Huntsman CORP
Form 10-K
February 16, 2016

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-K

(Mark One)

ý ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number	Exact Name of Registrant as Specified in its Charter, Principal Office Address and Telephone Number	State of Incorporation/Organization	I.R.S. Employer Identification No.
001-32427	Huntsman Corporation 500 Huntsman Way Salt Lake City, Utah 84108 (801) 584-5700	Delaware	42-1648585
333-85141	Huntsman International LLC 500 Huntsman Way Salt Lake City, Utah 84108 (801) 584-5700	Delaware	87-0630358

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

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

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

Registrant	Title of each class
Huntsman Corporation	None
Huntsman International LLC	None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Huntsman Corporation	YES ý	NO o
Huntsman International LLC	YES o	NO ý

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.

Huntsman Corporation	YES o	NO ý
Huntsman International LLC	YES o	NO ý

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Huntsman Corporation	YES ý	NO o
Huntsman International LLC	YES ý	NO o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Huntsman Corporation	YES ý	NO o
Huntsman International LLC	YES ý	NO o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrants' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ý

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. Huntsman Corporation

Huntsman Corporation	Large accelerated filer ý	Accelerated filer o	Non-accelerated filer o	Smaller reporting company o
Huntsman International LLC	Large accelerated filer o	Accelerated filer o	Non-accelerated filer ý	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Huntsman Corporation	YES o	NO ý
Huntsman International LLC	YES o	NO ý

On June 30, 2015, the last business day of the registrants' most recently completed second fiscal quarter, the aggregate market value of voting and non-voting common equity held by non-affiliates was as follows:

Registrant	**Common Equity**	**Market Value Held by Nonaffiliates**
Huntsman Corporation	Common Stock	$4,388,665,516(1)
Huntsman International LLC	Units of Membership Interest	$0(2)

(1) Based on the closing price of $22.07 per share of common stock as quoted on the New York Stock Exchange.

(2) All units of membership interest are held by Huntsman Corporation, an affiliate.

On February 8, 2016, the number of shares outstanding of each of the registrant's classes of common equity were as follows:

Registrant	**Common Equity**	**Outstanding**
Huntsman Corporation	Common Stock	236,876,318
Huntsman International LLC	Units of Membership Interest	2,728

This Annual Report on Form 10-K presents information for two registrants: Huntsman Corporation and Huntsman International LLC. Huntsman International LLC is a wholly owned subsidiary of Huntsman Corporation and is the principal operating company of Huntsman Corporation. The information reflected in this Annual Report on Form 10-K is equally applicable to both Huntsman Corporation and Huntsman International LLC, except where otherwise indicated.

Huntsman International LLC meets the conditions set forth in General Instructions (I)(1)(a) and (b) of Form 10-K and, to the extent applicable, is therefore filing this form with a reduced disclosure format.

Documents Incorporated by Reference

Part III: Proxy Statement for the 2016 Annual Meeting of Stockholders to be filed within 120 days of Huntsman Corporation's fiscal year ended December 31, 2015.

HUNTSMAN CORPORATION AND SUBSIDIARIES
HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
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HUNTSMAN CORPORATION AND SUBSIDIARIES
HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
2015 ANNUAL REPORT ON FORM 10-K

With respect to Huntsman Corporation, certain information set forth in this report contains "forward-looking statements" within the meaning the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than historical factual information are forward-looking statements, including without limitation statements regarding: projections of revenue, expenses, profit, profit margins, tax rates, tax provisions, cash flows, pension and benefit obligations and funding requirements, our liquidity position or other projected financial measures; management's plans and strategies for future operations, including statements relating to anticipated operating performance, cost reductions, restructuring activities, new product and service developments, competitive strengths or market position, acquisitions, divestitures, spin-offs, or other distributions, strategic opportunities, securities offerings, stock repurchases, dividends and executive compensation; growth, declines and other trends in markets we sell into; new or modified laws, regulations and accounting pronouncements; outstanding claims, legal proceedings, tax audits and assessments and other contingent liabilities; foreign currency exchange rates and fluctuations in those rates; general economic and capital markets conditions; the timing of any of the foregoing; assumptions underlying any of the foregoing; and any other statements that address events or developments that we intend or believe will or may occur in the future. In some cases, forward-looking statements can be identified by terminology such as "believes," "expects," "may," "will," "should," "anticipates" or "intends" or the negative of such terms or other comparable terminology, or by discussions of strategy. We may also make additional forward-looking statements from time to time. All such subsequent forward-looking statements, whether written or oral, by us or on our behalf, are also expressly qualified by these cautionary statements.

All forward-looking statements, including without limitation management's examination of historical operating trends, are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them, but there can be no assurance that management's expectations, beliefs and projections will result or be achieved. All forward-looking statements apply only as of the date made. We undertake no obligation to publicly update or revise forward-looking statements whether because of new information, future events or otherwise, except as required by securities and other applicable law.

There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in or contemplated by this report. Any forward-looking statements should be considered in light of the risks set forth in "Part I. Item 1A. Risk Factors" and elsewhere in this report.

This report includes information with respect to market share, industry conditions and forecasts that we obtained from internal industry research, publicly available information (including industry publications and surveys), and surveys and market research provided by consultants. The publicly available information and the reports, forecasts and other research provided by consultants generally state that the information contained therein has been obtained from sources believed to be reliable. We have not independently verified any of the data from third-party sources, nor have we ascertained the underlying economic assumptions relied upon therein. Similarly, our internal research and forecasts are based upon our management's understanding of industry conditions, and such information has not been verified by any independent sources.

For convenience in this report, the terms "Company," "our," "us," or "we" may be used to refer to Huntsman Corporation and, unless the context otherwise requires, its subsidiaries and

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predecessors. Any references to our "Company," "we," "us" or "our" as of a date prior to October 19, 2004 (the date of our formation) are to Huntsman Holdings, LLC and its subsidiaries (including their respective predecessors). In this report, "Huntsman International" refers to Huntsman International LLC (our 100%-owned subsidiary) and, unless the context otherwise requires, its subsidiaries; "HPS" refers to Huntsman Polyurethanes Shanghai Ltd. (our consolidated splitting joint venture with Shanghai Chlor-Alkali Chemical Company, Ltd); "Sasol-Huntsman" refers to Sasol-Huntsman GmbH and Co. KG (our consolidated joint venture with Sasol that owns and operates a maleic anhydride facility in Moers, Germany); and "SLIC" refers to Shanghai Liengheng Isocyanate Investment BV (an unconsolidated manufacturing joint venture with BASF and three Chinese chemical companies).

In this report, we may use, without definition, the common names of competitors or other industry participants. We may also use the common names or abbreviations for certain chemicals or products. Many of these terms are defined in the Glossary of Chemical Terms found at the conclusion of "Part I. Item 1. Business" below.

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PART I

ITEM 1. BUSINESS

GENERAL

We are a global manufacturer of differentiated organic chemical products and of inorganic chemical products. Our Company, a Delaware corporation, was formed in 2004 to hold the businesses of Huntsman Holdings, LLC, a company founded by Jon M. Huntsman. Mr. Huntsman founded the predecessor to our Company in 1970 as a small polystyrene plastics packaging company. Since then, we have grown through a series of significant acquisitions and now own a global portfolio of businesses.

We operate all of our businesses through Huntsman International, our 100% owned subsidiary. Huntsman International is a Delaware limited liability company and was formed in 1999.

Our principal executive offices are located at 10003 Woodloch Forest Drive, The Woodlands, Texas 77380, and our telephone number at that location is (281) 719-6000.

OVERVIEW

We operate in five segments: Polyurethanes, Performance Products, Advanced Materials, Textile Effects and Pigments and Additives. Our products comprise a broad range of chemicals and formulations which we market globally to a diversified group of consumer and industrial customers. Our products are used in a wide range of applications, including those in the adhesives, aerospace, automotive, construction products, personal care and hygiene, durable and non-durable consumer products, electronics, medical, packaging, paints and coatings, power generation, refining, synthetic fiber, textile chemicals and dye industries. We are a leading global producer in many of our key product lines, including MDI, amines, surfactants, maleic anhydride, epoxy-based polymer formulations, textile chemicals, dyes, titanium dioxide and color pigments. Our administrative, research and development and manufacturing operations are primarily conducted at the facilities listed in " Item 2. Properties" below, which are located in 30 countries. As of December 31, 2015, we employed approximately 15,000 associates worldwide. Our revenues for the years ended December 31, 2015, 2014 and 2013 were $10,299 million, $11,578 million and $11,079 million, respectively.

Our Products

We produce differentiated organic and inorganic chemical products. Our Polyurethanes, Performance Products, Advanced Materials and Textile Effects segments produce differentiated organic chemical products and our Pigments and Additives segment produces primarily inorganic chemical products.

Growth in our differentiated products has been driven by the substitution of our products for other materials and by the level of global economic activity. Accordingly, the profitability of our differentiated products has been somewhat less influenced by the cyclicality that typically impacts the

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petrochemical industry. Titanium dioxide, within our Pigments and Additives segment, is cyclical and influenced by seasonal demand patterns in the coatings industry.

2015 Segment Revenues(1) ***2015 Segment Adjusted EBITDA(1)***

(1) Percentage allocations in this chart do not give effect to Corporate and other unallocated items and eliminations. For a reconciliation of adjusted EBITDA to net income attributable to Huntsman Corporation and cash provided by operating activities, see "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations Results of Operations."

The following table identifies the key products, their principal end markets and applications and representative customers of each of our business segments:

Segment	Products	End Markets and Applications	Representative Customers
Polyurethanes	MDI, PO, polyols, PG, TPU, aniline and MTBE	Refrigeration and appliance insulation, construction products, adhesives, automotive, footwear, furniture, cushioning, specialized engineering applications and fuel additives	BMW, CertainTeed, Electrolux, Firestone, Haier, Henkel, Johnson Controls, Louisiana Pacific, Norbord, PMI
Performance Products	Amines, surfactants, LAB, maleic anhydride, other performance chemicals, EG, olefins and technology licenses	Detergents, personal care products, agrochemicals, lubricant and fuel additives, energy, adhesives, paints and coatings, construction, marine and automotive products, composites, and PET fibers and resins	Afton, AOC, Chevron, Colgate, DAK, L'Oreal, Lubrizol, Monsanto, Procter & Gamble, Tate & Lyle, Unilever

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Segment	Products	End Markets and Applications	Representative Customers
Advanced Materials	Basic liquid and solid epoxy resins; specialty resin compounds; cross-linking, matting and curing agents; epoxy, acrylic and polyurethane-based formulations	Aerospace and industrial adhesives, composites for aerospace, automotive, oil and gas and wind power generation; construction and civil engineering; industrial coatings; electrical power transmission; consumer electronics and DIY adhesives	Akzo, Bodo Moeller, Chenglai, Cytec, Freeman, Hexcel, Lianyungang, Omya, PPG, Ribelin, Schneider, Sherwin Williams, Siemens, Speed Fair, Toray
Textile Effects	Textile chemicals, dyes and inks	Apparel, home and technical textiles	Aunde, Esquel Group, Fruit of the Loom, Guilford Mills, Hanesbrands, Nice Dyeing, Polartec, Tencate, Y.R.C., Zaber & Zubair
Pigments and Additives	Titanium dioxide, functional additives, color pigments, timber treatment and water treatment chemicals	Paints and coatings, plastics, paper, printing inks, ceramics, pharmaceuticals, food, cosmetics, wood protection and water purity	AkzoNobel, BASF, Clariant, Jotun, PolyOne, PPG

For additional information about our business segments, including related financial information, see "Note 25. Operating Segment Information" to our consolidated financial statements and "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Form 10-K.

Polyurethanes

General

We are a leading global manufacturer and marketer of a broad range of polyurethane chemicals, including MDI products, PO, polyols, PG and TPU (each discussed in more detail below under " Products and Markets"). Polyurethane chemicals are used to produce rigid and flexible foams, as well as coatings, adhesives, sealants and elastomers. We focus on the higher-margin, higher-growth markets for MDI and MDI-based polyurethane systems. Growth in our Polyurethanes segment has been driven primarily by the continued substitution of MDI-based products for other materials across a broad range of applications. We operate five primary polyurethane manufacturing facilities in the U.S., Europe and China. We also operate 19 strategically located polyurethane formulation facilities, commonly referred to in the chemical industry as "systems houses," located in close proximity to our customers worldwide (see facilities listed in " Item 2. Properties" below), which enables us to focus on customer support and technical service. We also operate a specialty polyol manufacturing

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facility focused on the insulation market and three TPU manufacturing facilities in the U.S., Europe and China.

Our customers produce polyurethane products through the combination of an isocyanate, such as MDI, with polyols, which are derived largely from PO and EO. We are able to produce over 2,000 distinct MDI-based polyurethane products by modifying the MDI molecule through varying the proportion and type of polyol used and by introducing other chemical additives to our MDI formulations. As a result, polyurethane products, especially those derived from MDI, are continuing to replace traditional products in a wide range of end-use markets, including insulation in construction and appliances, cushioning for automotive and furniture, adhesives, wood binders, footwear and other specialized engineering applications.

