

**Huntsman Corporation**  
**Reconciliation of U.S. GAAP to Non-GAAP Measures**  
**Full Years and Latest Year-to-Date**

	Twelve months ended December 31, 2019				Twelve months ended December 31, 2020				Twelve months ended December 31, 2021				Six months ended June 30, 2022			
	Income Tax (Expense)	Net Income (Loss)	Diluted Income (Loss)		Income Tax (Expense)	Net Income (Loss)	Diluted Income (Loss)		Income Tax Benefit	Net Income (Loss)	Diluted Income (Loss)		Income Tax (Expense)	Net Income (Loss)	Diluted Income (Loss)	
In millions, except per share amounts	EBITDA	Benefit	(Loss)	Per Share	EBITDA	Benefit	(Loss)	Per Share	EBITDA	(Expense)	(Loss)	Per Share	EBITDA	Benefit	(Loss)	Per Share
<b>Net income</b>	\$ 598		\$ 598	\$ 2.59	\$ 1,066		\$ 1,066	\$ 4.80	\$ 1,104		\$ 1,104	\$ 4.99	\$ 482		\$ 482	\$ 2.29
Net income attributable to noncontrolling interests	(36)		(36)	(0.16)	(32)		(32)	(0.14)	(59)		(59)	(0.27)	(31)		(31)	(0.15)
<b>Net income attributable to Huntsman Corporation</b>	562		562	2.44	1,034		1,034	4.66	1,045		1,045	4.72	451		451	2.14
Interest expense from continuing operations	111				86				67				30			
Interest expense from discontinued operation <sup>(8)</sup>	-				-				-				-			
Income tax expense (benefit) from continuing operations	(38)	\$ 38			46	\$ (46)			209	\$ (209)			132	\$ (132)		
Income tax expense from discontinued operation <sup>(8)</sup>	35				242				3				-			
Depreciation and amortization from continuing operations	270				283				296				143			
Depreciation and amortization from discontinued operation <sup>(8)</sup>	61				-				-				-			
Business acquisition and integration expenses and purchase accounting inventory adjustments	5	-	5	0.02	31	(6)	25	0.11	22	(6)	16	0.07	10	(2)	8	0.04
EBITDA / Income from discontinued operations, net of tax <sup>(2)</sup>	(265)	N/A	(169)	(0.73)	(1,017)	N/A	(775)	(3.49)	(3)	N/A	-	-	(1)	N/A	(1)	-
Noncontrolling interest of discontinued operation <sup>(8)</sup>	-	N/A	-	-	-	N/A	-	-	-	N/A	-	-	-	N/A	-	-
U.S. tax reform impact on tax expense	-	(1)	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Significant activities related to deferred tax assets and liabilities	-	(160)	(160)	(0.69)	-	-	-	-	-	-	-	-	-	-	-	-
Impact of Switzerland income tax rate change	-	32	32	0.14	-	-	-	-	-	-	-	-	-	-	-	-
Income associated with the Albermarle Settlement, net	-	-	-	-	-	-	-	-	(465)	55	(410)	(1.85)	2	-	2	0.01
(Gain) loss on sale of businesses/assets	21	(5)	16	0.07	(280)	31	(249)	(1.12)	(30)	3	(27)	(0.12)	11	(2)	9	0.04
Income from transition services arrangements	-	-	-	-	(7)	2	(5)	(0.02)	(8)	2	(6)	(0.03)	(2)	-	(2)	(0.01)
Merger costs, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value adjustments to Venator Investment and related loss on disposal	18	-	18	0.08	88	(9)	79	0.36	28	-	28	0.13	2	-	2	0.01
