

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **January 3, 2020**

Huntsman Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-32427
(Commission File Number)

42-1648585
(IRS Employer
Identification No.)

10003 Woodloch Forest Drive
The Woodlands, Texas
(Address of principal executive offices)

77380
(Zip Code)

Huntsman International LLC

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

333-85141
(Commission
File Number)

87-0630358
(IRS Employer
Identification No.)

10003 Woodloch Forest Drive
The Woodlands, Texas
(Address of principal executive offices)

77380
(Zip Code)

Registrant's telephone number, including area code:
(281) 719-6000

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

Securities registered pursuant to Section 12(b) of the Act:

Registrant	Title of each class	Trading Symbol	Name of each exchange on which registered
Huntsman Corporation	Common Stock, par value \$0.01 per share	HUN	New York Stock Exchange
Huntsman International LLC	NONE	NONE	NONE

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.01. Completion of Acquisition or Disposition of Assets.

On January 3, 2020, Huntsman International LLC, a wholly-owned subsidiary of Huntsman Corporation (“Huntsman”), completed the previously announced sale of its chemical intermediates businesses, which included PO/MTBE, and its surfactants businesses (collectively, the “Chemical Intermediates Businesses”). The sale of the Chemical Intermediates Businesses was made pursuant to an Equity and Asset Purchase Agreement dated August 7, 2019 (as amended, waived, supplemented, modified or restated from time to time) with Indorama Ventures Holdings L.P., a Delaware limited partnership (“Indorama”), and Indorama Ventures Public Company Limited, a public company organized and existing under the laws of the Kingdom of Thailand and parent to Indorama.

The total purchase price was approximately \$1.93 billion, which included estimated adjustments to the purchase price for working capital, plus the transfer of up to approximately \$76 million in net underfunded pension and other post-employment benefit liabilities. The final purchase price remains subject to post-closing adjustments for deviations from net working capital, net indebtedness and assumed pension liability targets.

On January 5, 2020, Huntsman issued the press release attached hereto as Exhibit 99.1, which is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(b) Pro Forma Financial Information

The pro forma financial information required pursuant to Article 11 of Regulation S-X is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

(c) Exhibits

Number	Description of Exhibits
<u>99.1</u>	<u>Press release dated January 5, 2020.</u>
<u>99.2</u>	<u>Huntsman Corporation and Subsidiaries Pro Forma Condensed Consolidated Balance Sheet (Unaudited) as of September 30, 2019</u> <u>Huntsman Corporation and Subsidiaries Pro Forma Consolidated Statement of Operations (Unaudited) for the year ended December 31, 2018</u> <u>Huntsman Corporation and Subsidiaries Pro Forma Consolidated Statement of Operations (Unaudited) for the year ended December 31, 2017</u> <u>Huntsman Corporation and Subsidiaries Pro Forma Consolidated Statement of Operations (Unaudited) for the year ended December 31, 2016</u> <u>Huntsman International LLC and Subsidiaries Pro Forma Condensed Consolidated Balance Sheet (Unaudited) as of September 30, 2019</u> <u>Huntsman International LLC and Subsidiaries Pro Forma Consolidated Statement of Operations (Unaudited) for the year ended December 31, 2018</u> <u>Huntsman International LLC and Subsidiaries Pro Forma Consolidated Statement of Operations (Unaudited) for the year ended December 31, 2017</u> <u>Huntsman International LLC and Subsidiaries Pro Forma Consolidated Statement of Operations (Unaudited) for the year ended December 31, 2016</u>
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Huntsman Corporation
Huntsman International LLC

By: /s/ SEAN DOUGLAS
Name: Sean Douglas
Title: Executive Vice President and Chief Financial Officer

Date: January 9, 2020



News Release



Enriching lives through innovation

FOR IMMEDIATE RELEASE

January 5, 2020
The Woodlands, TX
NYSE: HUN

Media:

Gary Chapman
(281) 719-4324

Investor Relations:

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Huntsman Completes the Sale of its Chemical Intermediates and Surfactants Businesses to Indorama Ventures for \$2 Billion

THE WOODLANDS, Texas – Huntsman Corporation (NYSE: HUN) announced today it has completed the sale of its chemical intermediates businesses, which includes PO/MTBE, and its surfactants businesses to Indorama Ventures in a transaction valued at approximately \$2 billion, comprising a cash purchase price of approximately \$1.93 billion, which includes estimated adjustments to the purchase price for working capital, plus the transfer of up to approximately \$76 million in net underfunded pension and other post-employment benefit liabilities. The final purchase price is subject to customary post-closing adjustments. The net cash proceeds are expected to be just under \$1.6 billion.