We are one of three North American producers of PO. We and some of our customers process PO into derivative products, such as polyols for polyurethane products, PG and various other chemical products. End uses for these derivative products include applications in the home furnishings, construction, appliances, packaging, automotive and transportation, food, paints and coatings and cleaning products industries. We also produce MTBE as a co-product of our PO manufacturing process. MTBE is an oxygenate that is blended with gasoline to reduce harmful vehicle emissions and to enhance the octane rating of gasoline. See "Item 1A. Risk Factors."

In 1992, we were the first global supplier of polyurethane chemicals to open a technical service center in China. We have since expanded this facility to include an integrated polyurethanes formulation facility. In January 2003, we entered into two related joint ventures to build MDI production and finishing facilities near Shanghai, China in Caojing. In June 2006, HPS, a consolidated joint venture, began production at our MDI finishing plant. In September 2006, SLIC, an unconsolidated joint venture, began production at the MNB, aniline and crude MDI plants. We intend to expand the capacity of these facilities by 2018. These world-scale facilities strengthen our ability to service our customers in the critical Chinese market and will support the long-term demand growth that we believe this region will continue to experience. Additionally, in November 2012, we entered into an agreement with Sinopec to form a joint venture to build a world scale PO/MTBE plant in Nanjing, China. The facility is expected to be completed in the second half of 2016, with start-up expected in the first half of 2017, and will utilize our proprietary PO/MTBE manufacturing technology. We own a 49% interest in the joint venture.

Products and Markets

MDI is used primarily in rigid foam applications and in a wide variety of customized, higher-value flexible foam as well as coatings, adhesives, sealants and elastomers. Polyols, including polyether and polyester polyols, are used in conjunction with MDI in rigid foam, flexible foam and other non-foam applications. PO is one of the principal raw materials for producing polyether polyols. The following chart illustrates the range of product types and end uses for polyurethane chemicals.

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Polyurethane chemicals are sold to customers who combine the chemicals to produce polyurethane products. Depending on their needs, customers will use either commodity polyurethane chemicals produced for mass sales or polyurethane systems tailored for their specific requirements. By varying the blend, additives and specifications of the polyurethane chemicals, manufacturers are able to develop and produce a breadth and variety of polyurethane products.

MDI. MDI has a substantially larger market size and a higher growth rate than other polyurethane materials. This is primarily because MDI can be used to make polyurethanes with a broader range of properties and can therefore be used in a wider range of applications. We believe that future growth of MDI will be driven by the continued substitution of MDI-based polyurethane for fiberglass and other materials currently used in rigid insulation foam for construction. We expect that other markets, such as binders for reconstituted wood board products, specialty cushioning applications and coatings will further contribute to the continued growth of MDI. With the recent rapid growth of the developing Asian economies, Asian markets have now become the largest in the world for MDI.

MDI experiences some seasonality in its sales reflecting its exposure to seasonal construction-related end markets such as insulation and composite wood products. Sales generally peak during the spring and summer months in the northern hemisphere, resulting in greater sales volumes during the second and third quarters of the year.

TPU. TPU is a high-quality, fully formulated thermal plastic derived from the reaction of MDI or an aliphatic isocyanate with polyols to produce unique qualities such as durability, flexibility, strength, abrasion-resistance, shock absorbency and chemical resistance. We can tailor the performance characteristics of TPU to meet the specific requirements of our customers. TPU is used in injection molding and small components for the automotive and footwear industries. It is also extruded into films, wires and cables for use in a wide variety of applications in the coatings, adhesives, sealants and elastomers markets.

Polyols. Polyols are combined with MDI and other isocyanates to create a broad spectrum of polyurethane products. Demand for specialty polyols has been growing at approximately the same rate at which MDI consumption has grown.

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Aniline. Aniline is an intermediate chemical used primarily to manufacture MDI. Generally, aniline is either consumed internally or is sold to third parties under long-term supply contracts. We believe that the lack of a significant spot market for aniline means that in order to remain competitive, MDI manufacturers must either be integrated with an aniline manufacturing facility or have a long-term, cost-competitive aniline supply contract.

PO. PO is an intermediate chemical used mainly to produce a wide range of polyols and PG. Demand for PO depends largely on overall economic demand, especially that of consumer durables. The following chart illustrates the primary end markets and applications for PO.

MTBE. MTBE is an oxygenate that is blended with gasoline to reduce harmful vehicle emissions and to enhance the octane rating of gasoline. While MTBE has been effectively eliminated in the United States, demand continues to grow in other regions of the world. See " Item 1A. Risk Factors." In 2011, we announced the signing of a license agreement with Chinese chemicals manufacturer Yantai Wanhua Polyurethanes Co., Ltd, for the production of PO and MTBE. In November 2012, we entered into an agreement to form a joint venture with Sinopec to construct and operate a PO/MTBE facility in China. Under the joint venture agreement, we hold a 49% interest in the joint venture and Sinopec holds a 51% interest. See " Manufacturing and Operations" below and "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

Sales and Marketing

Our global sales group markets our polyurethane chemicals to over 3,500 customers in approximately 100 countries. Our sales and technical resources are organized to support major regional markets and key end-use markets, which requires a global approach. These key end-use markets include the appliance, automotive, footwear, furniture and coatings, construction products, adhesives, sealants and elastomers industries.

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We provide a wide variety of polyurethane solutions as components (i.e., the isocyanate or the polyol) or in the form of "systems" in which we provide the total isocyanate and polyol formulation to our customers in ready-to-use form. Our ability to deliver a range of polyurethane solutions and technical support tailored to meet our customers' needs is critical to our long-term success. We have strategically located our polyurethane systems houses close to our customers, enabling us to focus on customer support and technical service. We believe this customer support and technical service system contributes to customer retention and also provides opportunities for identifying further product and service needs of customers. We manufacture polyols primarily to support our MDI customers' requirements.

We believe that the extensive market knowledge and industry experience of our sales teams and technical experts, in combination with our strong emphasis on customer relationships, have facilitated our ability to establish and maintain long-term customer supply positions. Our strategy is to continue to increase sales to existing customers and to attract new customers by providing innovative solutions, quality products, reliable supply, competitive prices and superior customer service.

Manufacturing and Operations

Our MDI production facilities are located in Geismar, Louisiana; Rotterdam, The Netherlands; and through our joint ventures in Caojing, China. These facilities receive aniline, which is a primary material used in the production of MDI, from our facilities located in Geismar, Louisiana; Wilton, U.K.; and Caojing, China. We believe that this relative scale and product integration of our large facilities provide a significant competitive advantage over other producers. In addition to reducing transportation costs for our raw materials, integration helps reduce our exposure to cyclical prices.

The following table sets forth the annual production capacity of polyurethane chemicals at each of our polyurethanes facilities:

	MDI	Polyols	TPU	Aniline	Nitrobenzene	PO	PG	MTBE (millions
			(millions of pounds)					of gallons)
Caojing, China	330(1)							
Geismar, Louisiana	1,060	160		750(2)	1,000(2)			
Houston, Texas		170						
Jinshan, China			13					
Osnabrück, Germany		26	59					
Port Neches, Texas						525	145	260
Ringwood, Illinois			20					
Rotterdam, The Netherlands	880	190						
Wilton, U.K.				715	953			
Total	2,270	546	92	1,465	1,953	525	145	260

(1) Represents our 50% share of capacity from SLIC.

(2) Represents our approximately 85% share of capacity under our consolidated Rubicon LLC manufacturing joint venture with Chemtura Corporation.

At our Geismar, Rotterdam and Caojing facilities we utilize sophisticated proprietary technology to produce MDI. This technology contributes to our position as a low cost MDI producer. In addition to MDI, we use a proprietary manufacturing process to manufacture PO. We own or license all technology and know-how developed and utilized at our PO facility. Our process combines

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isobutane and oxygen in proprietary oxidation (peroxidation) reactors, thereby forming TBHP and TBA, which are further processed into PO and MTBE, respectively. Because our PO production process is less expensive relative to other technologies and allows PO co-products to be processed into saleable or useable materials, we believe that our PO production technology possesses several distinct advantages over its alternatives.

Joint Ventures

Rubicon Joint Venture. Chemtura Corporation is our joint venture partner in Rubicon LLC, which owns aniline, nitrobenzene and DPA manufacturing facilities in Geismar, Louisiana. We are entitled to approximately 85% of the nitrobenzene and aniline production capacity of Rubicon LLC, and Chemtura Corporation is entitled to 100% of the DPA production. In addition to operating the joint venture's aniline, nitrobenzene and DPA facilities, Rubicon LLC operates our wholly-owned MDI, polyol and maleic anhydride facilities at Geismar and is responsible for providing other auxiliary services to the entire Geismar complex. As a result of this joint venture, we are able to achieve greater scale and lower costs for our products than we would otherwise have been able to obtain. Rubicon LLC is consolidated in our financial statements.

Chinese MDI Joint Ventures. We are involved in two related joint ventures which operate MDI production facilities in Caojing, China. SLIC, our manufacturing joint venture with BASF and three Chinese chemical companies, produces MNB, aniline and crude MDI. We effectively own 35% of SLIC and account for our investment under the equity method. HPS, our splitting joint venture with Shanghai Chlor-Alkali Chemical Company, Ltd, manufactures pure MDI, polymeric MDI and MDI variants. We own 70% of HPS and it is consolidated in our financial statements. These projects have been funded by a combination of equity invested by the joint venture partners and borrowed funds. The total production capacity of the SLIC facilities is 660 million pounds per year of MDI and the splitting capacity of the HPS facility is 350 million pounds per year of MDI.

Chinese PO/MTBE Joint Venture. In November 2012, we entered into an agreement to form a joint venture with Sinopec. The joint venture involves the construction and operation of a PO/MTBE facility in China. Under the joint venture agreement, we hold a 49% interest in the joint venture and Sinopec holds a 51% interest. Our total equity investment is anticipated to be approximately $85 million, net of license fees from the joint venture. At the end of 2015, cumulative capital contributions were approximately $85 million, net of license fees from the joint venture. Construction of the project is expected to be completed in the second half of 2016, with start-up expected in the first half of 2017.

Raw Materials

The primary raw materials for MDI-based polyurethane chemicals are benzene and PO. Benzene is a widely available commodity that is the primary feedstock for the production of MDI and aniline. Historically, benzene has been the largest component of our raw material costs. We purchase benzene from third parties to manufacture nitrobenzene and aniline, almost all of which we then use to produce MDI.

A major cost in the production of polyols is attributable to the costs of PO. The integration of our PO business with our polyurethane chemicals business gives us access to a competitively priced, strategic source of PO and the opportunity to develop polyols that enhance our range of MDI products. The primary raw materials used in our PO production process are butane/isobutane, propylene, methanol and oxygen. We purchase a large portion of our raw materials under long-term contracts.

Competition

Our major competitors in the polyurethane chemicals market include BASF, Covestro, Dow, Yantai Wanhua and LyondellBasell. While these competitors and others produce various types and quantities of polyurethane chemicals, we focus on MDI and MDI-based polyurethane systems. Our polyurethane chemicals business competes in two basic ways: (1) where price is the dominant element of competition, our polyurethane chemicals business differentiates itself by its high level of customer support, including cooperation on technical and safety matters; and (2) elsewhere, we compete on the basis of product performance, our ability to react quickly to changing customer needs and providing customers with innovative solutions to their needs.

Some of our competitors in the Polyurethanes segment are among the world's largest chemical companies and major integrated petroleum companies. These competitors may have their own raw material resources. Some of these companies may be able to produce products more economically than we can. In addition, some of our competitors have greater financial resources, which may enable them to invest significant capital into their businesses, including expenditures for research and development. If any of our current or future competitors develop proprietary technology that enables them to produce products at a significantly lower cost, our technology could be rendered uneconomical or obsolete. See " Item 1A. Risk Factors."

Performance Products

General

Our Performance Products segment has leading positions in the manufacture and sale of amines, surfactants and maleic anhydride and serves a wide variety of global consumer and industrial end markets from production facilities located in North America; Europe, Africa and the Middle East ("EAME"); Asia; and Australia.

We are a leading global producer of amines, carbonates, maleic anhydride and surfactants for sale into specialty markets such as energy, agrochemicals, and lubricants. Growth in demand in our specialty markets tends to be driven by the end-performance characteristics that our products deliver to our customers. These products are manufactured for use in a growing number of niche industrial end uses and have been characterized by growing demand, technology substitution and stable profitability. For example, we are one of two significant global producers of polyetheramines, for which our sales volumes have grown at a compound annual rate of over 7% in the last 10 years due to strong demand in a number of industrial applications, such as epoxy curing agents, oil drilling, agrochemicals, fuel additives and civil construction materials. We are the leading global licensor of maleic anhydride manufacturing technology and are also the largest supplier of butane fixed bed catalyst used in the manufacture of maleic anhydride. Our licensing group also licenses technology on behalf of other Performance Products businesses and other segments.

We consume internally produced and third-party-sourced base petrochemicals in the manufacture of our surfactants, LAB, and ethanolamines products, which are primarily used as intermediates in detergency, consumer products and industrial applications. We also produce EG, which is primarily used in the production of polyester fibers and PET packaging. We operate 17 Performance Products manufacturing facilities in North America, EAME, Asia and Australia.