Loss on early extinguishment of debt	23	(5)	18	0.08	-	-	-	-	27	(6)	21	0.09	-	-	-	-
Certain legal and other settlements and related (income) expenses	6	(1)	5	0.02	5	(1)	4	0.02	13	(3)	10	0.05	14	(3)	11	0.05
Certain non-recurring information technology project implementation costs	4	(1)	3	0.01	6	(1)	5	0.02	8	(2)	6	0.03	3	(1)	2	0.01
Amortization of pension and postretirement actuarial losses	66	(16)	50	0.22	76	(17)	59	0.27	86	(19)	67	0.30	27	(6)	21	0.10
Restructuring, impairment and plant closing and transition costs (credits)	(41)	9	(32)	(0.14)	52	(13)	39	0.18	45	(11)	34	0.15	30	(8)	22	0.10
Plant incident remediation costs	8	(2)	6	0.03	2	-	2	0.01	-	-	-	-	(5)	1	(4)	(0.02)
<b>Adjusted<sup>(1)</sup></b>	<b>\$ 846</b>	<b>\$ (112)</b>	<b>\$ 353</b>	<b>\$ 1.53</b>	<b>\$ 647</b>	<b>\$ (60)</b>	<b>\$ 218</b>	<b>\$ 0.98</b>	<b>\$ 1,343</b>	<b>\$ (196)</b>	<b>\$ 784</b>	<b>\$ 3.54</b>	<b>\$ 847</b>	<b>\$ (153)</b>	<b>\$ 521</b>	<b>\$ 2.47</b>
Adjusted income tax expense <sup>(1)</sup>		\$ 112				\$ 60				\$ 196				\$ 153		
Net income attributable to noncontrolling interests, net of tax		36				32				59				31		
<b>Adjusted pre-tax income<sup>(1)</sup></b>		<b>\$ 501</b>				<b>\$ 310</b>				<b>\$ 1,039</b>				<b>\$ 705</b>		
<b>Adjusted effective tax rate<sup>(4)</sup></b>		22%				19%				19%				22%		
<b>Effective tax rate</b>		(10%)				14%				16%				22%		
<b>Non-GAAP Adjusted EBITDA Margin information:</b>																
Revenue		\$ 6,797				\$ 6,018				\$ 8,453				\$ 4,751		
Adjusted EBITDA		846				647				1,343				847		
<b>Non-GAAP Adjusted EBITDA Margin</b>		12%				11%				16%				18%		
<b>GAAP Net Income Margin</b>		9%				18%				13%				10%		
<b>Common share information:</b>																
Basic weighted average shares				228.9			220.6					219.2				209.0
Diluted weighted average shares				230.6			221.9					221.4				211.2
Diluted shares for adjusted diluted income per share				230.6			221.9					221.4				211.2
<b>Free cash flow information<sup>(2)</sup></b>																
Net cash provided by (used in) operating activities from continuing operations		\$ 656				\$ 277				\$ 953				\$ 316		
Capital expenditures from continuing operations		(274)				(249)				(342)				(138)		
<b>Free cash flow from continuing operations</b>		<b>\$ 382</b>				<b>\$ 28</b>				<b>\$ 611</b>				<b>\$ 178</b>		
Taxes paid on sale of Chemical Intermediates and India-based DIY Businesses		N/A				257				3				-		
Net cash proceeds from the Albermarle Settlement		-				-				(333)				(78)		
<b>Adjusted free cash flow from continuing operation<sup>(4)</sup></b>		<b>\$ 382</b>				<b>\$ 285</b>				<b>\$ 281</b>				<b>\$ 100</b>		
<b>Free cash flow from continuing operations / Adjusted EBITDA<sup>(2)</sup></b>		45%				4%				45%				21%		
<b>Adjusted free cash flow from continuing operations / Adjusted EBITDA<sup>(4)</sup></b>		45%				44%				21%				12%		

