

November 2, 2011



# Huntsman Releases Third Quarter 2011 Results

## Earns Highest Adjusted EBITDA in History<sup>(a)</sup>

### Third Quarter 2011 Highlights

- Revenues improved 24% compared to the prior year period.
- Adjusted EBITDA improved 26% to \$345 million compared to the prior year period.
- Adjusted diluted income per share improved 32% to \$0.45 compared to the prior year period.
- A higher than normal adjusted effective tax rate of 38% had a negative impact of approximately \$0.08 per diluted share.
- Negative foreign currency impact on earnings in our Advanced Materials and Textile Effects businesses of approximately \$17 million compared to the prior year primarily due to the strong Swiss franc.
- We announced restructuring plans within our Advanced Materials and Textile Effects businesses. We recorded \$155 million of restructuring charges during the third quarter of 2011 consisting of \$102 million of cash charges and \$53 million of non-cash impairment of assets. We expect additional future cash charges of approximately \$35 million. We expect future annual benefits of approximately \$90 million.

| In millions, except per share amounts, unaudited       | Three months ended |          |          | Nine months ended |           |
|--|--------------------|----------|----------|-------------------|-----------|
|  | September 30,      |          | June 30, | September 30,     |           |
|  | 2011               | 2010     | 2011     | 2011              | 2010      |
| Revenues   | \$ 2,976           | \$ 2,401 | \$ 2,934 | \$ 8,589          | \$ 6,838  |
| Net (loss) income attributable to Huntsman Corporation | \$ (34)            | \$ 55    | \$ 114   | \$ 142            | \$ (3)    |
| Adjusted net income <sup>(1)</sup>                     | \$ 108             | \$ 83    | \$ 117   | \$ 339            | \$ 142    |
| Diluted (loss) income per share                        | \$ (0.14)          | \$ 0.23  | \$ 0.47  | \$ 0.59           | \$ (0.01) |
| Adjusted diluted income per share <sup>(1)</sup>       | \$ 0.45            | \$ 0.34  | \$ 0.48  | \$ 1.40           | \$ 0.59   |
| EBITDA <sup>(1)</sup>                                  | \$ 204             | \$ 257   | \$ 323   | \$ 766            | \$ 533    |
| Adjusted EBITDA <sup>(1)</sup>                         | \$ 345             | \$ 273   | \$ 318   | \$ 965            | \$ 653    |

See end of press release for footnote explanations

(a) Excluding the Base Chemicals and Polymers businesses divested in 2006 and 2007

*The Woodlands, TX* – Huntsman Corporation (NYSE: HUN) today reported third quarter 2011 results with revenues of \$2,976 million and Adjusted EBITDA of \$345 million.

Peter R. Huntsman, our President and CEO, commented:

*“Our third quarter was the strongest in our company’s history. Our revenues, adjusted*

*EBITDA and adjusted net income are all stronger than a year ago as we appear to be heading towards a record year.*

*This past quarter we announced large restructuring plans to mitigate the impact of the strong Swiss Franc and to address the challenging business conditions of the global textile industry. We expect to record cash restructuring charges of approximately \$135 million and expect annual benefits of approximately \$90 million between our Textile Effects business and our Swiss based Advanced Materials divisions. We expect to see the impact of these changes beginning in the first quarter of 2012.*

*As satisfied as we feel about our strong quarter, we are still mindful of the sluggish global business conditions. As the economy gradually improves in the coming year, we fully expect stronger earnings from our business as many of our larger product lines are still quite some distance from their peak earnings potential. In short, I am quite pleased with our third quarter results, but expect stronger performance as the global economy returns to more stable growth.”*

## **Segment Analysis for 3Q11 Compared to 3Q10**

### *Polyurethanes*

The increase in revenues in our Polyurethanes division for the three months ended September 30, 2011 compared to the same period in 2010 was due to higher average selling prices and higher MDI sales volumes. Average MDI selling prices increased primarily in response to higher raw material costs, improved demand and the strength of European currencies against the U.S. dollar. Average PO/MTBE selling prices increased primarily in response to higher raw material costs. MDI sales volumes increased primarily due to improved demand in the insulation, furniture and automotive sectors but were offset by lower PO/MTBE sales volumes. The increase in Adjusted EBITDA was due to higher contribution margins partially offset by higher manufacturing and selling, general and administrative costs.

### *Performance Products*

The increase in revenues in our Performance Products division for the three months ended September 30, 2011 compared to the same period in 2010 was primarily due to higher average selling prices. Average selling prices increased across almost all product groups primarily in response to higher raw material costs and the strength of major European currencies against the U.S. dollar. Sales volumes were essentially unchanged as the positive impact from the consolidation of our Sasol-Huntsman maleic anhydride joint venture during the second quarter 2011 was offset by lower sales volumes of amines and surfactants. The decrease in Adjusted EBITDA was primarily due to a planned maintenance outage at our Port Neches, TX facility which had an approximate \$8 million negative impact.