We have the annual capacity to produce approximately 1.4 billion pounds of more than 200 amines and other performance chemicals. We believe we are the largest global producer of polyetheramines, one of the largest producers of 2-(2-amino ethoxy) ethanol, sold under our DGA®

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brand, the second largest producer of ethyleneamines and morpholine and the second largest North American producer of ethanolamines. We are the only producer and largest supplier of propylene carbonate and ethylene carbonate in North America. We also produce substituted propylamines. We use internally produced ethylene, EO, EG and PO in the manufacture of many of our amines and carbonates. Our products are manufactured at our Port Neches, Conroe, Dayton and Freeport, Texas facilities and at our facilities in Llanelli, U.K.; Petfurdo, Hungary; Ankleshwar, India; Jurong Island, Singapore; and Jubail, Saudi Arabia. Our amines are used in a wide variety of consumer and industrial applications, including personal care products, polyurethane foam, fuel and lubricant additives, paints and coatings, composites, solvents and catalysts. Our key amines customers include Monsanto, Procter & Gamble, Chevron, AkzoNobel, Lubrizol, Afton, and PPG.

We have the capacity to produce approximately 2.1 billion pounds of surfactant products annually at our eight facilities located in North America, Europe, India and Australia. We are a leading global manufacturer of nonionic, anionic, cationic and amphoteric surfactants products and are characterized by our breadth of product offering and market coverage. Our surfactant products are primarily used in consumer detergent and industrial cleaning applications. We are a leading European producer of components for powder and liquid laundry detergents and other cleaners. In addition, we manufacture and market a diversified range of specialty formulations for use in personal care applications. We continue to strengthen and diversify our surfactant product offering into formulated specialty surfactant products for use in various industrial applications such as agrochemicals, fuels and lubricants, polymers and coatings, leather and textile treatment, foundry and construction. Our key surfactants customers include Procter & Gamble, Monsanto, L'Oreal, Nufarm, Henkel, and Unilever.

We are North America's largest producer of LAB, with alkylation capacity of 400 million pounds per year at our plant in Chocolate Bayou, Texas. LAB is a surfactant intermediate which is converted into LAS, a major anionic surfactant used worldwide for the production of consumer, industrial and institutional laundry detergents. We also manufacture a higher-molecular-weight alkylate which is used as an additive to lubricants. Our key customers for LAB and specialty alkylates include Colgate, Lubrizol, Procter & Gamble, and Unilever.

We believe we are the largest global producer of maleic anhydride, a highly versatile chemical intermediate that is used to produce UPRs, which are mainly used in the production of fiberglass reinforced resins for marine, automotive and construction products. Maleic anhydride is also used in the production of lubricants, food additives and artificial sweeteners. We have the capacity to produce approximately 572 million pounds annually at our facilities located in Pensacola, Florida; Geismar, Louisiana; and Moers, Germany. We also license our maleic anhydride technology and supply our catalysts to licensees and to worldwide merchant customers. Revenue from licensing and catalyst comes from new plant commissioning, as well as current plant retrofits and catalyst change schedules. Our key maleic anhydride customers include, AOC, Ashland, Bartek, CCP Composites, Cranston, Gulf Chemical, Lubrizol, Meadwestvaco, MFG Chemical, Reichhold and Tate & Lyle.

We also have the capacity to produce approximately 945 million pounds of EG annually at our facilities in Port Neches, Texas and Botany, Australia.

We are currently expanding EO capacity at our Port Neches, Texas facility. The additional annual capacity of 265 million pounds is expected to come onstream during the second quarter of 2016. All of the additional EO will be used internally to leverage exisiting capacity for EO derivatives.

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Products and Markets

Our global marketing groups are organized around three end markets: energy and resources, polymers and resins, and functional chemicals.

Specialties. The following table shows the end-market applications for our specialty products:

Product Group	**Applications**
Polyetheramines	Polyurethane foams and insulation, construction and flooring, paints and coatings, lubricant and fuel additives, adhesives, epoxy composites, agrochemicals, oilfield chemicals, printing inks, pigment dispersion
Ethyleneamines	Lubricant and fuel additives, epoxy hardeners, wet strength resins, chelating agents, fungicides
Ethanolamines	Wood preservatives, herbicides, construction products, gas treatment, metalworking
Specialty Amines	Liquid soaps, personal care, lubricant and fuel additives, polyurethane foams, fabric softeners, paints and coatings, refinery processing, water treating
Morpholine/DGA® Agent	Hydrocarbon processing, construction chemicals, synthetic rubber, water treating, electronics applications, gas treatment, agriculture
Maleic Anhydride	Boat hulls, automotive, construction, lubricant and fuel additives, countertops, agrochemicals, paper, and food additives
Maleic Anhydride Catalyst and Technology Licensing	Maleic anhydride, BDO and its derivatives, and PBT manufacturers
Specialty Surfactants	Agricultural herbicides, construction, paper de-inking, lubricants
Specialty Alkylates	Lubricant additive

Amines. Amines broadly refers to the family of intermediate chemicals that are produced by reacting ammonia with various ethylene and propylene derivatives. Generally, amines are valued for their properties as a reactive agent, emulsifier, dispersant, detergent, solvent or corrosion inhibitor. Growth in demand for amines is highly correlated with GDP growth due to its strong links to general industrial and consumer products markets. However, certain segments of the amines market, such as polyetheramines, have grown at rates well in excess of GDP growth due to new product development, technical innovation, and substitution and replacement of competing products. For example, polyetheramines are used by customers who demand increasingly sophisticated performance characteristics as an additive in the manufacture of highly customized epoxy formulations, enabling customers to penetrate new markets and substitute for traditional curing materials. Ethanolamines are a range of chemicals produced by the reaction of EO with ammonia. They are used in the production of a variety of industrial, agricultural and consumer products. There are a limited number of competitors due to the technical and cost barriers to entry. As amines are generally sold based upon the performance characteristics that they provide to customer-specific end-use application, pricing does not generally fluctuate directly with movements in underlying raw materials.

Morpholine/DGA® Agent. Morpholine and DGA® agent are produced as co-products by reacting ammonia with DEG. Morpholine is used in a number of niche industrial applications including rubber curing (as an accelerator) and flocculants for water treatment. DGA® agent is primarily used in gas treating, electronics, herbicides and metalworking end-use applications.

Carbonates. Ethylene and propylene carbonates are manufactured by reacting EO and PO with carbon dioxide. Carbonates are used as solvents and as reactive diluents in polymer and coating

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applications. They are also increasingly being used as a photo-resist solvent in the manufacture of printed circuit boards, solar panels, LCD screens and the production of lithium batteries.

Maleic Anhydride and Licensing. Maleic anhydride is a chemical intermediate that is produced by oxidizing either benzene or normal butane through the use of a catalyst. The largest use of maleic anhydride in the U.S. is in the production of UPRs, which we believe account for approximately 48% of North American maleic anhydride demand. Total North American demand for maleic anhydride in 2015 was approximately 688 million pounds. Total European demand for maleic anhydride in 2015 was approximately 536 million pounds. Generally, changes in price have resulted from a combination of changes in industry capacity utilization and underlying raw material costs. UPR is the main ingredient in fiberglass reinforced resins, which are used for marine and automotive applications and commercial and residential construction products.

Our maleic anhydride technology is a proprietary fixed bed process with solvent recovery and is characterized by low butane consumption and an energy-efficient, high-percentage solvent recovery system. This process competes against two other processes, the fluid bed process and the fixed bed process with water recovery. We believe that our process is superior in the areas of feedstock and energy efficiency and solvent recovery. The maleic anhydride-based route to BDO manufacture is currently the preferred process technology and is favored over the other routes, which include PO, butadiene and acetylene as feedstocks. As a result, the growth in demand for BDO has resulted in increased demand for our maleic anhydride technology and catalyst.

Intermediates. The following table sets forth the end-market applications for our intermediate products:

Product Group	**Applications**
Surfactants	
Alkoxylates	Household detergents, industrial cleaners, anti-fog chemicals for glass, asphalt emulsions, shampoos, polymerization additives, de-emulsifiers for petroleum production
Sulfonates/Sulfates	Powdered detergents, liquid detergents, shampoos, body washes, dishwashing liquids, industrial cleaners, emulsion polymerization, concrete superplasticizers, gypsum wallboard
Esters and Derivatives	Shampoo, body wash, textile and leather treatment
Nitrogen Derivatives	Bleach thickeners, baby shampoo, fabric conditioners, other personal care products
Formulated Blends	Household detergents, textile and leather treatment, personal care products, pharmaceutical intermediates
EO/PO Block Co-Polymers	Automatic dishwasher detergents
LAB	Consumer detergents, industrial and institutional detergents
EG	Polyester fibers and PET bottle resins, heat transfer and hydraulic fluids, chemical intermediates, natural gas and hydrocarbon treating agents, unsaturated polyester resins, polyester polyols, plasticizers, solvents

Surfactants. Surfactants or "surface active agents" are substances that combine a water soluble component with a water insoluble component in the same molecule. While surfactants are most commonly used for their detergency in cleaning applications, they are also valued for their emulsification, foaming, dispersing, penetrating and wetting properties in a variety of industries.

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Demand growth for surfactants is relatively stable and exhibits little cyclicality. The main consumer product applications for surfactants can demand new formulations with improved performance characteristics, which affords considerable opportunity for innovative surfactants manufacturers like us to provide surfactants and blends with differentiated specifications and properties. For basic surfactants, pricing tends to have a strong relationship to underlying raw material prices and usually lags raw material price movements.

LAB. LAB is a surfactant intermediate which is produced through the reaction of benzene with either normal paraffins or linear alpha olefins. Nearly all the LAB produced globally is converted into LAS, a major anionic surfactant used worldwide for the production of consumer, industrial and institutional laundry detergents.

Three major manufacturers lead the traditional detergency market for LAB in North America: Procter & Gamble, Henkel and The Sun Products Corporation. We believe that over half of the LAB global capacity lies in the hands of seven producers, with two to three major producers in each of the three regional markets. Growth in demand for specialty alkylates for use in lubricants is expected to be higher than GDP. We have developed a unique manufacturing capability for a high molecular weight alkylate for this market. With a significant technical barrier to entry, our specialty alkylate capability has allowed us greater diversity in our portfolio and strengthened our competitive position versus LAB-only producers.

EG. We consume our internally produced EO to produce three types of EG: MEG, DEG and TEG. MEG is consumed primarily in the polyester (fiber and bottle resin) and antifreeze end markets and is also used in a wide variety of industrial applications including synthetic lubricants, plasticizers, solvents and emulsifiers. DEG is consumed internally for the production of Morpholine and DGA® agent and polyols. TEG is used internally for the production of polyols and is sold into the market for dehydration of natural gas. We continue to optimize our EO and EG operations depending on the fundamental market demand for EG.

Sales and Marketing

We sell over 2,000 products to over 4,000 customers globally through our Performance Products sales groups, which have extensive market knowledge, considerable chemical industry experience and well established customer relationships.

In our specialty markets (energy and resources, polymers and resins, and functional chemicals), our marketing efforts are focused on how our product offerings perform in certain customer applications. We believe that this approach enhances the value of our product offerings and creates opportunities for ongoing differentiation in our development activities with our customers.

Our intermediates are sold mainly into the global home and personal care market. We also sell EG.

We also provide extensive pre-and post-sales technical service support to our customers where our technical service professionals work closely with our research and development functions to tailor our product offerings to meet our customers unique and changing requirements. Finally, these technical service professionals interact closely with our market managers and business leadership teams to help guide future offerings and market approach strategies. In addition to our focused direct sales efforts, we maintain an extensive global network of distributors and agents that also sell our products. These distributors and agents typically promote our products to smaller end-use customers who cannot be served cost effectively by our direct sales forces.

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Manufacturing and Operations

Our Performance Products segment has the capacity to produce more than seven billion pounds annually of a wide variety of products and formulations at 17 manufacturing locations in North America, EAME, Asia and Australia. These production capacities are as follows:

	Current capacity			
Product Area	**North America**	**EAME**	**APAC(1)**	**Total**
	(millions of pounds)			
Amines	663	228(2)	74	965
Carbonates	52			52
Surfactants	613	1,303	149	2,065
Maleic anhydride	340	232(3)		572
EG	890		55	945
EO	1,000		100	1,100
Ethanolamines	400			400
LAB	400			400
Ethylene	460			460
Propylene	300			300

(1) Asia-Pacific region including India ("APAC").

(2) Includes up to 30 million pounds of ethyleneamines that are made available from Dow's Terneuzen, The Netherlands facility by way of a long-term supply arrangement and 60 million pounds from Arabian Amines Company, our consolidated 50%-owned joint venture, located in Jubail, Saudi Arabia.

(3) Represents total capacity of a facility owned by Sasol-Huntsman, of which we own a 50% equity interest and Sasol owns the remaining 50% interest. We have consolidated the financial results of this entity since April 2011.

Our surfactants and amines facilities are located globally, with broad capabilities in amination, sulfonation and ethoxylation. These facilities have a competitive cost base and use modern manufacturing units that allow for flexibility in production capabilities and technical innovation.

Our primary ethylene, propylene, EO, EG and ethanolamines facilities are located in Port Neches, Texas alongside our Polyurethanes' PO/MTBE facility. The Port Neches, Texas facility benefits from extensive logistics infrastructure, which allows for efficient sourcing of other raw materials and distribution of finished products.

