFO and other	(251)	(219)	(80)	(46)	34	(10)	(45)
Total	\$ 9,384	\$ 9,673	\$ 7,889	\$ 7,277	\$ 8,358	\$ 9,379	\$ 8,908

(\$ in millions)

	Pro Forma ⁽²⁾								
Adjusted EBITDA ⁽¹⁾	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Polyurethanes	\$ 167	\$ 245	\$ 294	\$ 261	\$ 269	\$ 247	\$ 169	\$ 140	\$ 201
Performance Products	102	63	47	102	94	93	78	80	71
Advanced Materials	56	56	53	59	62	56	48	53	55
Textile Effects	24	19	19	26	29	25	21	22	28
Corporate, LIFO and other	(50)	(43)	(53)	(43)	(39)	(47)	(41)	(38)	(37)
Total	\$ 299	\$ 340	\$ 360	\$ 405	\$ 415	\$ 374	\$ 275	\$ 257	\$ 318

Adjusted EBITDA ⁽¹⁾	Pro Forma ⁽²⁾⁽³⁾ 2013	Pro Forma ⁽²⁾⁽³⁾ 2014	Pro Forma ⁽²⁾⁽³⁾ 2015	Pro Forma ⁽²⁾⁽³⁾ 2016	Pro Forma ⁽²⁾ 2017	2018	2Q19 LTM
Polyurethanes	\$ 746	\$ 728	\$ 573	\$ 569	\$ 850	\$ 946	\$ 757
Performance Products	393	465	439	288	296	367	322
Advanced Materials	131	199	220	223	219	225	212
Textile Effects	16	58	63	73	83	101	96
Corporate, LIFO and other	(188)	(187)	(156)	(184)	(189)	(170)	(163)
Total	\$ 1,098	\$ 1,263	\$ 1,139	\$ 969	\$ 1,259	\$ 1,469	\$ 1,224

	Pro Forma ⁽²⁾								
Adj. EBITDA Margin	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Polyurethanes	16%	20%	24%	21%	20%	18%	14%	13%	17%
Performance Products	18%	13%	9%	17%	16%	16%	14%	15%	13%
Advanced Materials	22%	21%	21%	21%	21%	20%	18%	19%	20%
Textile Effects	12%	10%	10%	13%	13%	12%	11%	12%	13%
Total	15%	16%	16%	18%	17%	15%	12%	13%	14%

Adj. EBITDA Margin	Pro Forma ⁽²⁾⁽³⁾ 2013	Pro Forma ⁽²⁾⁽³⁾ 2014	Pro Forma ⁽²⁾⁽³⁾ 2015	Pro Forma ⁽²⁾⁽³⁾ 2016	Pro Forma ⁽²⁾ 2017	2018	2Q19 LTM
Polyurethanes	15%	14%	15%	16%	19%	19%	16%
Performance Products	15%	17%	20%	15%	14%	16%	14%
Advanced Materials	10%	16%	20%	22%	21%	20%	19%
Textile Effects	2%	6%	8%	10%	11%	12%	12%
Total	12%	13%	14%	13%	15%	16%	14%

(1) For a reconciliation see previous page.
(2) Pro forma adjusted to exclude the Pigments & Additives business (Venator), which is treated as discontinued operations.
(3) Pro forma adjusted for the sale of the European Surfactants business on December 30, 2016.