### *Advanced Materials*

The increase in revenues in our Advanced Materials division for the three months ended September 30, 2011 compared to the same period in 2010 was primarily due to higher average selling prices partially offset by lower sales volumes. Average selling prices increased primarily in response to higher raw material costs and the strength of major

European currencies against the U.S. dollar. Sales volumes decreased in our base resins business partially offset by a modest increase in combined sales volumes in our core formulation systems and specialty components businesses. The decrease in Adjusted EBITDA was primarily due to lower contribution margins and approximately \$7 million of negative foreign currency impact primarily due to the stronger Swiss franc on our manufacturing and selling, general and administrative costs.

### *Textile Effects*

The decrease in revenues in our Textile Effects division for the three months ended September 30, 2011 compared to the same period in 2010 was primarily due to lower sales volumes partially offset by higher average selling prices. Sales volumes decreased due to lower demand. Average selling prices increased primarily due to the strength of major currencies against the U.S. dollar. The decrease in Adjusted EBITDA was primarily due to lower sales volumes and approximately \$10 million of negative foreign currency impact primarily due to the stronger Swiss franc on our manufacturing and selling, general and administrative costs.

### *Pigments*

The increase in revenues in our Pigments division for the three months ended September 30, 2011 compared to the same period in 2010 was due to higher average selling prices partially offset by lower sales volumes. Average selling prices increased in all regions of the world primarily as a result of higher raw material costs and the strength of major European currencies against the U.S. dollar. Sales volumes decreased primarily due to lower finished goods inventory available for sale and lower global demand. The increase in Adjusted EBITDA in our Pigments division was primarily due to higher contribution margins partially offset by lower sales volumes and higher manufacturing and selling, general and administrative costs.

### *Corporate, LIFO and Other*

Corporate, LIFO and other includes unallocated corporate overhead, unallocated foreign exchange gains and losses, LIFO inventory valuation reserve adjustments, loss on early extinguishment of debt and unallocated restructuring costs. Adjusted EBITDA from Corporate, LIFO and other decreased by \$6 million to a loss of \$50 million for the three months ended September 30, 2011 compared to a loss of \$44 million for the same period in 2010. The decrease in Adjusted EBITDA was primarily the result of a \$7 million increase in LIFO inventory valuation expense (\$8 million of loss in 2011 compared to \$1 million loss in 2010).

### **Income Taxes**

During the three months ended September 30, 2011 we recorded income tax expense of \$55 million compared to \$41 million in the same period in 2010. Our adjusted effective income tax rate for the three months ended September 30, 2011 was approximately 38%. We have tax valuation allowances in countries such as Switzerland and the United Kingdom where our Textile Effects and Pigments businesses have meaningful operations. The increase in forecasted losses in Switzerland from our Textile Effects business during the third quarter, along with other changes in our geographic mix of income, had the effect of

increasing our projected effective income tax rate for the year. We are required to adjust our third quarter year-to-date tax rate to our expected full year rate. This resulted in the recognition of more tax expense during the third quarter. We expect our long term effective income tax rate to be approximately 30 - 35% and expect the fourth quarter and full year 2011 adjusted tax rate to be slightly less than that. During the three months ended September 30, 2011 we paid \$49 million in cash for income taxes. We expect our cash tax rate to continue to be less than our effective income tax rate.

### **Liquidity, Capital Resources and Outstanding Debt**

As of September 30, 2011, we had \$1,024 million of combined cash and unused borrowing capacity compared to \$1,434 million at December 31, 2010. The decrease from 2010 year end was primarily attributable to an increase in primary net working capital of \$506 million.

During the third quarter of 2011, we redeemed approximately \$111 million of our senior subordinated notes due 2015.

On November 1, 2011, we provided notice to redeem all of our remaining 6.875% senior subordinated euro notes due 2013 worth approximately \$93 million.

Total capital expenditures, net of reimbursements for the three months ended September 30, 2011 were \$93 million compared to \$54 million for the same period in 2010. We expect to spend approximately \$350 million on capital expenditures, net of reimbursements, in 2011.

On August 5, 2011 we announced that our Board of Directors authorized the repurchase of up to \$100 million in shares of our common stock. During the third quarter of 2011, we acquired approximately four million shares of our outstanding common stock for approximately \$50 million under the repurchase program.

### **Conference Call Information**

We will hold a conference call to discuss our third quarter 2011 financial results on Wednesday November 2, 2011 at 9:00 a.m. ET.