N/A = not applicable; N/M = not meaningful  
For footnotes, please see Footnote Explanations page.

**Huntsman Corporation**  
**Reconciliation of U.S. GAAP to Non-GAAP Measures**  
**2020 Quarterly**

	Three months ended March 31, 2020				Three months ended June 30, 2020				Three months ended September 30, 2020				Three months ended December 31, 2020			
	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share
<i>In millions, except per share amounts</i>																
<b>Net income (loss)</b>	\$ 708		\$ 708	\$ 3.17	\$ (59)		\$ (59)	\$ (0.27)	\$ 57		\$ 57	\$ 0.26	\$ 360		\$ 360	\$ 1.62
Net income attributable to noncontrolling interests	(3)		(3)	(0.01)	(3)		(3)	(0.01)	(9)		(9)	(0.04)	(17)		(17)	(0.08)
<b>Net income (loss) attributable to Huntsman Corporation</b>	705		705	3.16	(62)		(62)	(0.28)	48		48	0.22	343		343	1.54
Interest expense from continuing operations	18				21				24				23			
Income tax expense (benefit) from continuing operations	7	\$ (7)			(13)	\$ 13			15	\$ (15)			37	\$ (37)		
Income tax expense from discontinued operations <sup>(2)</sup>	238				1				-				3			
Depreciation and amortization from continuing operations	67				69				70				77			
Business acquisition and integration expenses and purchase accounting inventory adjustments	13	(3)	10	0.04	8	-	8	0.04	9	(3)	6	0.03	1	-	1	0.00
EBITDA / Income from discontinued operations, net of tax <sup>(3)</sup>	(1,015)	N/A	(777)	(3.48)	(6)	N/A	(5)	(0.02)	-	N/A	-	-	4	N/A	7	0.03
Gain on sale of businesses/assets	(2)	-	(2)	(0.01)	1	-	1	0.00	-	-	-	-	(279)	31	(248)	(1.12)
Income from transition services arrangements	-	-	-	-	(5)	1	(4)	(0.02)	(1)	-	(1)	(0.00)	(1)	1	-	-
Fair value adjustments to Venator Investment	110	-	110	0.49	(4)	-	(4)	(0.02)	(6)	-	(6)	(0.03)	(12)	(9)	(21)	(0.09)
Certain legal settlements and related expenses	2	-	2	0.01	4	(1)	3	0.01	(4)	1	(3)	(0.01)	3	(1)	2	0.01
Certain non-recurring information technology project implementation costs	1	-	1	0.00	1	-	1	0.00	1	-	1	0.00	3	(1)	2	0.01
Amortization of pension and postretirement actuarial losses	18	(4)	14	0.06	19	(4)	15	0.07	20	(4)	16	0.07	19	(5)	14	0.06
Restructuring, impairment and plant closing and transition costs	3	(1)	2	0.01	19	(3)	16	0.07	12	(3)	9	0.04	18	(6)	12	0.05
Plant incident remediation costs	-	-	-	-	1	-	1	0.00	-	-	-	-	1	-	1	0.00
<b>Adjusted<sup>(1)</sup></b>	<b>\$ 165</b>	<b>\$ (15)</b>	<b>\$ 65</b>	<b>\$ 0.29</b>	<b>\$ 54</b>	<b>\$ 6</b>	<b>\$ (30)</b>	<b>\$ (0.14)</b>	<b>\$ 188</b>	<b>\$ (24)</b>	<b>\$ 70</b>	<b>\$ 0.32</b>	<b>\$ 240</b>	<b>\$ (27)</b>	<b>\$ 113</b>	<b>\$ 0.51</b>
Adjusted income tax expense <sup>(1)</sup>			\$ 15				\$ (6)				\$ 24				\$ 27	
Net income attributable to noncontrolling interests, net of tax			3				3				9				17	
<b>Adjusted pre-tax income<sup>(1)</sup></b>			<b>\$ 83</b>				<b>\$ (33)</b>				<b>\$ 103</b>				<b>\$ 157</b>	
<b>Adjusted effective tax rate<sup>(4)</sup></b>			18%				18%				23%				17%	
<b>Effective tax rate</b>			(11%)				17%				N/M				9%	
<b>Non-GAAP Adjusted EBITDA Margin information:</b>																
Revenue			\$ 1,593				\$ 1,247				\$ 1,510				\$ 1,668	
Adjusted EBITDA			165				54				188				240	
<b>Non-GAAP Adjusted EBITDA Margin</b>			10%				4%				12%				14%	
<b>GAAP Net Income Margin</b>			44%				(5%)				4%				22%	
<b>Common share information:</b>																
Basic weighted average shares				223.2				219.7				219.8				220.0
Diluted weighted average shares				223.2				219.7				221.3				222.1
Diluted shares for adjusted diluted income per share				224.5				219.7				221.3				222.1
<b>Free cash flow information<sup>(2)</sup></b>																
Net cash used in operating activities from continuing operations			\$ (40)				\$ 85				\$ 65				\$ 167	
Capital expenditures from continuing operations			(61)				(55)				(54)				(79)	
<b>Free cash flow from continuing operations</b>			<b>\$ (101)</b>				<b>\$ 30</b>				<b>\$ 11</b>				<b>\$ 88</b>	
Taxes paid on sale of Chemical Intermediates and India-based DIY Businesses			2				8				178				69	
<b>Adjusted free cash flow from continuing operations<sup>(6)</sup></b>			<b>\$ (99)</b>				<b>\$ 38</b>				<b>\$ 189</b>				<b>\$ 157</b>	

N/A = not applicable

For footnotes, please see Footnote Explanations page.