Peter Huntsman, Chairman, President and CEO commented:

"This transformational transaction significantly reduces our capital-intensive upstream asset base, further bolsters our already strong balance sheet and allows us to further invest in and grow our downstream businesses. We are committed to retaining our investment grade balance sheet and our continued balanced approach to capital allocation. This transaction greatly expands our flexibility and opportunity for select strategic and accretive acquisitions, as well as for expansions in our core downstream global footprint, and for continued opportunistic repurchases of our shares. We remain disciplined and focused on the creation of long-term shareholder value.

"This is a great transaction for both Huntsman and Indorama. I am pleased to see that so many of our outstanding associates are transitioning to a company that has values like Huntsman. Led by Alok Lohia, Indorama is a family-run business that understands the value of quality people. I look forward to an ongoing relationship with Indorama for years to come."

About Huntsman:

Huntsman Corporation is a publicly traded global manufacturer and marketer of differentiated and specialty chemicals with 2018 revenues of more than \$9 billion. Our chemical products number in the thousands and are sold worldwide to manufacturers serving a broad and diverse range of consumer and industrial end markets. We operate more than 75 manufacturing, R&D and operations facilities in approximately 30 countries and employ approximately 10,000 associates within our four distinct business divisions. For more information about Huntsman, please visit the company's website at www.huntsman.com.

Social Media:

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

Facebook: www.facebook.com/huntsmancorp

LinkedIn: www.linkedin.com/company/huntsman

Forward-Looking Statements:

Certain information in this release constitutes 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 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 under the caption "Risk Factors" 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. The company assumes no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by applicable laws.

Summary of Unaudited Pro Forma Financial Information

The following unaudited financial information reflects the pro forma condensed consolidated balance sheets as of September 30, 2019 and the pro forma consolidated statements of operations for the years ended December 31, 2018, 2017 and 2016 for each of Huntsman Corporation and Huntsman International LLC (collectively, the “Company”), giving effect to the sale of its chemical intermediates businesses, which included PO/MTBE, and its surfactants businesses (collectively, the “Chemical Intermediates Businesses”). The condensed consolidated statements of operations for the nine months ended September 30, 2019, as included in the Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2019, already reflect the results of operations of the Chemical Intermediates Businesses as discontinued operations. Accordingly, no pro forma condensed consolidated statements of operations for the nine months ended September 30, 2019 are included herein.

The unaudited pro forma consolidated statements of operations for the years ended December 31, 2018, 2017 and 2016 give effect to the sale as if the sale transaction occurred at the beginning of the periods presented. The unaudited pro forma condensed consolidated balance sheets as of September 30, 2019 assume the sale occurred on September 30, 2019.

The pro forma information is not necessarily indicative of the financial position or results of operations of future periods or indicative of results that would have actually occurred had the transaction been completed as of the date thereof or as of the beginning of the periods presented therein. The pro forma adjustments, as described in the accompanying notes to the pro forma condensed consolidated balance sheets and consolidated statements of operations, are based upon available information and certain assumptions the Company believes are reasonable. The pro forma financial information should be read in conjunction with the Company’s unaudited condensed consolidated financial statements included in its Form 10-Q for the quarterly period ended September 30, 2019 and the Company’s consolidated financial statements included in its Form 10-K for the year ended December 31, 2018.

HUNTSMAN CORPORATION AND SUBSIDIARIES
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS OF SEPTEMBER 30, 2019
(In millions)