A number of our facilities are located within large integrated petrochemical manufacturing complexes. We believe this results in greater scale and lower costs for our products than we would be able to obtain if these facilities were stand-alone operations. These include our LAB facility in Chocolate Bayou, Texas, our maleic anhydride facilities in Pensacola, Florida and Moers, Germany and our ethyleneamines facility in Freeport, Texas.

Joint Ventures

Ethyleneamines Joint Venture. Since July 1, 2010, we have consolidated the results of Arabian Amines Company, our 50%-owned joint venture with the Zamil Group. Arabian Amines Company

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operates an ethyleneamines manufacturing plant in Jubail, Saudi Arabia. The plant has an approximate annual capacity of 60 million pounds. We purchase and sell all of the production from this joint venture.

Maleic Anhydride Joint Venture. Since the second quarter of 2011, we have consolidated the results of Sasol-Huntsman, our 50%-owned maleic anhydride joint venture. This entity operates a manufacturing facility in Moers, Germany with the capacity to produce 232 million pounds of maleic anhydride. The output from the facility is sold in the European region.

Raw Materials

We have the capacity to produce 460 million pounds of ethylene and 300 million pounds of propylene, depending on feedstocks, at our Port Neches, Texas facility. All of the ethylene is used to produce EO and all of the propylene is used to produce PO at our Port Neches, Texas facility (primarily for our Polyurethanes segment). We have the capacity to use approximately 900 million pounds of ethylene each year in the production of EO and ethyleneamines. Accordingly, we purchase or toll the remainder of our ethylene requirements from third parties. We consume all of our EO in the manufacture of our EG, surfactants, carbonates and amines products. We also use internally produced PO and DEG in the manufacture of these products.

In addition to internally produced raw materials, the main raw materials used in the production of our amines are ethylene dichloride, caustic soda, ammonia, hydrogen, methylamines and acrylonitrile. The majority of these raw materials are available from multiple sources in the merchant market at competitive prices.

In the production of surfactants and LAB, our primary raw materials, in addition to internally produced and third-party sourced EO and ethylene, are synthetic and natural alcohols, paraffin, alpha olefins, benzene and nonylphenol. All of these raw materials are widely available in the merchant market at competitive prices.

Maleic anhydride is produced by the reaction of n-butane with oxygen using our proprietary catalyst. The principal raw material is n-butane which is purchased pursuant to long-term contracts and delivered to our Pensacola, Florida site by barge, to our facility in Geismar, Louisiana via pipeline and to our Moers, Germany site by railcar. Our maleic anhydride catalyst is toll-manufactured by a third party under a long-term contract according to our proprietary methods. These raw materials are available from multiple sources at competitive prices.

Competition

In our specialty markets, there are relatively few competitors for many of our products due to the considerable customization of product formulations, the proprietary nature of many of our product applications and manufacturing processes and the relatively high research and development and technical costs involved. Some of our global competitors include BASF, Air Products, Dow, Tosoh and AkzoNobel. We compete primarily on the basis of product performance, new product innovation and, to a lesser extent, on the basis of price. In our maleic anhydride market, we compete primarily on the basis of price, customer service, technical support and logistics management. Our competitors include Lanxess, Flint Hills Resources, Bartek, Polynt and Ashland. We are the leading global producer of maleic anhydride catalyst. Competitors in our maleic anhydride catalyst market include Scientific Design, Ineos, BASF and Polynt. In our maleic anhydride technology licensing market, our primary competitor is Scientific Design. We compete primarily on the basis of technological performance and service.

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There are numerous global producers of many of our intermediate products. Our main competitors include global companies such as Dow/MEGlobal, Sasol, BASF, Petresa, Clariant, Shell, Stepan, Croda and Kao, as well as various smaller or more local competitors. We compete on the basis of price with respect to the majority of our intermediate product offerings and, to a lesser degree, on the basis of product availability, performance and service with respect to certain of our more value-added products.

The market in which our Performance Products segment operates is highly competitive. Among our competitors are some of the world's largest chemical companies and major integrated petroleum companies that have their own raw material resources. Some of these companies may be able to produce products more economically than we can. In addition, some of our competitors have greater financial resources, which may enable them to invest significant capital into their businesses, including expenditures for research and development. If any of our current or future competitors develop proprietary technology that enables them to produce products at a significantly lower cost, our technology could be rendered uneconomical or obsolete.

Advanced Materials

General

Our Advanced Materials segment is a leading global manufacturer and marketer of technologically advanced epoxy, acrylic and polyurethane-based polymer products. We focus on formulations and systems that are used to address customer-specific needs in a wide variety of industrial and consumer applications. Our products are used either as replacements for traditional materials or in applications where traditional materials do not meet demanding engineering specifications. For example, structural materials are used to replace metal rivets and advanced composites are used to replace traditional aluminum panels and other steel to lighten structures in aerospace, automotive and other transportation. Our Advanced Materials segment is characterized by the breadth of our product offering, our expertise in complex chemistry, our long-standing relationships with our customers, our ability to develop and adapt our technology and our applications expertise for new markets and new applications.

We operate synthesis, formulating and production facilities in North America, Europe, Asia, and South America. We sell to more than 2,200 customers in the following end markets: civil engineering, consumer appliances, food and beverage packaging, industrial appliances, consumer/do it yourself ("DIY"), aerospace, LNG transport, electrical power transmission and distribution, printed circuit boards, consumer and industrial electronics, wind power generation, automotive, recreational sports equipment and medical appliances.

Products and Markets

Aerospace. Our Advanced Materials segment is a leading global supplier of advanced, high-performance materials for the fabrication and repair of aircraft components. We supply leading aerospace companies with innovations in composites, adhesives, laminating and repair systems.

We offer a wide range of materials to the aerospace market under the ARALDITE®, EPIBOND®, EPOCAST® and URALANE® brands. Many of these products are qualified under the specification of major aerospace original equipment manufacturers ("OEM") , complying with appropriate regulations governing large civil aircraft."

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Automotive, Wind and Industrial Composites. We offer the automotive, wind, recreational sports equipment and industrial composite markets high end composite formulations including to leading automotive OEM's and Tier 1 suppliers. Lightweight, strength, flexibility, cycle time and fatigue resistance are key requirements of our industrial partners. Our Advanced Materials segment been awarded by the JEC Composite Association for high product, applications and process innovation to the composite industry.

Our products are used by leading wind blade manufacturers on a large range of applications from plugs to complete composite turbine production, as well as assembly and repair. Our portfolio includes standard products as well as custom-made solutions formulated to meet specific customer requirements.

Electrical Engineering and Electronics. We are a leading global supplier of insulating materials for motors, generators, switchgears, distribution and instrument transformers, and insulators and bushings for utility and industrial applications.The products formulated by our Advanced Materials segment are designed to provide an extended service life and meet specific industry requirements for electrical insulation in indoor and outdoor environments.

In the field of electronics, our Advanced Materials segment has a long history delivering a wide range of solutions meeting stringent requirements for electronics applications, such as high temperature and chemical resistance, flame-retardancy and excellent mechanical and dielectric properties.

Structural Adhesives. ARALDITE® is an important brand in high-performance adhesive technologies. We offer formulation expertise in various chemistries, including epoxies, polyurethanes, methacrylates and phenolics.

Our materials address requirements such as long open times for large area applications, fast-curing adhesives for early removal and rapid through-put, resistance to high temperature, water and chemicals, thixotropy for gap-filling or vertical applications, and toughness, impact-resistance and elasticity to cope with different thermal expansions when bonding larger structures.

Sales and Marketing

We maintain multiple routes to market to service our diverse customer base. These routes to market range from using our own direct sales force for targeted, technically-oriented distribution to mass distribution. Our direct sales force focuses on engineering solutions for our major customers who purchase significant amounts of product from us. We use technically-oriented specialist distributors to augment our sales effort in niche markets and applications where we do not believe it is appropriate to develop direct sales resources. We use mass general distribution channels to sell our products into a wide range of general applications where technical expertise is less important, which reduces our overall selling expenses. We believe our use of multiple routes to market enables us to reach a broader customer base at an efficient cost.

We conduct sales activities through dedicated regional sales teams in EAME, Asia and the Americas. Our global customers are covered by key account managers who are familiar with the specific requirements of these customers. The management of long-standing customer relationships is at critical to the sales and marketing process. We are also supported by a strong network of distributors. We serve a highly fragmented customer base in all our regions.

For our consumer/DIY range, with the exception of the Indian market, we have entered into exclusive branding and distribution arrangements. Under these arrangements, our distribution partners

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fund advertising and sales promotions, negotiate and sell to major retail chains, own inventories and provide store deliveries (and sometimes shelf merchandising) in exchange for ARALDITE® branded, ready-to-sell packaged products.

Manufacturing and Operations

We are a global business serving customers in three principal geographic regions: EAME, Asia and the Americas. To service our customers efficiently, we maintain manufacturing plants around the world with a strategy of global, regional and local manufacturing employed to optimize the level of service and minimize the cost to our customers. Our facilities in Asia are well-positioned to take advantage of the market growth that is expected in these regions. The following table summarizes the plants that we operate:

Location	**Description of Facility**
Bad Saeckingen, Germany	Formulating Facility
Bergkamen, Germany	Synthesis Facility
Duxford, U.K.	Formulating Facility
East Lansing, Michigan	Formulating Facility
Los Angeles, California	Formulating Facility
McIntosh, Alabama	Resins and Synthesis Facility
Monthey, Switzerland	Resins and Synthesis Facility
Nanjing, China(1)	Formulating Facility
Pamplona, Spain	Synthesis Facility
Panyu, China(1)(2)	Formulation and Synthesis Facility
Taboão da Serra, Brazil	Formulating Facility

(1) Leased land and/or building.

(2) 95%-owned and consolidated manufacturing joint venture with Guangzhou Sheng'an Package Company Limited.

Raw Materials

The principal raw materials we purchase for the manufacture of basic and advanced epoxy resins are epichlorohydrin, bisphenol A, MDA, phenol and aminophenols. We also purchase amines, polyols, isocyanates, acrylic materials, hardeners and fillers for the production of our formulated polymer systems and complex chemicals and additives. Raw material costs constitute a sizeable percentage of the costs for certain applications. We have supply contracts with a number of suppliers. The terms of our supply contracts vary, but, in general, these contracts contain provisions that set forth the quantities of product to be supplied and purchased. Formula pricing is sometimes used if advantageous for the business.

Additionally, we produce large volumes of some of our most important raw materials, such as BLR and its basic derivatives, which are the basic building blocks of many of our products. Approximately 65% of the BLR we produce is consumed internally in our downstream products. The balance of our BLR is sold in the merchant market, allowing us to increase the utilization of our production plants and lower our overall BLR production cost. We believe that manufacturing a large proportion of our own BLR gives us a competitive advantage over other epoxy-based polymer systems formulators, who buy BLR from third-party suppliers. This position helps protect us from pricing pressure from BLR suppliers and aids in providing us a stable supply of BLR in difficult market conditions.

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We consume certain amines produced by our Performance Products segment and isocyanates produced by our Polyurethanes segment, which we use to formulate Advanced Materials products.

Competition

The markets in which our Advanced Materials segment operates are highly competitive, and are dependent on significant capital investment, the development of proprietary technology and maintenance of product research and development. Among our competitors are some of the world's largest chemical companies and major integrated companies that have their own raw material resources.

Competition in our basic liquid and solid epoxy resins group is primarily driven by price, and is increasingly global with industry consolidation in the North American and European markets and the emergence of new competitors in Asia. Our major competitors include Olin, Hexion, BASF, Kukdo and NanYa.

Competition in our specialty components and structural composites product group is primarily driven by product performance, applications expertise and customer certification. Our competitive strengths include our strong technology base, broad range of value-added products, leading market positions, diverse customer base and reputation for customer service. Major competitors include Air Products, Kraton, Hexion, BASF, Cray Valley, Evonik, DIC, Olin, Mitsui, Sumitomo and NanYa.

Competition in our formulation product group is primarily based on technology, know-how, applications and formulations expertise, product reliability and performance, process expertise and technical support. This product group covers a wide range of industries and the key competition factors vary by industry. Our competitive strengths result from our focus on defined market needs, our long-standing customer relationships, product reliability and technical performance, provision of high level service and recognition as a quality supplier in our chosen sectors. We operate dedicated technology centers in Basel, Switzerland; The Woodlands, Texas; and Shanghai, China in support of our product and technology development. Our major competitors can be summarized as follows:

Formulation Product Group	Competition
Adhesives applications	Henkel/Loctite, ITW, Sika, 3M, Pidilite
Electrical insulating materials	Altana, Hexion, Schenectady, Wuxi, Dexter-Hysol, Hitachi Chemical, Nagase Chemtex, Toshiba Chemical
Printed circuit board materials	Coates, Goo, Peters, Taiyo Ink, Tamura
Tooling and modeling solution	Axson, DSM, Sika

Textile Effects

General

Our Textile Effects segment is a major global solutions provider for textile chemicals, dyes and inks in our chosen markets. Our textile solutions enhance the color of finished textiles and improve such performance characteristics as wrinkle resistance and the ability to repel water and stains. Our Textile Effects segment is characterized by the breadth of our product offering, our long-standing relationships with our customers, our ability to develop and adapt our technology and our applications expertise for new markets and new applications.