Call-in numbers for the conference call:

|                            |                  |
|----------------------------|------------------|
| U.S. participants          | (888) 713 - 4213 |
| International participants | (617) 213 - 4865 |
| Passcode                   | 98395744         |

In order to facilitate the registration process, you may use the following link to pre-register for the conference call. Callers who pre-register will be given a unique PIN to gain immediate access to the call and bypass the live operator. You may pre-register at any time, including up to and after the call start time. To pre-register, please go to:

<https://www.theconferencingservice.com/prereg/key.process?key=PLFWDW8GP>

### **Webcast Information**

The conference call will be available via webcast and can be accessed from the investor relations portion of the company's website at <http://www.huntsman.com>.

## Replay Information

The conference call will be available for replay beginning November 2, 2011 and ending November 9, 2011.

Call-in numbers for the replay:

U.S. participants (888) 286 - 8010  
 International participants (617) 801 - 6888  
 Replay code 63107396

## Table 1 – Results of Operations

| In millions, except per share amounts, unaudited                       | Three months ended<br>September 30, |          | Nine months ended<br>September 30, |           |
|--|-------------------------------------|----------|------------------------------------|-----------|
|  | 2011                                | 2010     | 2011                               | 2010      |
| <b>Revenues</b>  | \$ 2,976                            | \$ 2,401 | \$ 8,589                           | \$ 6,838  |
| Cost of goods sold   | 2,486                               | 1,986    | 7,138                              | 5,757     |
| <b>Gross profit</b>  | 490                                 | 415      | 1,451                              | 1,081     |
| Operating expenses   | 258                                 | 244      | 821                                | 741       |
| Restructuring, impairment and plant closing costs                      | 155                                 | 4        | 171                                | 24        |
| <b>Operating income</b>  | 77                                  | 167      | 459                                | 316       |
| Interest expense, net  | (63)                                | (64)     | (187)                              | (168)     |
| Equity in income of investment in unconsolidated affiliates            | 2                                   | 3        | 6                                  | 20        |
| Loss on early extinguishment of debt                                   | (2)                                 | (7)      | (5)                                | (169)     |
| Expenses associated with the terminated merger and related litigation  | -                                   | (3)      | -                                  | (4)       |
| Other (loss) income  | (1)                                 | 2        | -                                  | 3         |
| <b>Income (loss) before income taxes</b>                               | 13                                  | 98       | 273                                | (2)       |
| Income tax expense   | (55)                                | (41)     | (111)                              | (46)      |
| <b>(Loss) income from continuing operations</b>                        | (42)                                | 57       | 162                                | (48)      |
| Income (loss) from discontinued operations, net of tax <sup>(2)</sup>  | 10                                  | (1)      | (5)                                | 48        |
| Extraordinary gain on the acquisition of a business, net of tax of nil | -                                   | -        | 2                                  | -         |
| <b>Net (loss) income</b>   | (32)                                | 56       | 159                                | -         |
| Net income attributable to noncontrolling interests, net of tax        | (2)                                 | (1)      | (17)                               | (3)       |
| <b>Net (loss) income attributable to Huntsman Corporation</b>          | \$ (34)                             | \$ 55    | \$ 142                             | \$ (3)    |
| <b>Adjusted EBITDA<sup>(1)</sup></b>                                   | \$ 345                              | \$ 273   | \$ 965                             | \$ 653    |
| <b>Adjusted net income<sup>(1)</sup></b>                               | \$ 108                              | \$ 83    | \$ 339                             | \$ 142    |
| <b>Basic (loss) income per share</b>                                   | \$ (0.14)                           | \$ 0.23  | \$ 0.60                            | \$ (0.01) |
| <b>Diluted (loss) income per share</b>                                 | \$ (0.14)                           | \$ 0.23  | \$ 0.59                            | \$ (0.01) |
| <b>Adjusted diluted income per share<sup>(1)</sup></b>                 | \$ 0.45                             | \$ 0.34  | \$ 1.40                            | \$ 0.59   |
| <b>Common share information:</b>                                       |                                     |          |                                    |           |
| Basic shares outstanding   | 237.6                               | 236.4    | 238.2                              | 235.9     |
| Diluted shares   | 237.6                               | 241.0    | 242.6                              | 235.9     |
| Diluted shares for adjusted diluted income per share                   | 241.3                               | 241.0    | 242.6                              | 240.7     |