	Huntsman Corporation	Pro Forma Adjustments	Pro Forma
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 418	\$ 1,895(2)	\$ 2,313
Accounts and notes receivable, net	1,078		1,078
Accounts receivable from affiliates	12		12
Inventories	961		961
Prepaid expenses	53		53
Other current assets	99		99
Current assets held for sale	1,108	(1,108)(1)	-
Total current assets	3,729	787	4,516
Property plant and equipment, net	2,324		2,324
Investment in unconsolidated affiliates	454		454
Intangible assets, net	202		202
Goodwill	274		274
Deferred income taxes	309		309
Notes receivable from affiliate	34		34
Operating lease right-of-use assets	356		356
Other noncurrent assets	433		433
Total assets	\$ 8,115	\$ 787	\$ 8,902
LIABILITIES AND EQUITY			
Current liabilities:			
Accounts payable	\$ 715		\$ 715
Accounts payable to affiliates	29		29
Accrued liabilities	406	\$ 400(4)	806
Current portion of debt	132		132
Current operating lease liabilities	37		37
Current liabilities held for sale	586	(586)(1)	-
Total current liabilities	1,905	(186)	1,719
Long-term debt	2,204		2,204
Deferred income taxes	198	100(4)	298
Noncurrent operating lease liabilities	349		349
Other noncurrent liabilities	821		821
Total liabilities	5,477	(86)	5,391
Equity			
Huntsman Corporation stockholders' equity:			
Common stock	3		3
Additional paid-in capital	4,009		4,009
Treasury stock	(623)		(623)
Unearned stock-based compensation	(21)		(21)
Retained earnings	424	825(3)	1,249
Accumulated other comprehensive loss	(1,310)	48(1)	(1,262)
Total Huntsman Corporation stockholders' equity	2,482	873	3,355
Noncontrolling interests in subsidiaries	156		156
Total equity	2,638	873	3,511
Total liabilities and equity	\$ 8,115	\$ 787	\$ 8,902

(1) Reflects the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects receipt of the sale consideration, less transaction costs.

(3) Reflects the preliminary gain on the sale transaction, net of taxes.

(4) Reflects the estimated current and deferred income taxes associated with the gain recognized upon closing of the sale transaction.

HUNTSMAN CORPORATION AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2018
(In Millions, Except Per Share Amounts)

	Huntsman Corporation	Pro Forma Adjustments	Pro Forma
Revenues:			
Trade sales, services and fees, net	\$ 9,220	\$ (1,769)(1)	\$ 7,451
Related party sales	159	(6)(1)	153
Total revenues	9,379	(1,775)	7,604
Cost of goods sold	7,354	(1,514)(1)	5,840
Gross profit	2,025	(261)	1,764
Operating expenses:			
Selling, general and administrative	830	(41)(1)	789
Research and development	152	(7)(1)	145
Restructuring, impairment and plant closing credits	(5)	(2)(1)	(7)
Merger costs	2		2
Other operating expense, net	8		8
Total operating expenses	987	(50)	937
Operating income	1,038	(211)	827
Interest expense	(115)		(115)
Equity in income of investment in unconsolidated affiliates	55		55
Fair value adjustments to Venator investment	(62)		(62)
Loss on early extinguishment of debt	(3)		(3)
Other income, net	29	3(1)	32
Income from continuing operations before income taxes	942	(208)	734
Income tax expense	(97)	52(2)	(45)
Income from continuing operations	\$ 845	\$ (156)	\$ 689
Basic income per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	\$ 3.21	\$ (0.66)(3)	\$ 2.55
Weighted average shares	238.1		238.1
Diluted income per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	\$ 3.16	\$ (0.65)(3)	\$ 2.51
Weighted average shares	241.6		241.6

(1) Reflects the removal of results of operations related to the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects the tax effect of the pro forma adjustments.

(3) Reflects the basic and diluted per share impact of the sale transaction.

NOTE: The above pro forma statement of operations does not reflect the net gain on the sale transaction.

HUNTSMAN CORPORATION AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2017
(In Millions, Except Per Share Amounts)

	Huntsman Corporation	Pro Forma Adjustments	Pro Forma
Revenues:			
Trade sales, services and fees, net	\$ 8,208	\$ (1,524)(1)	\$ 6,684
Related party sales	150	11(1)	161
Total revenues	8,358	(1,513)	6,845
Cost of goods sold	6,552	(1,358)(1)	5,194
Gross profit	1,806	(155)	1,651
Operating expenses:			
Selling, general and administrative	798	(39)(1)	759
Research and development	138	(6)(1)	132
Restructuring, impairment and plant closing costs	20	(1)(1)	19
Merger costs	28		28
Other operating income, net	(23)	7(1)	(16)
Total operating expenses	961	(39)	922
Operating income	845	(116)	729
Interest expense	(165)		(165)
Equity in income of investment in unconsolidated affiliates	13		13
Loss on early extinguishment of debt	(54)		(54)
Other income, net	8		8
Income from continuing operations before income taxes	647	(116)	531
Income tax expense	(64)	44(2)	(20)
Income from continuing operations	\$ 583	\$ (72)	\$ 511
Basic income per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	\$ 2.01	\$ (0.30)(3)	\$ 1.71
Weighted average shares	238.4		238.4
Diluted income per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	\$ 1.96	\$ (0.30)(3)	\$ 1.66
Weighted average shares	243.9		243.9

(1) Reflects the removal of results of operations related to the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects the tax effect of the pro forma adjustments.