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We operate synthesis, formulating and production facilities in North America, Europe, Asia and South America. We market multiple products to customers in multiple end-markets, including the following: consumer fashion apparel, sportswear, career and uniform apparel, military, automotive, home textiles and furnishings, carpet and other functional textiles.

During 2011, our Textile Effects segment began implementing a significant restructuring program, including the closure of our production facilities and business support offices in Basel, Switzerland, as part of an ongoing strategic program aimed at improving the segment's long-term global competitiveness and designed to reduce annualized costs by approximately $75 million. In connection with this program, during 2015, our Textile Effects segment recorded charges of $9 million for non-cancelable long-term contract termination costs, $21 million for decommissioning and $1 million of other restructuring costs associated with this initiative. During the fourth quarter of 2015, we settled certain of our obligations under these long-term contracts and recorded a restructuring charge of $14 million. In addition, we recorded charges of $6 million associated with other initiatives.

Products and Markets

Textiles generally involve a complex matrix of fibers, effects and functionality, and the resulting products range from fashion apparel to bulletproof vests, home linens to carpet, and upholstery to automotive interiors. Our broad range of dyestuffs, chemicals and inks enhance both the aesthetic appearance of these products and the functionality needed to ensure that they perform in their end-use markets. Since the requirements for these markets vary dramatically, our business strategy focuses on the three major markets apparel, home and institutional and technical textiles. We work to provide the right balance of products and service to meet the technical challenges in each of these markets. Our Textile Effects segment is affected by seasonal holiday closures and typically experiences lower sales in those periods. For example, we typically experience lower sales in Asia in the first quarter as a result of the Lunar New Year, in Europe as a result of the summer holidays, and in the Americas and Europe during the Christmas season at year-end.

The apparel market focuses on products that provide an aesthetic effect and/or improve the processing efficiency within the textile mill. We offer a complete range of colors for cotton, polyester and nylon that cover the range of shades needed for sportswear, intimate apparel, towels, sheeting and casual wear. Our dyes have been developed to ensure that they offer the highest levels of wash fastness currently available in the market. Optical brighteners and other pretreatment products provide "bright white" effects for apparel, towels and sheeting. Pretreatment and dyeing auxiliaries ensure that these fabrics are processed efficiently and effectively cleaning the fabrics with fewer chemicals, less energy and less water and thereby minimizing the environmental footprint and reducing the processing costs. Silicone softeners may be used to enhance the feel of products.

Technical textiles include automotive textiles, carpet, military fabrics, mattress ticking and nonwoven and other technical fabrics. Though the product groups may differ in their end uses, the articles must provide a high-level of functionality and performance in their respective markets. High-lightfast dyes and UV absorbers are used in automotive interiors and outdoor furnishings to provide colors that do not fade when exposed to sunlight and heat. Powerful stain repellent and release technology imparts durable protection for upholstery, military and medical fabrics, without affecting the color, breathability or feel of the fabric. Specialized dyes and prints create unique camouflage patterns for military uniforms, backpacks and tarps that will not fade through wash and wear or during exposure to the elements.

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Sales and Marketing

For our textile effects products, we focus on providing effect competence and process competence to our customers. Effect competence delivering value-added effects to our customers' products enables us to capitalize on new and innovative technologies and to assist our customers in their efforts to differentiate themselves from competitors. Process competence applying know-how and expertise to improve customers' processes allows us to utilize our technical service to reduce cost, enhance efficiency and offer recommendations to improve the ecological and environmental footprint in the wet processing of textiles.

Manufacturing and Operations

We are a global business serving customers in three principal geographic regions: EAME, the Americas and Asia. To service our customers efficiently, we maintain manufacturing plants around the world with a strategy of global, regional and local manufacturing employed to optimize the level of service and minimize the cost to our customers. The following table summarizes the plants that we operate:

Location	Description of Facility
Atotonilquillo, Mexico	Textile Dyes and Chemicals Synthesis and Formulations Facility
Baroda, India	Textile Dyes Synthesis and Dyes and Chemicals Formulations Facility
Basel, Switzerland(1)	Technology Center
Bogota, Colombia(1)	Chemicals Formulations Facility
Charlotte, North Carolina(1)	Chemicals Formulations Facility
Fraijanes, Guatemala(1)	Chemicals Formulations Facility
Gandaria, Jakarta, Indonesia	Textile Dyes and Chemicals Formulations Facility
Hangzhou, China(1)	Chemicals Formulations Facility
Istanbul, Turkey(1)	Chemicals Formulations Facility
Karachi, Pakistan(1)	Chemicals Formulations Facility
Langweid am Leich, Germany(1)	Chemicals Synthesis and Textile Dyes and Chemicals and Inks Formulation Facility
Panyu, China(1)(2)	Chemicals Synthesis and Formulation Facility
Samutsakorn (Mahachai), Thailand(1)(3)	Textile Dyes Synthesis and Dyes and Chemicals Formulations Facility
Taboão da Serra, Brazil(1)	Chemicals and Inks Formulations Facility

(1) Leased land and/or building.

(2) 95%-owned and consolidated manufacturing joint venture with Guangzhou Sheng'an Package Company Limited.

(3) Chemicals Formulations operations were transferred to Gandaria, Jakarta, Indonesia as of the second quarter of 2015.

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Raw Materials

The manufacture of textile effects products requires a wide selection of raw materials (approximately 1,000 different chemicals), including amines, fluorochemicals and sulfones. No one raw material represents greater than 5% of our textile effects raw material expenditures. Raw material costs constitute a sizeable percentage of sales for certain applications. We have supply contracts with a number of suppliers. The terms of our supply contracts vary, but, in general, these contracts contain provisions that set forth the quantities of product to be supplied and purchased.

Competition

We are a major global solutions provider for textile chemicals and dyes in our chosen markets. Competition within the textile chemicals and dyes markets is generally fragmented with few competitors who offer complete solutions for both markets. Our major competitors are Archroma (businesses formerly owned by Clariant and BASF), Kiri-Dystar and Longsheng. We believe that our competitive strengths include our product offering, which is characterized by its broad range; high quality; significant integration between products and service; reliable technical expertise; long-standing relationships with customers; and strong business infrastructure in Asia. We believe that we have more customer service capability and account management capability than any of our competitors worldwide.

Pigments and Additives

General

We are a diversified global supplier of pigments and additives. Our pigments and additives improve performance and add color to thousands of everyday items including paints, inks, plastics, concrete, cosmetics, pharmaceuticals and food. We offer a wide range of products across the color spectrum. Our broad product range, coupled with our ability to develop and supply specialized products into technically exacting end-use applications, has positioned us as a leader in the markets we serve.

We operate 31 manufacturing facilities. Our ten titanium dioxide manufacturing facilities are predominately located in Europe and our 16 color pigments manufacturing and processing facilities are mainly located in Europe and the United States. We also operate five facilities producing water treatment, timber treatment chemicals and functional additives.

On October 1, 2014, we completed the acquisition of the Performance Additives and Titanium Dioxide businesses ("the Rockwood Acquisition") of Rockwood Holdings, Inc. ("Rockwood"). We paid $1.02 billion in cash and assumed certain unfunded pension liabilities in connection with the Rockwood Acquisition. For more information, see "Note 3. Business Combinations" to our consolidated financial statements.

In connection with securing certain regulatory approvals required to complete the Rockwood Acquisition, we sold our TiO2 TR52 product line used in printing inks to Henan Billions Chemicals Co., Ltd. ("Henan") in December 2014. The sale did not include any manufacturing assets but does include an agreement to supply TR52 product to Henan during a transitional period.

On December 1, 2014, we announced that we are taking significant action to improve the global competitiveness of our Pigments and Additives segment. As part of a comprehensive restructuring program, we are reducing our workforce by approximately 900 positions. Annual cost savings are expected to be approximately $140 million and are expected to be achieved by the middle of 2016. In connection with this restructuring program, during 2015 we recorded restructuring expense of $61 million for workforce reduction, $3 million for pension related charges and $15 million in other restructuring costs associated with this initiative.

On February 12, 2015, we announced a plan to close the 'black end' manufacturing operations and ancillary activities at our Calais, France site, which reduced our titanium dioxide capacity by approximately 100 kilotons, or 13% of our European titanium dioxide capacity. In connection with this announcement, we began to accelerate depreciation on the affected assets and recorded accelerated depreciation in 2015 of $68 million as restructuring, impairment and plant closing costs. In addition, during 2015, we recorded charges of $30 million primarily for workforce reductions and non-cash charges of $17 million. The 'black end' manufacturing operations and ancillary activities are now closed. The 'white end' of the site continues to operate.

On March 4, 2015, we announced plans to restructure our color pigments business, another step in our previously announced plan to significantly restructure our global Pigments and Additives segment, and recorded restructuring expense of approximately $4 million during 2015 primarily related to workforce reductions.

During the fourth quarter of 2015, we determined that the South African asset group of our Pigments and Additives segment was impaired and recorded an impairment charge of $19 million.

We remain committed to a separation of our titanium dioxide business and we are actively exploring additional possibilities outside of an initial public offering or a spin-off. Our ability to effect such separation is subject to, among other things, market conditions and the approval of our Board of Directors. See " Item 1A. Risk Factors."

Products and Markets

Titanium Dioxide. We are a global leader in the manufacture and marketing of specialty and standard grade titanium dioxide. Titanium dioxide is derived from titanium bearing ores and is a white inert pigment that provides whiteness, opacity and brightness to thousands of everyday items including paints, plastics, paper, inks, fibers, food and personal care products.

We own a portfolio of brands including the TIOXIDE®, HOMBITAN®, DELTIO®, and ALTIRIS® ranges, which are produced in our ten manufacturing facilities around the globe. We service over 2,500 customers in most major industries and geographic regions. Our global manufacturing footprint allows us to service the needs of both local and global customers, including Ampacet, A. Schulman, AkzoNobel, BASF, Clariant, Jotun, PolyOne, PPG and Sun Chemical.

Global titanium dioxide demand growth rates tend to closely track GDP growth rates; however, this varies by region. Developed markets such as the U.S. and Western Europe exhibit higher absolute consumption but lower demand growth rates, while emerging markets such as Asia exhibit much higher demand growth rates. The titanium dioxide industry experiences some seasonality in its sales reflecting the high exposure to seasonal coatings end-use markets. Coating sales generally peak during the spring and summer months in the northern hemisphere, resulting in greater sales volumes during the second and third quarters of the year.

There are two manufacturing processes for the production of titanium dioxide, the sulfate process and the chloride process. We currently believe that the chloride process accounts for approximately 45% of global production capacity. Most end-use applications can use pigments produced by either process, although there are markets that prefer pigment from a specific manufacturing route for example, the inks market prefers sulfate and the automotive coatings market

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prefers chloride. Regional markets typically favor products that are available locally. The sulfate process produces titanium dioxide in both the rutile and anatase forms, the latter being used in certain high-value specialty applications.

Our Company is one of the five major producers of titanium dioxide in the world. Beyond these producers, the titanium dioxide industry currently has a large number of small regional or local producers, particularly in China. Titanium dioxide supply has historically kept pace with increases in demand as producers increased capacity through low cost incremental debottlenecks, efficiency improvements and, more recently, new capacity additions in China. During periods of low titanium dioxide demand, the industry experiences high stock levels and consequently reduces production to manage working capital. Pricing in the industry is driven primarily by supply/demand balance.

We have an established broad customer base and have successfully differentiated ourselves by establishing ourselves as a market leader in a variety of niche market segments where the innovation and specialization of our products is rewarded with higher margins, higher growth prospects and strong customer relationships.

Product Type	Rutile TiO2	Anatase TiO2	Nano TiO2
Characteristics	Most common crystal form of TiO2. Harder and more durable crystal form	Softer, less abrasive pigment, preferred for some specialty applications	Ultra fine TiO2 and other TiO2 Specialties
Applications	Coatings, printing inks, PVC window frames, masterbatches	Cosmetics, pharmaceuticals, food, polyester fibers, polyamide fibers	Catalysts and cosmetics

Functional Additives. We are the leading global manufacturer of zinc and barium speciality additives. Functional additives are made from barium and zinc based inorganics and are used to make colors more brilliant, coatings shine, plastic more stable and help protect from light degradation. The dynamics of functional additives are closely aligned with titanium dioxide given the overlap in applications served including coatings, films, food, cosmetics, pharmaceuticals and paper. We are the only global producer of zinc sulfide and the largest global supplier of synthetic barium sulfate.

Product Type	Barium and Zinc Additives
Characteristics	Specialty pigments and fillers based on barium and zinc based chemistry
Applications	Coatings, films, food, cosmetics, pharmaceuticals, paper and glass fiber reinforced plastics

Color Pigments. We are a global leader in the manufacture and processing of liquid, powder and granulated forms of iron oxide color pigments, natural and synthetic inorganic pigments and automated pigment handling systems. We make a wide range of yellow, red, orange, black, manganese violet and blended shades and are also one of the leading suppliers of technical grade ultramarine blue pigments. Our products are sold under a portfolio of brands that are targeted to the construction sector such as DAVIS COLORS , GRANUFIN and FERROXIDE® and the following brands HOLLIDAY PIGMENTS , COPPERAS RED® and MAPICO focused predominantly on the coatings and plastics sectors.