See end of press release for footnote explanations

## Table 2 – Results of Operations by Segment

| In millions, unaudited                        | Three months ended<br>September 30, |                 |            | Nine months ended<br>September 30, |                 |            |
|---|-------------------------------------|-----------------|------------|------------------------------------|-----------------|------------|
|   | 2011                                | 2010            | Change     | 2011                               | 2010            | Change     |
| <b>Segment Revenues:</b>                      |                                     |                 |            |                                    |                 |            |
| Polyurethanes                                 | \$ 1,209                            | \$ 960          | 26%        | \$ 3,391                           | \$ 2,659        | 28%        |
| Performance Products                          | 846                                 | 678             | 25%        | 2,546                              | 1,963           | 30%        |
| Advanced Materials                            | 349                                 | 318             | 10%        | 1,059                              | 929             | 14%        |
| Textile Effects                               | 173                                 | 190             | (9)%       | 563                                | 598             | (6)%       |
| Pigments                                      | 455                                 | 327             | 39%        | 1,243                              | 883             | 41%        |
| Eliminations and other                        | (56)                                | (72)            | (22)%      | (213)                              | (194)           | 10%        |
| <b>Total</b>                                  | <b>\$ 2,976</b>                     | <b>\$ 2,401</b> | <b>24%</b> | <b>\$ 8,589</b>                    | <b>\$ 6,838</b> | <b>26%</b> |
| <b>Segment Adjusted EBITDA<sup>(1)</sup>:</b> |                                     |                 |            |                                    |                 |            |
| Polyurethanes                                 | \$ 140                              | \$ 99           | 41%        | \$ 397                             | \$ 221          | 80%        |
| Performance Products                          | 97                                  | 102             | (5)%       | 314                                | 278             | 13%        |
| Advanced Materials                            | 26                                  | 42              | (38)%      | 96                                 | 124             | (23)%      |
| Textile Effects                               | (29)                                | 8               | NM         | (42)                               | 16              | NM         |
| Pigments                                      | 161                                 | 66              | 144%       | 363                                | 144             | 152%       |
| Corporate, LIFO and other                     | (50)                                | (44)            | 14%        | (163)                              | (130)           | 25%        |
| <b>Total</b>                                  | <b>\$ 345</b>                       | <b>\$ 273</b>   | <b>26%</b> | <b>\$ 965</b>                      | <b>\$ 653</b>   | <b>48%</b> |

See end of press release for footnote explanations

NM—Not meaningful

Table 3 – Factors Impacting Sales Revenues

**Three months ended  
September 30, 2011 vs. 2010**

| <u>Unaudited</u>     | <b>Average Selling Price<sup>(a)</sup></b> |                          | <b>Sales Mix<br/>&amp; Other</b> | <b>Sales<br/>Volume<sup>(a)</sup></b> | <b>Total</b> |
|----------------------|--|--------------------------|----------------------------------|---------------------------------------|--------------|
|                      | <b>Local<br/>Currency</b>                  | <b>Exchange<br/>Rate</b> |                                  |                                       |              |
| Polyurethanes        | 18%  | 5%                       | 4%                               | (1)%                                  | 26%          |
| Performance Products | 20%  | 5%                       | ---                              | ---                                   | 25%          |
| Advanced Materials   | 5%   | 7%                       | (1)%                             | (1)%                                  | 10%          |
| Textile Effects      | (2)%                                       | 6%                       | ---                              | (13)%                                 | (9)%         |
| Pigments             | 38%  | 9%                       | ---                              | (8)%                                  | 39%          |
| Total Company        | 20%  | 6%                       | 3%                               | (5)%                                  | 24%          |

**Nine months ended  
September 30, 2011 vs. 2010**

| <u>Unaudited</u>     | <b>Average Selling Price<sup>(a)</sup></b> |                          | <b>Sales Mix<br/>&amp; Other</b> | <b>Sales<br/>Volume<sup>(a)</sup></b> | <b>Total</b> |
|----------------------|--|--------------------------|----------------------------------|---------------------------------------|--------------|
|                      | <b>Local<br/>Currency</b>                  | <b>Exchange<br/>Rate</b> |                                  |                                       |              |
| Polyurethanes        | 18%  | 3%                       | (4)%                             | 11%                                   | 28%          |
| Performance Products | 20%  | 3%                       | 1%                               | 6%                                    | 30%          |
| Advanced Materials   | 8%   | 4%                       | 2%                               | ---                                   | 14%          |
| Textile Effects      | 1%   | 4%                       | (1)%                             | (10)%                                 | (6)%         |
| Pigments             | 33%  | 5%                       | ---                              | 3%                                    | 41%          |
| Total Company        | 15%  | 4%                       | 2%                               | 5%                                    | 26%          |

(a) Excludes revenues and sales volumes from tolling, by-products and raw materials