**Huntsman Corporation**  
**Reconciliation of U.S. GAAP to Non-GAAP Measures**  
**2021 Quarterly**

	Three months ended March 31, 2021				Three months ended June 30, 2021				Three months ended September 30, 2021				Three months ended December 31, 2021			
	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share
<i>In millions, except per share amounts</i>																
<b>Net income (loss)</b>	\$ 100		\$ 100	\$ 0.45	\$ 172		\$ 172	\$ 0.77	\$ 225		\$ 225	\$ 1.02	\$ 607		\$ 607	\$ 2.77
Net income attributable to noncontrolling interests	(17)		(17)	(0.08)	(16)		(16)	(0.07)	(16)		(16)	(0.07)	(10)		(10)	(0.04)
<b>Net income (loss) attributable to Huntsman Corporation</b>	83		83	0.37	156		156	0.70	209		209	0.94	597		597	2.73
Interest expense from continuing operations	19				18				15				15			
Income tax expense (benefit) from continuing operations	34	\$ (34)			42	\$ (42)			38	\$ (38)			95	\$ (95)		
Income tax expense from discontinued operations <sup>(3)</sup>	-				-				5				(2)			
Depreciation and amortization from continuing operations	74				73				72				77			
Business acquisition and integration expenses and purchase accounting inventory adjustments	9	(2)	7	0.03	5	-	5	0.02	5	(2)	3	0.01	3	(2)	1	-
EBITDA / Income from discontinued operations, net of tax <sup>(3)</sup>	(1)	N/A	(1)	-	(1)	N/A	(1)	(0.00)	-	N/A	5	0.02	(1)	N/A	(3)	(0.01)
Income associated with the Albermarle Settlement, net	-	-	-	-	-	-	-	-	-	-	-	-	(465)	55	(410)	(1.87)
Gain on sale of businesses/assets	-	-	-	-	(30)	4	(26)	(0.12)	-	-	-	-	-	(1)	(1)	-
Income from transition services arrangements	(1)	-	(1)	-	(3)	1	(2)	(0.01)	(2)	-	(2)	(0.01)	(2)	1	(1)	-
Fair value adjustments to Venator Investment	19	-	19	0.09	6	-	6	0.03	3	-	3	0.01	-	-	-	-
Loss on early extinguishment of debt	-	-	-	-	27	(6)	21	0.09	-	-	-	-	-	-	-	-
Certain legal settlements and related expenses	2	(1)	1	-	8	(2)	6	0.03	-	-	-	-	3	-	3	0.01
Certain non-recurring information technology project implementation costs	1	-	1	-	3	(1)	2	0.01	2	-	2	0.01	2	(1)	1	-
Amortization of pension and postretirement actuarial losses	22	(5)	17	0.08	21	(5)	16	0.07	22	(5)	17	0.08	21	(4)	17	0.08
Restructuring, impairment and plant closing and transition costs	24	(6)	18	0.08	12	(2)	10	0.04	-	-	-	-	9	(3)	6	0.03
Plant incident remediation costs	4	(1)	3	0.01	(3)	1	(2)	(0.01)	2	-	2	0.01	(3)	-	(3)	(0.01)
<b>Adjusted<sup>(1)</sup></b>	<b>\$ 289</b>	<b>\$ (49)</b>	<b>\$ 147</b>	<b>\$ 0.66</b>	<b>\$ 334</b>	<b>\$ (52)</b>	<b>\$ 191</b>	<b>\$ 0.86</b>	<b>\$ 371</b>	<b>\$ (45)</b>	<b>\$ 239</b>	<b>\$ 1.08</b>	<b>\$ 349</b>	<b>\$ (50)</b>	<b>\$ 207</b>	<b>\$ 0.95</b>
Adjusted income tax expense <sup>(1)</sup>			\$ 49				\$ 52				\$ 45				\$ 50	
Net income attributable to noncontrolling interests, net of tax			17				16				16				10	
<b>Adjusted pre-tax income<sup>(1)</sup></b>			<b>\$ 213</b>				<b>\$ 259</b>				<b>\$ 300</b>				<b>\$ 267</b>	
<b>Adjusted effective tax rate<sup>(4)</sup></b>			23%				20%				15%				19%	
<b>Effective tax rate</b>			26%				20%				N/M				14%	
<b>Non-GAAP Adjusted EBITDA Margin information:</b>																
Revenue			\$ 1,837				\$ 2,024				\$ 2,285				\$ 2,307	
Adjusted EBITDA			289				334				371				349	
<b>Non-GAAP Adjusted EBITDA Margin</b>			16%				17%				16%				15%	
<b>GAAP Net Income Margin</b>			5%				8%				10%				26%	
<b>Common share information:</b>																
Basic weighted average shares				220.4				220.9				219.4				216.3
Diluted weighted average shares				222.6				222.9				221.3				219.0
Diluted shares for adjusted diluted income per share				222.6				222.9				221.3				219.0
<b>Free cash flow information<sup>(2)</sup></b>																
Net cash used in operating activities from continuing operations			\$ (16)				\$ (7)				\$ 186				\$ 790	
Capital expenditures from continuing operations			(98)				(76)				(76)				(92)	
<b>Free cash flow from continuing operations</b>			<b>\$ (114)</b>				<b>\$ (83)</b>				<b>\$ 110</b>				<b>\$ 698</b>	
Taxes paid on sale of Chemical Intermediates and India-based DIY Businesses			-				3				-				-	
Net cash proceeds from the Albermarle Settlement			-				-				-				(333)	
<b>Adjusted free cash flow from continuing operations<sup>(6)</sup></b>			<b>\$ (114)</b>				<b>\$ (80)</b>				<b>\$ 110</b>				<b>\$ 365</b>	