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Our products are also used by manufacturers of colorants, rubber, paper, cosmetics, pet food, ink, toner and other industrial uses delivering benefits such as corrosion protection, flame suppression and catalysis.

Our construction customers value our broad product range and benefit from our custom blending, color matching and color dosing systems. Our coatings customers benefit from a consistent and quality product.

Product Type	Color Pigments	Iron Oxides	Ultramarines	Speciality Inorganics	Driers
Characteristics	Specialty pigments and fillers based on barium and zinc based chemistry	Powdered, granulated or in liquid form are synthesized using a range of feedstocks	Range of ultramarine blue and violet and also manganese violet pigments	Complex inorganic pigments and cadmium pigments	A range of metal carboxylates and driers
Applications	Coatings, films, food, cosmetics, pharmaceuticals, paper and glass fiber reinforced plastics	Coatings, construction, plastics, cosmetics, pharmaceuticals, fibers, inks, catalyst and laminates	Predominantly used in plastics, coatings and cosmetics	Various	Predominantly coatings

Iron oxide pigment's cost effectiveness, weather resistance, chemical and thermal stability and coloring strength make it an ideal colorant for construction materials, such as concrete, brick and roof tile, for coatings such as paints and plastics. We are one of two large color pigments producers which represent approximately 40% of the global market for iron oxide pigments. The remaining market share consists primarily of Chinese competitors.

Made from clay, our ultramarine blue pigments are non-toxic, weather resistant and thermally stable. Ultramarine blue is used world-wide for food contact applications. Our synthetic ultramarines are permitted for unrestricted use in certain cosmetics applications. Ultramarine blue is used extensively in plastics and the paint industry. We focus on supplying our customers with technical grade ultramarine blues and violets to high specification markets such as the cosmetics industry.

We are constructing a new advanced technology production facility in Augusta, Georgia for the synthesis of iron oxide pigments. We are the first iron oxide pigments producer to invest in U.S. based capacity in more than 35 years. The new Augusta facility will enable significant plant consolidation, cost savings opportunities and favorable raw material sourcing while reinforcing our color pigments offering of quality pigment, service and shortened lead time on delivery. We expect the Augusta facility to be complete in the first quarter of 2016.

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Copper, iron and alkali are raw materials for the manufacture of iron oxide pigments. They are used to produce colored pigment particles which are further processed into a finished pigment in powder, liquid, granule or blended powder form.

Timber Treatment Chemicals. We manufacture timber treatment wood protection chemicals used primarily in residential and commercial applications to prolong the service life of wood through protection from decay and fungal or insect attack.

We manufacture our timber treatment chemicals in the U.S. and market our products primarily in North America through Viance, LLC ("Viance"), our 50%-owned joint venture with Dow Chemical formed in 2007. Our residential construction products such as ACQ, ECOLIFE and Copper Azole are sold for use in decking, fencing and other residential outdoor wood structures. Our industrial construction products such as Chromated Copper Arsenate (CCA) are sold for use in telephone poles and salt water piers and pilings.

Water Treatment Chemicals. We manufacture water treatment chemicals in Germany used to improve water purity in industrial, commercial and municipal applications. We are one of Europe's largest suppliers of polyaluminium chloride (PAC) based flocculants with approximately 140 kilotons of production capacity. Main markets are municipal and industrial waste water treatment and the paper industry.

Sales and Marketing

Approximately 85% of our titanium dioxide sales are made through our global sales and technical services network, enabling us to work closely with our customers. Our focused sales effort and local manufacturing presence have allowed us to achieve leading market positions in a number of the countries where we manufacture our products.

We sell iron oxides primarily through our global sales force whereas our ultramarine sales are predominantly through specialty distributors. We sell the majority of our timber treatment products directly to end customers via Viance.

Our focus is on marketing products and services to higher growth and higher value applications. For example, we believe that our Pigments and Additives segment is well-positioned to benefit from growth sectors where customers' needs are complex resulting in fewer companies that have the capability to support them. We maximize reach through specialty distributors in selected markets.

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Much of our research and development is focused on solutions that address significant emerging trends in the market.

Manufacturing and Operations

Our Pigments and Additives segment has 31 manufacturing facilities operating in ten countries with a total capacity of approximately 1.3 million metric tons per year.

	Annual Capacity (metric tons)			
Product Area	**EAME**	**North America**	**APAC**	**Total**
Titanium dioxide	672,000	75,000	60,000	807,000
Functional additives	100,000			100,000
Color pigments	85,000	55,000	20,000	160,000
Timber treatment		140,000		140,000
Water treatment	140,000			140,000

Production capacities of our ten titanium dioxide and functional additives manufacturing facilities are listed below. Approximately 80% of our titanium dioxide capacity is located in Western Europe.

	Annual Capacity (metric tons)			
Site	**EAME**	**North America**	**APAC**	**Process**
Greatham, U.K.	150,000			Chloride TiO2
Pori, Finland	130,000			Sulfate TiO2
Uerdingen, Germany	107,000			Sulfate TiO2
Duisburg, Germany	100,000			Sulfate TiO2
	100,000			Functional additives
Calais, France	0			TiO2 finishing plant
Huelva, Spain	80,000			Sulfate
Scarlino, Italy	80,000			Sulfate
Umbogintwini, South Africa	25,000			Sulfate
Lake Charles, Louisiana(1)		75,000		Chloride
Teluk Kalung, Malaysia			60,000	Sulfate
Total	772,000	75,000	60,000	

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(1) This facility is owned and operated by Louisiana Pigment Company, L.P., a manufacturing joint venture that is owned 50% by us and 50% by Kronos. The capacity shown reflects our 50% interest in Louisiana Pigment Company, L.P.

Joint Ventures

Louisiana Pigment Company, L.P. is our 50%-owned joint venture with Kronos. We share production offtake and operating costs of the plant with Kronos, though we market our share of the production independently. The operations of the joint venture are under the direction of a supervisory committee on which each partner has equal representation. Our investment in Louisiana Pigment Company, L.P. is accounted for using the equity method.

Viance is our 50%-owned joint venture with Dow Chemical. Viance markets our timber treatment products. Our joint venture interest in Viance was acquired as part of the Rockwood

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Acquisition on October 1, 2014. The joint venture sources all of its products through a contract manufacturing arrangement at our Harrisburg, North Carolina facility, and we bear a disproportionate amount of working capital risk of loss due to the supply arrangement whereby we control manufacturing on Viance's behalf. As a result, we concluded that we are the primary beneficiary and began consolidating Viance upon the Rockwood Acquisition on October 1, 2014.

Raw Materials

The primary raw materials used in our Pigments and Additives segment are titanium-bearing ores and iron oxide particles.

	Titanium Dioxide	Functional Additives	Color Pigments	Timber Treatment	Water Chemicals
Primary raw materials	Titanium bearing ore, sulfuric acid	Barium and zinc based inorganics	Iron oxide particles, scrap iron, coppers	DCOIT, copper, monoethanolamine	Aluminum oxide

In recent years, we have purchased the majority of our ores under supply contracts from a range of ore suppliers. The majority of our titanium-bearing ores are sourced from India, Africa, Canada and Norway. Ore accounts for approximately 45% of titanium dioxide variable manufacturing costs, while utilities (electricity, gas and steam), sulfuric acid and chlorine collectively account for approximately 30% of variable manufacturing costs.

The world market for titanium-bearing ores has a diverse range of suppliers with the four largest suppliers (Rio Tinto, Kenmare, Iluka and Tronox) accounting for approximately 40% of global supply between them and from whom we purchase approximately 65% of our needs. The majority of the titanium-bearing ores market is now transacted on short-term contracts, or longer-term volume-contracts with market-based pricing re-negotiated several times per annum. This form of market-based ore contracts has introduced more flexibility and responsiveness, both in terms of pricing and quantity obligations.

Titanium dioxide producers extract titanium from ores and process it into pigmentary titanium dioxide using either the chloride or sulfate process. Once an intermediate titanium dioxide pigment has been produced, it is "finished" into a product with specific performance characteristics for particular end-use applications. The finishing process is common to both the sulfate and chloride processes and is a major determinant of the final product's performance characteristics.

Co-products from both processes require treatment prior to disposal in order to comply with environmental regulations. In order to reduce our disposal costs and to increase our cost competitiveness, we have developed and marketed the co-products of our Pigments and Additives segment. We sell over 60% of the co-products generated by our business.

We source our raw material for the majority of our Color Pigments business from China, the U.S., France and Italy. Key raw materials are iron powder and metal scrap that are sourced from various mid-size and smaller producers primarily on a spot contract basis.

Competition

The global markets in which our Pigments and Additives segment operates are highly competitive and vary according to product.

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Competition within the standard grade titanium dioxide market is based on price, product quality and service. The major global producers against whom we compete are Chemours, Tronox, Kronos and Cristal, each of which has a global presence and the ability to service all global markets. If any of our current or future competitors develops proprietary technology that enables them to produce products at a significantly lower cost, our technology could be rendered uneconomical or obsolete. Moreover, the sulfate based titanium dioxide technology used by our Pigments and Additives segment is widely available. Accordingly, barriers to entry, apart from capital availability, may be low and the entrance of new competitors into the industry may reduce our ability to capture improving profit margins in circumstances where capacity utilization in the industry is increasing.

Competition within the functional additives market is primarily based on application know-how, brand recognition, product quality and, to a certain extent, price. Key competitors for barium-based additives include Solvay S.A., Gruppo Chimico Dalton S.p.A., Sakai Chemical Industry Co., Ltd. and Chinese barium producers. Key competitors for zinc-based additives include Chinese lithopone producers.

Competition within the specialty titanium dioxide market and the color pigments market is based on customer service, product attributes, such as product form and quality, and price. Product quality is particularly critical in the technically demanding applications in which we focus as inconsistent product quality adversely impacts consistency in the end-product. Our primary competitors within specialty titanium dioxide include Fuj Titanium Industry, Kronos and Precheza. Our primary competitors within color pigments include Lanxess AG, Cathay Pigments Group, Interstar Materials Inc. and Shanghai Yipin Pigments Co., Ltd.

Competition within the timber treatment market is based on price, customer support services, innovative technology and product range. Our primary competitors are Lonza Group and Koppers.

Competition within the water treatment market is based on proximity to customers and price. Our primary competitors are Kemira and Feralco.

RESEARCH AND DEVELOPMENT

For the years ended December 31, 2015, 2014 and 2013, we spent $160 million, $158 million and $140 million, respectively, on research and development.

We support our business with a major commitment to research and development, technical services and process engineering improvement. Our research and development centers are located in The Woodlands, Texas; Everberg, Belgium; and Shanghai, China. Other regional development/technical service centers are located in Wynyard, England and Duisburg, Germany (pigments); Auburn Hills, Michigan (polyurethanes for the automotive industry); Derry, New Hampshire, Shanghai, China, Deggendorf, Germany and Ternate, Italy (polyurethanes); Melbourne, Australia (surfactants); Port Neches, Texas (process engineering support); Basel, Switzerland and Panyu, China (advanced materials and textile effects); and Mumbai, India (textile effects).

INTELLECTUAL PROPERTY RIGHTS

Proprietary protection of our processes, apparatuses, and other technology and inventions is important to our businesses. We own approximately 440 unexpired U.S. patents, approximately 135 patent applications (including provisionals) currently pending at the U.S. Patent and Trademark Office, and approximately 4,180 foreign issued patents and pending patent applications. While a presumption of validity exists with respect to issued U.S. patents, we cannot assure that any of our patents will not

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be challenged, invalidated, circumvented or rendered unenforceable. Furthermore, we cannot assure the issuance of any pending patent application, or that if patents do issue, that these patents will provide meaningful protection against competitors or against competitive technologies. Additionally, our competitors or other third parties may obtain patents that restrict or preclude our ability to lawfully produce or sell our products in a competitive manner.

We also rely upon unpatented proprietary know-how and continuing technological innovation and other trade secrets to develop and maintain our competitive position. There can be no assurance, however, that confidentiality and other agreements into which we enter and have entered will not be breached, that they will provide meaningful protection for our trade secrets or proprietary know-how, or that adequate remedies will be available in the event of an unauthorized use or disclosure of such trade secrets and know-how. In addition, there can be no assurance that others will not obtain knowledge of these trade secrets through independent development or other access by legal means.

In addition to our own patents and patent applications and proprietary trade secrets and know-how, we are a party to certain licensing arrangements and other agreements authorizing us to use trade secrets, know-how and related technology and/or operate within the scope of certain patents owned by other entities. We also have licensed or sub-licensed intellectual property rights to third parties.

We have associated brand names with a number of our products, and we have approximately 175 U.S. trademark registrations (including applications for registration currently pending at the U.S. Patent and Trademark Office), and approximately 4,700 foreign trademark registrations and applications for registration. Some of these registrations and applications include filings under the Madrid system for the international registration of marks and may confer rights in multiple countries. However, there can be no assurance that the trademark registrations will provide meaningful protection against the use of similar trademarks by competitors, or that the value of our trademarks will not be diluted.

Because of the breadth and nature of our intellectual property rights and our business, we do not believe that any single intellectual property right (other than certain trademarks for which we intend to maintain the applicable registrations) is material to our business. Moreover, we do not believe that the termination of intellectual property rights expected to occur over the next several years, either individually or in the aggregate, will materially adversely affect our business, financial condition or results of operations.