Table 4 – Reconciliation of U.S. GAAP to Non-GAAP Measures

| In millions, except per share amounts, unaudited                                    | EBITDA                              |               | Income Tax<br>(Expense) Benefit     |                | Net Income (Loss)<br>Attrib. to HUN Corp. |               | Diluted Income (Loss)<br>Per Share  |                |
|---|-------------------------------------|---------------|-------------------------------------|----------------|---|---------------|-------------------------------------|----------------|
|   | Three months ended<br>September 30, |               | Three months ended<br>September 30, |                | Three months ended<br>September 30,       |               | Three months ended<br>September 30, |                |
|   | 2011                                | 2010          | 2011                                | 2010           | 2011                                      | 2010          | 2011                                | 2010           |
| <b>GAAP<sup>(1)</sup></b>   | \$ 204                              | \$ 257        | \$ (55)                             | \$ (41)        | \$ (34)                                   | \$ 55         | \$ (0.14)                           | \$ 0.23        |
| <b>Adjustments:</b>   |                                     |               |                                     |                |   |               |                                     |                |
| Unallocated foreign exchange (gain) loss  | (1)                                 | (2)           | (5)                                 | 14             | (6)                                       | 12            | (0.02)                              | 0.05           |
| Legal settlements and related expenses  | 4                                   | -             | (1)                                 | -              | 3   | -             | 0.01                                | -              |
| Loss on early extinguishment of debt  | 2                                   | 7             | (1)                                 | (2)            | 1   | 5             | -                                   | 0.02           |
| Restructuring, impairment and plant closing costs                                   | 155                                 | 4             | (3)                                 | -              | 152                                       | 4             | 0.63                                | 0.02           |
| Expenses associated with the terminated merger and related litigation               | -                                   | 3             | -                                   | (1)            | -   | 2             | -                                   | 0.01           |
| Discount amortization on settlement financing associated with the terminated merger | N/A                                 | N/A           | (3)                                 | (2)            | 4   | 4             | 0.02                                | 0.02           |
| Acquisition expenses  | 1                                   | 1             | -                                   | (1)            | 1   | -             | -                                   | -              |
| Gain on sale of assets related to plant closures                                    | (3)                                 | -             | -                                   | -              | (3)                                       | -             | (0.01)                              | -              |
| (Income) loss from discontinued operations, net of tax <sup>(2)</sup>               | (17)                                | 3             | N/A                                 | N/A            | (10)                                      | 1             | (0.04)                              | -              |
| <b>Adjusted<sup>(1)</sup></b>   | <b>\$ 345</b>                       | <b>\$ 273</b> | <b>\$ (68)</b>                      | <b>\$ (33)</b> | <b>\$ 108</b>                             | <b>\$ 83</b>  | <b>\$ 0.45</b>                      | <b>\$ 0.34</b> |
| Adjusted income tax expense   |                                     |               |                                     |                | 68  | 33            |                                     |                |
| Net income attributable to noncontrolling interests, net of tax                     |                                     |               |                                     |                | 2   | 1             |                                     |                |
| <b>Adjusted pre-tax income<sup>(1)</sup></b>  |                                     |               |                                     |                | <b>\$ 178</b>                             | <b>\$ 117</b> |                                     |                |
| <b>Adjusted effective tax rate</b>  |                                     |               |                                     |                | 38%                                       | 28%           |                                     |                |

| In millions, except per share amounts, unaudited                                    | EBITDA                         |      | Income Tax<br>(Expense) Benefit |      | Net Income (Loss)<br>Attrib. to HUN Corp. |      | Diluted Income (Loss)<br>Per Share |      |
|---|--------------------------------|------|---------------------------------|------|---|------|------------------------------------|------|
|   | Three months ended<br>June 30, |      | Three months ended<br>June 30,  |      | Three months ended<br>June 30,            |      | Three months ended<br>June 30,     |      |
|   | 2011                           | 2011 | 2011                            | 2011 | 2011                                      | 2011 | 2011                               | 2011 |
| <b>GAAP<sup>(1)</sup></b>   | \$ 323                         |      | \$ (34)                         |      | \$ 114                                    |      | \$ 0.47                            |      |
| <b>Adjustments:</b>   |                                |      |                                 |      |   |      |                                    |      |
| Unallocated foreign exchange (gain) loss  | (3)                            |      | 4                               |      | 1   |      | -                                  |      |
| Gain on consolidation of a variable interest entity                                 | (12)                           |      | 2                               |      | (10)                                      |      | (0.04)                             |      |
| Restructuring, impairment and plant closing costs                                   | 9                              |      | (1)                             |      | 8   |      | 0.03                               |      |
| Discount amortization on settlement financing associated with the terminated merger | N/A                            |      | (2)                             |      | 5   |      | 0.02                               |      |
| Acquisition expenses  | 3                              |      | (1)                             |      | 2   |      | 0.01                               |      |
| Gain on sale of assets related to plant closures                                    | (3)                            |      | -                               |      | (3)                                       |      | (0.01)                             |      |
| Loss from discontinued operations, net of tax <sup>(2)</sup>                        | 2                              |      | N/A                             |      | 1   |      | -                                  |      |
| Extraordinary gain on the acquisition of a business, net of tax <sup>(3)</sup>      | (1)                            |      | -                               |      | (1)                                       |      | -                                  |      |
| <b>Adjusted<sup>(1)</sup></b>   | <b>\$ 318</b>                  |      | <b>\$ (32)</b>                  |      | <b>\$ 117</b>                             |      | <b>\$ 0.48</b>                     |      |
| Adjusted income tax expense   |                                |      |                                 |      | 32  |      |                                    |      |
| Net income attributable to noncontrolling interests, net of tax                     |                                |      |                                 |      | 10  |      |                                    |      |
| <b>Adjusted pre-tax income<sup>(1)</sup></b>  |                                |      |                                 |      | <b>\$ 159</b>                             |      |                                    |      |
| <b>Adjusted effective tax rate</b>  |                                |      |                                 |      | 20%                                       |      |                                    |      |