N/A = not applicable

For footnotes, please see Footnote Explanations page.

**Huntsman Corporation**  
**Reconciliation of U.S. GAAP to Non-GAAP Measures**  
**2022 Quarterly**

	Three months ended March 31, 2022				Three months ended June 30, 2022			
	EBITDA	Income Tax (Expense) Benefit	Net Income (Loss)	Diluted Income (Loss) Per Share	EBITDA	Income Tax (Expense) Benefit	Net (Loss) Income	Diluted (Loss) Income Per Share
In millions, except per share amounts								
<b>Net income (loss)</b>	\$ 240		\$ 240	\$ 1.11	\$ 242		\$ 242	\$ 1.17
Net income attributable to noncontrolling interests	(17)		(17)	(0.08)	(14)		(14)	(0.07)
<b>Net income (loss) attributable to Huntsman Corporation</b>	223		223	1.04	228		228	1.10
Interest expense from continuing operations	14				16			
Income tax expense (benefit) from continuing operations	65	\$ (65)			67	\$ (67)		
Income tax expense from discontinued operations <sup>(3)</sup>	-				-			
Depreciation and amortization from continuing operations	71				72			
Business acquisition and integration expenses and purchase accounting inventory adjustments	6	-	6	0.03	4	(2)	2	0.01
EBITDA / Income from discontinued operations, net of tax <sup>(3)</sup>	(1)	N/A	(1)	-	-	N/A	-	-
Income associated with the Albermarle Settlement, net	1	-	1	-	1	-	1	-
Gain on sale of businesses/assets	4	(1)	3	0.01	7	(1)	6	0.03
Income from transition services arrangements	(1)	-	(1)	-	(1)	-	(1)	-
Fair value adjustments to Venator Investment	2	-	2	0.01	-	-	-	-
Loss on early extinguishment of debt	-	-	-	-	-	-	-	-
Certain legal settlements and related expenses	12	(4)	8	0.04	2	1	3	0.01
Certain non-recurring information technology project implementation costs	2	-	2	0.01	1	(1)	-	-
Amortization of pension and postretirement actuarial losses	14	(3)	11	0.05	13	(3)	10	0.05
Restructuring, impairment and plant closing and transition costs	3	(1)	2	0.01	27	(7)	20	0.10
Plant incident remediation costs	-	-	-	-	(5)	1	(4)	(0.02)
<b>Adjusted<sup>(1)</sup></b>	<b>\$ 415</b>	<b>\$ (74)</b>	<b>\$ 256</b>	<b>\$ 1.19</b>	<b>\$ 432</b>	<b>\$ (79)</b>	<b>\$ 265</b>	<b>\$ 1.28</b>
Adjusted income tax expense <sup>(1)</sup>			\$ 74				\$ 79	
Net income attributable to noncontrolling interests, net of tax			17				14	
<b>Adjusted pre-tax income<sup>(1)</sup></b>			<b>\$ 347</b>				<b>\$ 358</b>	
<b>Adjusted effective tax rate<sup>(4)</sup></b>			21%				22%	
<b>Effective tax rate</b>			21%				22%	
<b>Non-GAAP Adjusted EBITDA Margin information:</b>								
Revenue			\$ 2,389				\$ 2,362	
Adjusted EBITDA			415				432	
<b>Non-GAAP Adjusted EBITDA Margin</b>			17%				18%	
<b>GAAP Net Income Margin</b>			10%				10%	
<b>Common share information:</b>								
Basic weighted average shares				212.7				205.3
Diluted weighted average shares				215.4				207.0
Diluted shares for adjusted diluted income per share				215.4				207.0
<b>Free cash flow information<sup>(2)</sup></b>								
Net cash used in operating activities from continuing operations			\$ 85				\$ 231	
Capital expenditures from continuing operations			(69)				(69)	
<b>Free cash flow from continuing operations</b>			<b>\$ 16</b>				<b>\$ 162</b>	
Taxes paid on sale of Chemical Intermediates and India-based DIY Businesses			-				-	
Net cash proceeds from the Albemarle Settlement			-				(78)	
<b>Adjusted free cash flow from continuing operations<sup>(8)</sup></b>			<b>\$ 16</b>				<b>\$ 84</b>	