EMPLOYEES

As of December 31, 2015, we employed approximately 15,000 associates in our operations around the world. Approximately 3,000 of these employees are located in the U.S., while approximately 12,000 are located in other countries. We believe our relations with our employees are good.

GEOGRAPHIC DATA

For sales revenue and long-lived assets by geographic areas, see "Note 25. Operating Segment Information" to our consolidated financial statements.

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ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

General

We are subject to extensive federal, state, local and international laws, regulations, rules and ordinances relating to safety, pollution, protection of the environment, product management and distribution, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. In the ordinary course of business, we are subject to frequent environmental inspections and monitoring and occasional investigations by governmental enforcement authorities. In addition, our production facilities require operating permits that are subject to renewal, modification and, in certain circumstances, revocation. Actual or alleged violations of safety laws, environmental laws or permit requirements could result in restrictions or prohibitions on plant operations or product distribution, substantial civil or criminal sanctions, as well as, under some environmental laws, the assessment of strict liability and/or joint and several liability. Moreover, changes in environmental regulations could inhibit or interrupt our operations, or require us to modify our facilities or operations. Accordingly, environmental or regulatory matters may cause us to incur significant unanticipated losses, costs or liabilities. Information related to environmental, health and safety ("EHS") matters may also be found in other areas of this report including " Item 1A. Risk Factors," "Note 2. Summary of Significant Accounting Policies Environmental Expenditures" to our consolidated financial statements and "Note 20. Environmental Health and Safety Matters" to our consolidated financial statements.

Environmental, Health and Safety Systems

We are committed to achieving and maintaining compliance with all applicable EHS legal requirements, and we have developed policies and management systems that are intended to identify the multitude of EHS legal requirements applicable to our operations, enhance compliance with applicable legal requirements, improve the safety of our employees, contractors, community neighbors and customers and minimize the production and emission of wastes and other pollutants. Although EHS legal requirements are constantly changing and are frequently difficult to comply with, these EHS management systems are designed to assist us in our compliance goals while also fostering efficiency and improvement and reducing overall risk to us.

Environmental Remediation

We have incurred, and we may in the future incur, liability to investigate and clean up waste or contamination at our current or former facilities or facilities operated by third parties at which we may have disposed of waste or other materials. Similarly, we may incur costs for the cleanup of waste that was disposed of prior to the purchase of our businesses. Under some circumstances, the scope of our liability may extend to damages to natural resources.

In cases where our potential liability arises from historical contamination based on operations and other events occurring prior to our ownership of a business or specific facility, we frequently obtain an indemnity agreement from the prior owner addressing remediation liabilities arising from pre-closing conditions. We have successfully exercised our rights under these contractual covenants for a number of sites and, where applicable, mitigated our ultimate remediation liability. We cannot assure you, however, that the liabilities for all such matters subject to indemnity will be honored by the prior owner or that our existing indemnities will be sufficient to cover our liabilities for such matters.

Based on available information and the indemnification rights we believe are likely to be available, we believe that the costs to investigate and remediate known contamination will not have a

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material effect on our financial statements. However, if such indemnities are not honored or do not fully cover the costs of investigation and remediation or we are required to contribute to such costs, then such expenditures may have a material effect on our financial statements. At the current time, we are unable to estimate the total cost, exclusive of indemnification benefits, to remediate contamination sites.

Regulatory Matters

Greenhouse Gas Regulation and Climate Change

Globally, our operations are increasingly subject to regulations that seek to reduce emissions of greenhouse gases ("GHGs"), such as carbon dioxide and methane, which may be contributing to changes in the earth's climate. At the Durban negotiations of the Conference of the Parties to the Kyoto Protocol in 2012, a limited group of nations, including the European Union, agreed to a second commitment period for the Kyoto Protocol, an international treaty that provides for reductions in GHG emissions. More significantly, the European Union GHG Emissions Trading System ("ETS"), established pursuant to the Kyoto Protocol to reduce GHG emissions in the European Union, continues in its third phase. The European Union parliament continues with a process to formalized "backloading" the withholding of GHG allowances to prop up carbon prices. As backloading is only a temporary measure, a sustainable solution to the imbalance between supply and demand requires structural changes to the ETS. The European Commission proposes to establish a market stability reserve at the beginning of the next trading period in 2021. In addition, the European Union has recently announced the binding target to reduce domestic greenhouse gas emissions by at least 40% below the 1990 level by 2030. The European Commission proposed an objective of increasing the share of renewable energy to at least 27% of the European Union's energy consumption by 2030. The European Council endorsed this target, which is binding at the European Union level. The European Commission also proposed a 30% energy savings target for 2030. The European Council, however, endorsed an indicative target of 27% to be reviewed in 2020 having in mind a 30% target.

Federal climate change legislation in the U.S. appears unlikely in the near-term. As a result, domestic efforts to curb GHG emissions will continue to be led by the U.S. Environmental Protection Agency's (the "EPA") GHG regulations and the efforts of states. To the extent that our domestic operations are subject to the EPA's GHG regulations, we may face increased capital and operating costs associated with new or expanded facilities. Significant expansions of our existing facilities or construction of new facilities may be subject to the Clean Air Act's (the "CAA") Prevention of Significant Deterioration requirements under the EPA's GHG "Tailoring Rule." Some of our facilities are also subject to the EPA's Mandatory Reporting of Greenhouse Gases rule, and any further regulation may increase our operational costs.

Under a consent decree with states and environmental groups, the EPA is due to propose new source performance standards for GHG emissions from refineries. These standards could significantly increase the costs of constructing or adding capacity to refineries and may ultimately increase the costs or decrease the supply of refined products. Either of these events could have an adverse effect on our business.

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We are already managing and reporting GHG emissions, to varying degrees, as required by law for our sites in locations subject to Kyoto Protocol obligations and/or ETS requirements. Although these sites are subject to existing GHG legislation, few have experienced or anticipate significant cost increases as a result of these programs, although it is possible that GHG emission restrictions may increase over time. Potential consequences of such restrictions include capital requirements to modify assets to meet GHG emission restrictions and/or increases in energy costs above the level of general inflation, as well as direct compliance costs. Currently, however, it is not possible to estimate the likely financial impact of potential future regulation on any of our sites.

Finally, it should be noted that some scientists have concluded that increasing concentrations of GHGs in the earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts, and floods and other climatic events. If any of those effects were to occur, they could have an adverse effect on our assets and operations

AVAILABLE INFORMATION

We maintain an internet website at http://www.huntsman.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to these reports are available free of charge through our website as soon as reasonably practicable after we file this material with the SEC. We also provide electronic or paper copies of our SEC filings free of charge upon request.

GLOSSARY OF CHEMICAL TERMS

BDO butane diol
BLR base liquid resin
DEG di-ethylene glycol
DGA® Agent DIGLYCOLAMINE® agent
DPA diphenylamine
EG ethylene glycol
EO ethylene oxide
LAB linear alkyl benzene
LAS linear alkylbenzene sulfonate
LER liquid epoxy resins
LNG liquefied natural gas
MDA methylene dioxy amphetamine
MDI methyl diphenyl diisocyanate
MEG mono-ethylene glycol
MNB mononitrobenzene
MTBE methyl tertiary-butyl ether
PG propylene glycol
PO propylene oxide
Polyols a substance containing several hydroxyl groups. A diol, triol and tetrol contain two, three and four hydroxyl groups, respectively.
TBA tertiary butyl alcohol
TBHP tert-butyl hydroperoxide
TDI toluene diisocyanate
TEG tri-ethylene glycol
TiO_2 titanium dioxide pigment
TPU thermoplastic polyurethane
UPR unsaturated polyester resin

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ITEM 1A. RISK FACTORS

Any of the following risks could materially and adversely affect our business, results of operations, financial condition and liquidity.

RISKS RELATED TO OUR BUSINESS

Our industry is affected by global economic factors including risks associated with volatile economic conditions.

Our financial results are substantially dependent on overall economic conditions in the U.S., Europe and Asia. Declining economic conditions in all or any of these locations or negative perceptions about economic conditions could result in a substantial decrease in demand for our products and could adversely affect our business. For example, our operations in Asia have been impacted by slower growth in China, which continues to adversely affect demand for some of our products. Uncertain economic conditions and market instability make it particularly difficult for us to forecast demand trends. The timing and extent of any changes to currently prevailing market conditions is uncertain, and supply and demand may be unbalanced at any time. As a consequence, we may not be able to accurately predict future economic conditions or the effect of such conditions on our financial condition or results of operations. We can give no assurances as to the timing, extent or duration of the current or future economic cycles impacting the chemical industry.

The markets for many of our products are cyclical and volatile, and we may experience depressed market conditions for such products.

Historically, the markets for many of our products have experienced alternating periods of tight supply, causing prices and profit margins to increase, followed by periods of capacity additions, resulting in oversupply and declining prices and profit margins. For example, recent capacity additions, particularly in China, have caused supply in the markets for some of our products to outpace demand. The volatility these markets experience occurs as a result of changes in the supply and demand for products, changes in energy prices and changes in various other economic conditions around the world. For example, demand for our products depends in part on the housing and construction industries. These industries are cyclical in nature and have historically been impacted by downturns in the economy. The cyclicality and volatility of our industry results in significant fluctuations in profits and cash flow from period to period and over the business cycle.

In particular, global prices for titanium dioxide declined throughout 2015 and have remained low in the first quarter of 2016, primarily as a result of oversupply in the market. In addition, margins for MTBE sales are volatile and seasonal. Any continuation of these trends throughout 2016 could negatively impact our business, results of operations and/or financial condition.

Planned disruptions in production at our manufacturing facilities and unplanned disruptions, such as natural disasters, may have a material adverse impact on our business, results of operations and/or financial condition.

Manufacturing facilities in our industry are subject to planned and unplanned production shutdowns, turnarounds and outages. Any serious disruption at any of our facilities could impair our ability to use our facilities and have a material adverse impact on our revenues and increase our costs and expenses. Alternative facilities with sufficient capacity may not be available, may cost substantially more or may take a significant time to increase production or qualify with our customers, any of which could negatively impact our business, results of operations and/or financial condition. Long-term production disruptions may cause our customers to seek alternative supply which could further adversely affect our profitability.

Unplanned production disruptions may occur for external reasons including natural disasters, weather, disease, supply disruptions particularly from sole-source suppliers, strikes, transportation interruption, government regulation, political unrest or terrorism, or internal reasons, such as fire, unplanned maintenance or other manufacturing problems. In addition, many of our current and potential customers are concentrated in specific geographic areas including the U.S. Gulf Coast, which is subject to hurricanes. A disaster in one of these regions could have a material impact on our operations, operating results and financial condition.

In addition, we rely on a number of vendors suppliers and collaborations with other industry participants to provide us with chemicals, feedstocks and other raw materials, along with energy sources and, in certain cases, facilities, that we need to operate our business. During periods of economic disruption, some of these companies could be forced to reduce their output, shut down their operations or file for bankruptcy protection. If this were to occur, it could adversely affect their ability to provide us with the raw materials, energy sources or facilities that we need, which could materially disrupt our operations, including the production of certain of our products. Moreover, it could be difficult to find replacements for certain of our business partners without incurring significant delays or cost increases. All of these risks could have a material adverse effect on our business, results of operations, financial condition and liquidity.

While we maintain business recovery plans that are intended to allow us to recover from natural disasters or other events that could disrupt our business, we cannot provide assurances that our plans would fully protect us from the effects of all such disasters or from events that might increase in frequency or intensity due to climate change. In addition, insurance may not adequately compensate us for any losses incurred as a result of natural or other disasters. In areas prone to frequent natural or other disasters, insurance may become increasingly expensive or not available at all. Furthermore, some potential climate-driven losses, particularly inundation due to sea-level rise, may pose long-term risks to our physical facilities such that operations cannot be restored in their current locations.

Our results of operations may be adversely affected by international business risks, including fluctuations in currency exchange rates, legal restrictions and taxes.

We conduct a majority of our business operations outside the U.S., and these operations are subject to risks normally associated with international operations. These risks include the need to convert currencies that may be received for our products into currencies in which we purchase raw materials or pay for services, which could result in a gain or loss depending on fluctuations in exchange rates. In addition, we translate our local currency financial results into U.S. dollars based on average exchange rates prevailing during the reporting period or the exchange rate at the end of that period. During times of a strengthening U.S. dollar, our reported international sales and earnings may be reduced because the local currency may translate into fewer U.S. dollars. Because we currently have significant operations located outside the U.S., we are exposed to fluctuations in global currency rates which may result in gains or losses on our financial statements.

Other risks of international operations include trade barriers, tariffs, exchange controls, national and regional labor strikes, social and political risks, general economic risks and required compliance with a variety of U.S. and foreign laws, including tax laws, the Foreign Corrupt Practices Act (and foreign equivalents), export controls and regulations administered by the Office of Foreign Assets Control. In addition, although we maintain an anti-corruption compliance program throughout our Company, violations of our compliance program may result in criminal or civil sanctions, including

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material monetary fines, penalties and other costs against us or our employees, and may have a material adverse effect on our business. Furthermore, in foreign jurisdictions where legal processes may vary from country to country, we may experience difficulty in enforcing agreements. In jurisdictions where bankruptcy laws and practices vary, we may experience difficulty collecting foreign receivables through foreign legal systems. The occurrence of these risks, among others, could disrupt the businesses of our international subsidiaries, which could significantly affect their ability to make distributions to us.