| In millions, except per share amounts, unaudited                                    | EBITDA                             |               | Income Tax<br>(Expense) Benefit    |                | Net Income (Loss)<br>Attrib. to HUN Corp. |               | Diluted Income (Loss)<br>Per Share |                |
|---|------------------------------------|---------------|------------------------------------|----------------|---|---------------|------------------------------------|----------------|
|   | Nine months ended<br>September 30, |               | Nine months ended<br>September 30, |                | Nine months ended<br>September 30,        |               | Nine months ended<br>September 30, |                |
|   | 2011                               | 2010          | 2011                               | 2010           | 2011                                      | 2010          | 2011                               | 2010           |
| <b>GAAP<sup>(1)</sup></b>   | \$ 766                             | \$ 533        | \$ (111)                           | \$ (46)        | \$ 142                                    | \$ (3)        | \$ 0.59                            | \$ (0.01)      |
| <b>Adjustments:</b>   |                                    |               |                                    |                |   |               |                                    |                |
| Unallocated foreign exchange (gain) loss  | (6)                                | (3)           | 5                                  | 5              | (1)                                       | 2             | -                                  | 0.01           |
| Legal settlements and related expenses  | 38                                 | -             | (14)                               | -              | 24  | -             | 0.10                               | -              |
| Loss on early extinguishment of debt  | 5                                  | 169           | (2)                                | (17)           | 3   | 152           | 0.01                               | 0.63           |
| Gain on consolidation of a variable interest entity                                 | (12)                               | -             | 2                                  | -              | (10)                                      | -             | (0.04)                             | -              |
| Restructuring, impairment and plant closing costs                                   | 171                                | 24            | (4)                                | (1)            | 167                                       | 23            | 0.69                               | 0.10           |
| Expenses associated with the terminated merger and related litigation               | -                                  | 4             | -                                  | (1)            | -   | 3             | -                                  | 0.01           |
| Discount amortization on settlement financing associated with the terminated merger | N/A                                | N/A           | (8)                                | (7)            | 13  | 12            | 0.05                               | 0.05           |
| Acquisition expenses  | 5                                  | 2             | (1)                                | (1)            | 4   | 1             | 0.02                               | -              |
| Gain on sale of assets related to plant closures                                    | (6)                                | -             | -                                  | -              | (6)                                       | -             | (0.02)                             | -              |
| Loss (income) from discontinued operations, net of tax <sup>(2)</sup>               | 6                                  | (76)          | N/A                                | N/A            | 5   | (48)          | 0.02                               | (0.20)         |
| Extraordinary gain on the acquisition of a business, net of tax                     | (2)                                | -             | -                                  | -              | (2)                                       | -             | (0.01)                             | -              |
| <b>Adjusted<sup>(1)</sup></b>   | <b>\$ 965</b>                      | <b>\$ 653</b> | <b>\$ (133)</b>                    | <b>\$ (68)</b> | <b>\$ 339</b>                             | <b>\$ 142</b> | <b>\$ 1.40</b>                     | <b>\$ 0.59</b> |
| Adjusted income tax expense   |                                    |               |                                    |                | 133                                       | 68            |                                    |                |
| Net income attributable to noncontrolling interests, net of tax                     |                                    |               |                                    |                | 17  | 3             |                                    |                |
| <b>Adjusted pre-tax income<sup>(1)</sup></b>  |                                    |               |                                    |                | <b>\$ 489</b>                             | <b>\$ 213</b> |                                    |                |
| <b>Adjusted effective tax rate</b>  |                                    |               |                                    |                | 27%                                       | 32%           |                                    |                |