N/A = not applicable

For footnotes, please see Footnote Explanations page.

## Reconciliation of U.S. GAAP to Non-GAAP Measures – Footnote Explanations

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- (1) We use adjusted EBITDA to measure the operating performance of our business and for planning and evaluating the performance of our business segments. 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) 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 adjusted EBITDA and adjusted net income (loss). Additional information with respect to our use of each of these financial measures follows:

Adjusted EBITDA, adjusted net income (loss) and adjusted diluted income (loss) per share, as used herein, are not necessarily comparable to other similarly titled measures of other companies.

Adjusted EBITDA is computed by eliminating the following from net income (loss): (a) net income attributable to noncontrolling interests, net of tax; (b) interest; (c) income taxes; (d) depreciation and amortization; (e) amortization of pension and postretirement actuarial losses (gains); (f) restructuring, impairment and plant closing and transition costs (credits); and further adjusted for certain other items set forth in the reconciliation of net income (loss) to adjusted EBITDA in Table 4 above.

Adjusted net income (loss) and adjusted diluted income (loss) per share are computed by eliminating the after tax impact of the following items from net income (loss): (a) net income attributable to noncontrolling interest; (b) amortization of pension and postretirement actuarial losses (gains); (c) restructuring, impairment and plant closing and transition costs (credits); and further adjusted for certain other items set forth in the reconciliation of net income (loss) to adjusted net income (loss) in Table 4 above. The income tax impacts, if any, of each adjusting item represent a ratable allocation of the total difference between the unadjusted tax expense and the total adjusted tax expense, computed without consideration of any adjusting items using a with and without approach.

We may disclose forward-looking adjusted EBITDA because we cannot adequately forecast certain items and events that may or may not impact us in the near future, such as business acquisition and integration expenses and purchase accounting inventory adjustments, certain legal and other settlements and related expenses, gains on sale of businesses/assets and certain tax only items, including tax law changes not yet enacted. Each of such adjustment has not yet occurred, is out of our control and/or cannot be reasonably predicted. In our view, our forward-looking adjusted EBITDA represents the forecast net income on our underlying business operations but does not reflect any adjustments related to the items noted above that may occur and can cause our adjusted EBITDA to differ.

- (2) Management internally uses free cash flow measure: (a) to evaluate our liquidity, (b) evaluate strategic investments, (c) plan stock buyback and dividend levels and (d) evaluate our ability to incur and service debt. Free cash flow is defined as net cash provided by operating activities less capital expenditures. Free cash flow is not a defined term under U.S. GAAP, and it should not be inferred that the entire free cash flow amount is available for discretionary expenditures.
- (3) During the third quarter 2019, we entered into an agreement to sell our Chemical Intermediates Businesses. Results from these businesses, including the associated gain on sale, was treated as discontinued operations until the completion of the sale on January 3, 2020.
- (4) We believe adjusted effective tax rate provides improved comparability between periods through the exclusion of certain items that management believes are not indicative of the businesses' operational profitability and that may obscure underlying business results and trends. In our view, effective tax rate is the performance measure calculated and presented in accordance with U.S. GAAP that is most directly comparable to adjusted effective tax rate. The reconciliation of historical adjusted effective tax rate and effective tax rate is set forth in Table 4 above. Please see the reconciliation of our net income to adjusted net income in Table 4 for details regarding the tax impacts of our non-GAAP adjustments.