(3) Reflects the basic and diluted per share impact of the sale transaction.

NOTE: The above pro forma statement of operations does not reflect the net gain on the sale transaction.

HUNTSMAN CORPORATION AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2016
(In Millions, Except Per Share Amounts)

	Huntsman Corporation	Pro Forma Adjustments	Pro Forma
Revenues:			
Trade sales, services and fees, net	\$ 7,387	\$ (1,369)(1)	\$ 6,018
Related party sales	131	(3)(1)	128
Total revenues	7,518	(1,372)	6,146
Cost of goods sold	6,000	(1,175)(1)	4,825
Gross profit	1,518	(197)	1,321
Operating expenses:			
Selling, general and administrative	772	(29)(1)	743
Research and development	137	(7)(1)	130
Restructuring, impairment and plant closing costs	47	(16)(1)	31
Other operating income, net	(101)	2(1)	(99)
Total operating expenses	855	(50)	805
Operating income	663	(147)	516
Interest expense	(203)		(203)
Equity in income of investment in unconsolidated affiliates	5		5
Loss on early extinguishment of debt	(3)		(3)
Other income, net	12		12
Income from continuing operations before income taxes	474	(147)	327
Income tax expense	(109)	53(2)	(56)
Income from continuing operations	\$ 365	\$ (94)	\$ 271
Basic income per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	\$ 1.41	\$ (0.40)(3)	\$ 1.01
Weighted average shares	236.3		236.3
Diluted income per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	\$ 1.39	\$ (0.39)(3)	\$ 1.00
Weighted average shares	239.6		239.6

(1) Reflects the removal of results of operations related to the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects the tax effect of the pro forma adjustments.

(3) Reflects the basic and diluted per share impact of the sale transaction.

NOTE: The above pro forma statement of operations does not reflect the net gain on the sale transaction.

HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS OF SEPTEMBER 30, 2019
(In millions)

	Huntsman International LLC	Pro Forma Adjustments	Pro Forma
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 417	\$ 1,895(2)	\$ 2,312
Accounts and notes receivable, net	1,078		1,078
Accounts receivable from affiliates	408		408
Inventories	961		961
Prepaid expenses	51		51
Other current assets	102		102
Current assets held for sale	1,108	(1,108)(1)	-
Total current assets	4,125	787	4,912
Property plant and equipment, net	2,324		2,324
Investment in unconsolidated affiliates	454		454
Intangible assets, net	202		202
Goodwill	274		274
Deferred income taxes	309		309
Notes receivable from affiliate	34		34
Operating lease right-of-use assets	356		356
Other noncurrent assets	433		433
Total assets	\$ 8,511	\$ 787	\$ 9,298
LIABILITIES AND EQUITY			
Current liabilities:			
Accounts payable	\$ 714		\$ 714
Accounts payable to affiliates	112		112
Accrued liabilities	403	\$ 400(4)	803
Notes payable to affiliates	100		100
Current portion of debt	132		132
Current operating lease liabilities	37		37
Current liabilities held for sale	586	(586)(1)	-
Total current liabilities	2,084	(186)	1,898
Long-term debt	2,204		2,204
Notes payable to affiliates	291		291
Deferred income taxes	195	100(4)	295
Noncurrent operating lease liabilities	349		349
Other noncurrent liabilities	813		813
Total liabilities	5,936	(86)	5,850
Equity			
Huntsman International LLC members' equity:			
Members' equity	3,673		3,673
Retained earnings	47	825(3)	872
Accumulated other comprehensive loss	(1,301)	48(1)	(1,253)
Total Huntsman International LLC members' equity	2,419	873	3,292
Noncontrolling interests in subsidiaries	156		156
Total equity	2,575	873	3,448
Total liabilities and equity	\$ 8,511	\$ 787	\$ 9,298

(1) Reflects the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects receipt of the sale consideration, less transaction costs.

(3) Reflects the preliminary gain on the sale transaction, net of taxes.