See end of press release for footnote explanations

Table 5 – Reconciliation of Net Income (Loss) to EBITDA



| In millions, unaudited   | Three months ended |               |               | Nine months ended |               |
|--|--------------------|---------------|---------------|-------------------|---------------|
|  | September 30,      |               | June 30,      | September 30,     |               |
|  | 2011               | 2010          | 2011          | 2011              | 2010          |
| <b>Net (loss) income attributable to Huntsman Corporation</b>            | \$ (34)            | \$ 55         | \$ 114        | \$ 142            | \$ (3)        |
| Interest expense, net  | 63                 | 64            | 65            | 187               | 168           |
| Income tax expense from continuing operations                            | 55                 | 41            | 34            | 111               | 46            |
| Income tax expense (benefit) from discontinued operations <sup>(2)</sup> | 7                  | (2)           | (1)           | (1)               | 27            |
| Depreciation and amortization of continuing operations                   | 113                | 99            | 111           | 327               | 294           |
| Depreciation and amortization of discontinued operations <sup>(2)</sup>  | -                  | -             | -             | -                 | 1             |
| <b>EBITDA<sup>(1)</sup></b>  | <u>\$ 204</u>      | <u>\$ 257</u> | <u>\$ 323</u> | <u>\$ 766</u>     | <u>\$ 533</u> |

See end of press release for footnote explanations

**Table 6 – Selected Balance Sheet Items**

| In millions                         | September 30,   | June 30,        | December 31,    | September 30,   |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                     | 2011            | 2011            | 2010            | 2010            |
|                                     | (unaudited)     | (unaudited)     |                 | (unaudited)     |
| Cash                                | \$ 459          | \$ 690          | \$ 973          | \$ 1,011        |
| Accounts and notes receivable, net  | 1,762           | 1,836           | 1,413           | 1,611           |
| Inventories                         | 1,687           | 1,746           | 1,396           | 1,375           |
| Other current assets                | 366             | 308             | 226             | 248             |
| Property, plant and equipment, net  | 3,659           | 3,825           | 3,605           | 3,594           |
| Other assets                        | 1,075           | 1,071           | 1,101           | 1,027           |
| <b>Total assets</b>                 | <u>\$ 9,008</u> | <u>\$ 9,476</u> | <u>\$ 8,714</u> | <u>\$ 8,866</u> |
| Accounts payable                    | \$ 941          | \$ 1,110        | \$ 842          | \$ 817          |
| Other current liabilities           | 787             | 800             | 692             | 656             |
| Current portion of debt             | 230             | 289             | 519             | 384             |
| Long-term debt                      | 3,847           | 3,886           | 3,627           | 3,953           |
| Other liabilities                   | 1,269           | 1,155           | 1,184           | 1,168           |
| Total equity                        | 1,934           | 2,236           | 1,850           | 1,888           |
| <b>Total liabilities and equity</b> | <u>\$ 9,008</u> | <u>\$ 9,476</u> | <u>\$ 8,714</u> | <u>\$ 8,866</u> |

**Table 7 – Outstanding Debt**

| In millions                              | September 30,   | June 30,        | December 31,    | September 30,   |
|--|-----------------|-----------------|-----------------|-----------------|
|  | 2011            | 2011            | 2010            | 2010            |
|  | (unaudited)     | (unaudited)     |                 | (unaudited)     |
| <b>Debt:</b>                             |                 |                 |                 |                 |
| Senior credit facilities                 | \$ 1,694        | \$ 1,692        | \$ 1,688        | \$ 1,686        |
| Accounts receivable programs             | 245             | 254             | 238             | 243             |
| Senior notes                             | 467             | 462             | 452             | 447             |
| Senior Subordinated notes                | 1,076           | 1,198           | 1,279           | 1,442           |
| Variable interest entities               | 306             | 313             | 200             | 199             |
| Other debt                               | 289             | 256             | 289             | 320             |
| <b>Total debt - excluding affiliates</b> | <u>4,077</u>    | <u>4,175</u>    | <u>4,146</u>    | <u>4,337</u>    |
| Total cash                               | 459             | 690             | 973             | 1,011           |
| <b>Net debt- excluding affiliates</b>    | <u>\$ 3,618</u> | <u>\$ 3,485</u> | <u>\$ 3,173</u> | <u>\$ 3,326</u> |