Our forward-looking adjusted effective tax rate is calculated based on our forecast effective tax rate, and the range of our forward-looking adjusted effective tax rate equals the range of our forecast effective tax rate. We disclose forward-looking adjusted effective tax rate because we cannot adequately forecast certain items and events that may or may not impact us in the near future, such as business acquisition and integration expenses and purchase accounting inventory adjustments, certain legal and other settlements and related expenses, gains on sale of businesses/assets and certain tax only items, including tax law changes not yet enacted. Each of such adjustment has not yet occurred, is out of our control and/or cannot be reasonably predicted. In our view, our forward-looking adjusted effective tax rate represents the forecast effective tax rate on our underlying business operations but does not reflect any adjustments related to the items noted above that may occur and can cause our effective tax rate to differ.

- (5) Net debt is a measure we use to monitor how much debt we have after taking into account our total cash. We use it as an indicator of our overall financial position, and calculate it by taking our total debt, including the current portion, and subtracting total cash.
- (6) Adjusted free cash flow is defined as free cash flow, as described above, adjusted by excluding the taxes paid in connection with the sale of our Chemical Intermediates Businesses, the sale of our India-based DIY business and net cash proceeds from the Albemarle Settlement. We believe that adjusted free cash flow provides a useful comparison from period to period because it excludes the impact of significant cash taxes and legal settlements unrelated to our operations. We believe these adjustments provide a meaningful measure of our free cash flow.

**About Huntsman:**

Huntsman Corporation is a publicly traded global manufacturer and marketer of differentiated and specialty chemicals with 2021 revenues of approximately \$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 70 manufacturing, R&D and operations facilities in approximately 30 countries and employ approximately 9,000 associates within our four distinct business divisions. For more information about Huntsman, please visit the company's website at [www.huntsman.com](http://www.huntsman.com).

**Social Media:**

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

Facebook: [www.facebook.com/huntsmancorp](https://www.facebook.com/huntsmancorp)

LinkedIn: [www.linkedin.com/company/huntsman](https://www.linkedin.com/company/huntsman)

**Forward-Looking Statements:**

This press 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 review of the Textile Effects Division, business trends and any other information that is not historical information. When used in this press 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"). In addition, there can be no assurance that the review of the Textile Effects Division will result in one or more transactions or other strategic change or outcome. Significant risks and uncertainties may relate to, but are not limited to, increased energy costs in Europe, inflation and resulting monetary tightening in the US, geopolitical instability, ongoing impact of COVID-19 on our operations and financial results, volatile global economic conditions, cyclical and volatile product markets, disruptions in production at manufacturing facilities, timing of proposed transactions, 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, 2021, 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.

**Additional Information and Where to Find It:**

The Company has filed a preliminary proxy statement and accompanying WHITE proxy card with the SEC with respect to the Company's 2022 Annual Meeting of Stockholders (the "2022 Annual Meeting"), and prior to the 2022 Annual Meeting, the Company intends to file a definitive proxy statement and accompanying WHITE proxy card with the SEC. The Company's shareholders are strongly encouraged to read the definitive proxy statement, the accompanying WHITE proxy card and other documents filed with the SEC carefully in their entirety when they become available because they will contain important information. The Company's shareholders will be able to obtain any proxy statement, any amendments or supplements to the proxy statement and other documents filed by the Company with the SEC free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). Copies will also be available free of charge at the Company's website at [www.huntsman.com](http://www.huntsman.com).

**Certain Information Regarding Participants:**

The Company, its directors and certain of its executive officers are participants in the solicitation of proxies from the Company's shareholders in connection with the matters to be considered at the 2023 Annual Meeting. Information about the Company's directors and executive officers is available in the Company's (a) annual report on Form 10-K for the year ended December 31, 2021 filed with the SEC on February 15, 2022 and (b) proxy statement filed with the SEC on February 17, 2022 with respect to the Company's 2022 Annual Meeting of Stockholders. To the extent holdings of the Company's securities by such directors or executive officers have changed since the amounts printed in the proxy statement, such changes have been or will be reflected on Statements of Changes in Beneficial Ownership on Form 4 filed with the SEC. Additional information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with the 2023 Annual Meeting.