(4) Reflects the estimated current and deferred income taxes associated with the gain recognized upon closing of the sale transaction.

HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2018
(In Millions)

	Huntsman International LLC	Pro Forma Adjustments	Pro Forma
Revenues:			
Trade sales, services and fees, net	\$ 9,220	\$ (1,769)(1)	\$ 7,451
Related party sales	159	(6)(1)	153
Total revenues	9,379	(1,775)	7,604
Cost of goods sold	7,351	(1,514)(1)	5,837
Gross profit	2,028	(261)	1,767
Operating expenses:			
Selling, general and administrative	825	(41)(1)	784
Research and development	152	(7)(1)	145
Restructuring, impairment and plant closing credits	(5)	(2)(1)	(7)
Merger costs	2		2
Other operating expense, net	8		8
Total operating expenses	982	(50)	932
Operating income	1,046	(211)	835
Interest expense	(136)		(136)
Equity in income of investment in unconsolidated affiliates	55		55
Fair value adjustments to Venator investment	(62)		(62)
Loss on early extinguishment of debt	(3)		(3)
Other income, net	24	3(1)	27
Income from continuing operations before income taxes	924	(208)	716
Income tax expense	(93)	52(2)	(41)
Income from continuing operations	\$ 831	\$ (156)	\$ 675

(1) Reflects the removal of results of operations related to the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects the tax effect of the pro forma adjustments.

NOTE: The above pro forma statement of operations does not reflect the net gain on the sale transaction.

HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2017
(In Millions)

	Huntsman International LLC	Pro Forma Adjustments	Pro Forma
Revenues:			
Trade sales, services and fees, net	\$ 8,208	\$ (1,524)(1)	\$ 6,684
Related party sales	150	11(1)	161
Total revenues	8,358	(1,513)	6,845
Cost of goods sold	6,546	(1,358)(1)	5,188
Gross profit	1,812	(155)	1,657
Operating expenses:			
Selling, general and administrative	793	(39)(1)	754
Research and development	138	(6)(1)	132
Restructuring, impairment and plant closing costs	20	(1)(1)	19
Merger costs	28		28
Other operating income, net	(23)	7(1)	(16)
Total operating expenses	956	(39)	917
Operating income	856	(116)	740
Interest expense	(181)		(181)
Equity in income of investment in unconsolidated affiliates	13		13
Loss on early extinguishment of debt	(54)		(54)
Other income, net	6		6
Income from continuing operations before income taxes	640	(116)	524
Income tax expense	(61)	44(2)	(17)
Income from continuing operations	\$ 579	\$ (72)	\$ 507

(1) Reflects the removal of results of operations related to the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects the tax effect of the pro forma adjustments.

NOTE: The above pro forma statement of operations does not reflect the net gain on the sale transaction.

HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS (UNAUDITED)
YEAR ENDED DECEMBER 31, 2016
(In Millions)

	Huntsman International LLC	Pro Forma Adjustments	Pro Forma
Revenues:			
Trade sales, services and fees, net	\$ 7,387	\$ (1,369)(1)	\$ 6,018
Related party sales	131	(3)(1)	128
Total revenues	<u>7,518</u>	<u>(1,372)</u>	<u>6,146</u>
Cost of goods sold	<u>5,993</u>	<u>(1,175)(1)</u>	<u>4,818</u>
Gross profit	1,525	(197)	1,328
Operating expenses:			
Selling, general and administrative	768	(29)(1)	739
Research and development	137	(7)(1)	130
Restructuring, impairment and plant closing costs	47	(16)(1)	31
Other operating income, net	(101)	2(1)	(99)
Total operating expenses	<u>851</u>	<u>(50)</u>	<u>801</u>
Operating income	674	(147)	527
Interest expense	(215)		(215)
Equity in income of investment in unconsolidated affiliates	5		5
Loss on early extinguishment of debt	(3)		(3)
Other income, net	14		14
Income from continuing operations before income taxes	<u>475</u>	<u>(147)</u>	<u>328</u>
Income tax expense	(108)	53(2)	(55)
Income from continuing operations	<u>\$ 367</u>	<u>\$ (94)</u>	<u>\$ 273</u>

(1) Reflects the removal of results of operations related to the disposition of the Chemical Intermediates Businesses as a result of the sale transaction.

(2) Reflects the tax effect of the pro forma adjustments.

NOTE: The above pro forma statement of operations does not reflect the net gain on the sale transaction.