**Table 8 – Summarized Statement of Cash Flows**

| In millions, unaudited                              | Three months ended |                 | Nine months ended |  |
|---|--------------------|-----------------|-------------------|--|
|   | September 30,      |                 | September 30,     |  |
|   | 2011               | 2011            | 2010              |  |
| <b>Total cash at beginning of period</b>            | \$ 690             | \$ 973          | \$ 1,750          |  |
| Net cash provided by (used in) operating activities | 24                 | 25              | (350)             |  |
| Net cash used in investing activities               | (89)               | (200)           | (85)              |  |
| Net cash used in financing activities               | (157)              | (335)           | (314)             |  |
| Change in restricted cash                           | (1)                | (1)             | 3                 |  |
| Effect of exchange rate changes on cash             | (8)                | (3)             | 7                 |  |
| <b>Total cash at end of period</b>                  | <u>\$ 459</u>      | <u>\$ 459</u>   | <u>\$ 1,011</u>   |  |
| <b>Supplemental cash flow information:</b>          |                    |                 |                   |  |
| Cash paid for interest                              | \$ (70)            | \$ (178)        | \$ (142)          |  |
| Cash paid for income taxes                          | \$ (49)            | \$ (84)         | \$ (19)           |  |
| Cash paid for capital expenditures                  | \$ (93)            | \$ (217)        | \$ (132)          |  |
| Depreciation & amortization                         | \$ 113             | \$ 327          | \$ 295            |  |
| Changes in primary working capital:                 |                    |                 |                   |  |
| Accounts and notes receivable                       | \$ 11              | \$ (314)        | \$ (318)          |  |
| Inventories   | (3)                | (273)           | (184)             |  |
| Accounts payable                                    | (119)              | 81              | 61                |  |
| Total   | <u>\$ (111)</u>    | <u>\$ (506)</u> | <u>\$ (441)</u>   |  |

## Footnotes

1. We use EBITDA and Adjusted EBITDA to measure the operating performance of our business. We provide Adjusted net income because we feel it provides meaningful insight for the investment community into the performance of our business. We believe that net income (loss) attributable to Huntsman Corporation is the performance measure calculated and presented in accordance with generally accepted accounting principles in the U.S. ("GAAP") that is most directly comparable to EBITDA, Adjusted EBITDA and Adjusted net income. Additional information with respect to our use of each of these financial measures follows:

EBITDA is defined as net income (loss) attributable to Huntsman Corporation before interest, income taxes, and depreciation and amortization. EBITDA as used herein is not necessarily comparable to other similarly titled measures of other companies. The reconciliation of EBITDA to net income (loss) attributable to Huntsman Corporation is set forth in Table 5 above.

Adjusted EBITDA is computed by eliminating the following from EBITDA: gains and losses from discontinued operations; restructuring, impairment and plant closing (credits) costs; income and expense associated with the terminated merger and related litigation; acquisition related expenses; unallocated foreign currency (gain) loss; certain legal and contract settlements; losses from early extinguishment of debt; gain on consolidation of a variable interest entity; extraordinary loss (gain) on the acquisition of a business; and loss (gain) on disposition of business/assets. The reconciliation of Adjusted EBITDA to EBITDA is set forth in Table 4 above.

Adjusted net income (loss) is computed by eliminating the after tax impact of the

following items from net income (loss) attributable to Huntsman Corporation: loss (income) from discontinued operations; restructuring, impairment and plant closing (credits) costs; income and expense associated with the terminated merger and related litigation; discount amortization on settlement financing associated with the terminated merger; acquisition related expenses; unallocated foreign currency (gain) loss; certain legal and contract settlements; losses on the early extinguishment of debt; gain on consolidation of a variable interest entity; extraordinary loss (gain) on the acquisition of a business; and loss (gain) on disposition of business/assets. The reconciliation of adjusted net income (loss) to net income (loss) attributable to Huntsman Corporation common stockholders is set forth in Table 4 above.

During the first quarter of 2010, we began reporting the (income) loss attributable to noncontrolling interests in the reporting segment to which the subsidiary relates. Previously, (income) loss attributable to noncontrolling interests was reported in our Corporate and other segment. All relevant information for prior periods has been reclassified to reflect these changes.

2. On November 5, 2007, we completed the sale of our U.S. base chemicals business to Flint Hills Resources. During the first quarter 2010 we closed our Australian styrenics operations. Results from these businesses are treated as discontinued operations.

#### *About Huntsman:*

*Huntsman is a global manufacturer and marketer of differentiated chemicals. Our operating companies manufacture products for a variety of global industries, including chemicals, plastics, automotive, aviation, textiles, footwear, paints and coatings, construction, technology, agriculture, health care, detergent, personal care, furniture, appliances and packaging. Originally known for pioneering innovations in packaging and, later, for rapid and integrated growth in petrochemicals, Huntsman has approximately 12,000 employees and operates from multiple locations worldwide. The Company had 2010 revenues of over \$9 billion. For more information about Huntsman, please visit the company's website at [www.huntsman.com](http://www.huntsman.com).*

#### *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, 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.*