We operate in a significant number of jurisdictions, which contributes to the volatility of our effective tax rate. Changes in tax laws or the interpretation of tax laws in the jurisdictions in which we operate may affect our effective tax rate. In addition, generally accepted accounting principles in the U.S. ("GAAP" or "U.S. GAAP") have required us to place valuation allowances against our net operating losses and other deferred tax assets in a significant number of tax jurisdictions. These valuation allowances result from analysis of positive and negative evidence supporting the realization of tax benefits. Negative evidence includes a cumulative history of pre-tax operating losses in specific tax jurisdictions. Changes in valuation allowances have resulted in material fluctuations in our effective tax rate. Economic conditions may dictate the continued imposition of current valuation allowances and, potentially, the establishment of new valuation allowances. While significant valuation allowances remain, our effective tax rate will likely continue to experience significant fluctuations.

Our efforts to grow and transform our businesses may require significant investments; if our strategies are unsuccessful, our business, results of operations and/or financial condition may be materially adversely affected.

We continuously evaluate opportunities for growth and change. These initiatives may involve making acquisitions, entering into partnerships and joint ventures, divesting assets, creating new financial structures and building new facilities any of which could require a significant investment and subject us to new kinds of risks. We have incurred indebtedness to finance these opportunities, and we may incur additional indebtedness to finance future initiatives. We could also issue additional shares of stock of our Company or our subsidiaries to finance such initiatives. If our strategies for growth and change are not successful, we could face increased financial pressure, such as increased cash flow demands, reduced liquidity and diminished access to financial markets, and the equity value of our businesses could be diluted.

The implementation of strategies for growth and change may create additional risks, including:

- diversion of management time and attention away from existing operations;
- requiring capital investment that could otherwise be used for the operation and growth of our existing businesses;
- disruptions to important business relationships;
- increased operating costs;
- use of limited investment and other baskets under our debt covenants; and
- difficulties due to lack of or limited prior experience in any new markets we may enter.

Our inability to mitigate these risks or other problems encountered in connection with our strategies for growth and change could have a material adverse effect on our business, results of operations and financial condition.

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We may have difficulties integrating acquired businesses and as a result, our business, results of operations and/or financial condition may be materially adversely affected.

We have completed a number of acquisitions and we will continue to acquire additional businesses and enter into joint ventures as part of our business strategy. Growth through acquisitions and joint ventures involves risks, including:

- inability to efficiently operate new businesses or to integrate acquired businesses and products;
- inability to accurately predict delays in realizing the costs and benefits of acquisitions, partnerships, or joint ventures;
- unexpected losses of customers or suppliers of an acquired or existing business;
- difficulties in retaining key employees of acquired businesses;
- difficulties in realizing projected synergies; and
- exposure to unanticipated liabilities, including unexpected environmental exposures, product liability or illegal activities conducted by an acquired company or a joint venture partner.

Our inability to address these risks could cause us to fail to realize the anticipated benefits of such acquisitions or joint ventures and could have a material adverse effect on our business, results of operations and financial condition.

Significant price volatility or interruptions in supply of our raw materials may result in increased costs that we may be unable to pass on to our customers, which could reduce our profitability.

The prices of the raw materials that we purchase from third parties are cyclical and volatile. We purchase a substantial portion of our raw materials from third-party suppliers. The cost of these raw materials represents a substantial portion of our operating expenses. The prices for a number of these raw materials generally follow price trends of, and vary with market conditions for, crude oil and natural gas feedstocks, which are highly volatile and cyclical. For example, the market for crude oil and natural gas feedstocks experienced depressed pricing throughout 2015 and has remained low in recent months, leading to favorable prices for the raw materials that we purchase from third parties. Lower raw material prices, however, can lead to downward pressure on selling prices for certain of our products leading to reduced revenue. Any rebound in the pricing for such feedstocks could adversely affect our operating expenses.

In general, the feedstocks and other raw materials we consume are organic chemical commodity products that are readily available at market prices. There are, however, several raw materials for which there are only a limited number of suppliers or a single supplier. We frequently enter into supply agreements with particular suppliers, evaluate alternative sources of supply and evaluate alternative technologies to seek to avoid reliance on a limited or sole-source suppliers , but disruptions of existing supply could substantially impact our profitability. If certain of our suppliers are unable to meet their obligations under present supply agreements, we may be forced to pay higher prices to obtain the necessary raw materials from other sources and we may not be able to increase prices for our finished products to recoup the higher raw materials costs. In addition, if raw materials become unavailable within a geographic area from which they are now sourced, then we may not be

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able to obtain suitable or cost effective substitutes. Any interruption in the supply of raw materials could increase our costs or decrease our revenues, which could reduce our cash flow. The inability of a sole-source supplier to meet our raw material needs could have a material adverse effect on our financial statements and results of operations.

Our supply agreements typically provide for market-based pricing and provide us only limited protection against price volatility. While we attempt to match cost increases with corresponding product price increases, we are not always able to raise product prices immediately or at all. Timing differences between raw material prices, which may change daily, and contract product prices, which in many cases are negotiated only monthly or less often, have had and may continue to have a negative effect on our cash flow. Any cost increase that we are not able to pass on to our customers could have a material adverse effect on our business, results of operations, financial condition and liquidity.

The industries in which we compete are highly competitive, and we may not be able to compete effectively with our competitors that have greater financial resources, which could have a material adverse effect on our business, results of operations and financial condition.

The industries in which we operate are highly competitive. Among our competitors are some of the world's largest chemical companies and major integrated petroleum companies that have their own raw material resources. Changes in the competitive landscape could make it difficult for us to retain our competitive position in various products and markets throughout the world. In addition, some of the companies with whom we compete may be able to produce products more economically than we can. Furthermore, some of our competitors have greater financial resources, which may enable them to invest significant capital into their businesses, including expenditures for research and development. Some of our competitors are owned or partially owned by foreign governments which may provide a competitive advantage to those competitors. While we are engaged in a range of research and development programs to develop new products and processes, to improve and refine existing products and processes, and to develop new applications for existing products, the failure to develop new products, processes or applications could make us less competitive. Moreover, if any of our current or future competitors develops proprietary technology that enables them to produce products at a significantly lower cost, our technology could be rendered uneconomical or obsolete. Further, it is possible that we could abandon certain products, processes, or applications due to potential infringement of third party intellectual property rights or that we could be named in future litigation for the infringement or misappropriation of a competitor's or other third party's intellectual property rights, which could include a claim for injunctive relief and damages, and, if so, such adverse results could have a material adverse effect on our business, results of operations and financial position.

Certain of our businesses use technology that is widely available. Accordingly, barriers to entry, apart from capital availability, may be low in certain product segments of our business, and the entrance of new competitors into the industry may reduce our ability to capture improving profit margins in circumstances where capacity utilization in the industry is increasing. Further, petroleum-rich countries have become more significant participants in the petrochemical industry and may expand their roles significantly in the future. Increased competition in any of our businesses could compel us to reduce the prices of our products, which could result in reduced profit margins and loss of market share and have a material adverse effect on our business, results of operations, financial condition and liquidity.

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We may be unable to consummate the separation of our titanium dioxide business on the timeline currently contemplated, if at all, and such separation, if completed, may not achieve the intended results.

We remain committed to complete the separation of our titanium dioxide business, and are actively exploring divestment alternatives that may be completed. Our ability to effect such separation is subject to, among other things, market conditions and the approval of our Board of Directors. We cannot assure you that we will be able to complete the separation of our titanium dioxide business in a timely fashion, if at all. Further, even if such separation is completed, it may not achieve the intended results. Any such delays or difficulties could adversely affect our business, results of operations or financial condition.

We are subject to risks relating to our information technology systems, and any failure to adequately protect our critical information technology systems could materially affect our operations.

We rely on information technology systems across our operations, including for management, supply chain and financial information and various other processes and transactions. Our ability to effectively manage our business depends on the security, reliability and capacity of these systems. Information technology system failures, network disruptions or breaches of security could disrupt our operations, cause delays or cancellations of customer orders or impede the manufacture or shipment of products, processing of transactions or reporting of financial results. An attack or other problem with our systems could also result in the disclosure of proprietary information about our business or confidential information concerning our customers or employees, which could result in significant damage to our business and our reputation.

We have put in place security measures designed to protect against the misappropriation or corruption of our systems, intentional or unintentional disclosure of confidential information, or disruption of our operations. Current employees have, and former employees may have, access to a significant amount of information regarding our operations which could be disclosed to our competitors or otherwise used to harm us. Moreover, our operations in certain locations, such as China, may be particularly vulnerable to security attacks or other problems. Any breach of our security measures could result in unauthorized access to and misappropriation of our information, corruption of data or disruption of operations or transactions, any of which could have a material adverse effect on our business.

In addition, we could be required to expend significant additional amounts to respond to information technology issues or to protect against threatened or actual security breaches. We may not be able to implement measures that will protect against all of the significant risks to our information technology systems.

Our significant debt level, a portion of which is subject to variable interest rates, makes us vulnerable to downturns and may limit our ability to respond to market conditions, to obtain additional financing or to refinance our debt.

We have significant outstanding debt. As of December 31, 2015, our total consolidated outstanding debt was $4,795 million (including current portion of debt); our debt to total capitalization ratio was approximately 74%; our combined outstanding variable rate borrowings were approximately $2.8 billion; and our current portion of debt totaled $170 million. Our debt level and the fact that a

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significant percentage of our cash flow is required to make payments on our debt, could have important consequences for our business, including but not limited to the following:

- we may be more vulnerable to business, industry or economic downturns, making it more difficult to respond to market conditions;
- cash flow available for other purposes, including the growth of our business, may be reduced;
- our ability to refinance or obtain additional financing may be constrained, particularly during periods when the capital markets are unsettled;
- our competitors with lower debt levels may have a competitive advantage relative to us; and
- part of our debt is subject to variable interest rates, which makes us more vulnerable to increases in interest rates (for example, a 1% increase in interest rates, without giving effect to interest rate hedges or other offsetting items, would increase our annual interest rate expense by approximately $28 million).

Our debt level also impacts our credit ratings. Any decision by credit rating agencies to downgrade our debt ratings could restrict our ability to obtain additional financing and could result in increased interest and other costs.

Agreements governing our debt may restrict our ability to engage in certain business activities or to obtain additional financing.

The agreements governing our debt arrangements contain certain restrictive covenants. These covenants may limit or prohibit our ability to incur more debt; make certain prepayments of debt; pay dividends, redeem stock or make other distributions; issue stock; make investments; create liens; enter into transactions with affiliates; enter into sale and leaseback transactions; merge or consolidate; and transfer or sell assets. Some of our strategies may necessitate receiving consents or waivers under our debt arrangements, which could be withheld.

Our failure to comply with any of our debt covenants, or our failure to make payments of principal or interest on our debt, could result in a default, or trigger cross-default or acceleration provisions, under our debt agreements. An event of default could result in our debt obligations becoming immediately due and payable, cause our creditors to terminate their lending commitments, or force us or one or more of our subsidiaries into bankruptcy or liquidation. Any of the foregoing occurrences could have a material adverse effect on our business, results of operations and financial condition. For more information regarding our debt covenants, see "Note 14. Debt Compliance with Covenants" to our consolidated financial statements.

If we are unable to execute cost reduction plans successfully, our total operating costs may be greater than expected, which may adversely affect our profitability.

From time to time, we undertake actions to restructure our business segments to improve our earnings profile. While we continue to search for opportunities to reduce our costs and expenses to improve operating profitability without jeopardizing the quality of our products or the effectiveness of our operations, our success in achieving targeted cost and expense reductions depends upon a number of factors. If we do not successfully execute on our cost reduction initiatives or if we experience delays in completing the implementation of these initiatives, our results of operations or financial condition could be adversely affected.

Our operations involve risks that may increase our operating costs, which could reduce our profitability.

Although we take precautions to enhance the safety of our operations and minimize the risk of disruptions, our operations are subject to hazards inherent in the manufacturing and marketing of chemical products. These hazards include: chemical spills, pipeline leaks and ruptures, storage tank leaks, discharges or releases of toxic or hazardous substances or gases and other hazards incident to the manufacturing, processing, handling, transportation and storage of dangerous chemicals. We are also potentially subject to other hazards, including natural disasters and severe weather; explosions and fires; transportation problems, including interruptions, spills and leaks; mechanical failures; unscheduled downtimes; labor difficulties; remediation complications; and other risks. In addition, some equipment and operations at our facilities are owned or controlled by third parties who may not be fully integrated into our safety programs and over whom we are able to exercise limited control. Many potential hazards can cause bodily injury and loss of life, severe damage to or destruction of property and equipment and environmental damage, and may result in suspension of operations and the imposition of civil or criminal penalties and liabilities. Furthermore, we are subject to present and future claims with respect to workplace exposure, exposure of contractors on our premises as well as other persons located nearby, workers' compensation and other matters.

We maintain property, business interruption, products liability and casualty insurance policies which we believe are in accordance with customary industry practices, as well as insurance policies covering other types of risks, including pollution legal liability insurance, but we are not fully insured against all potential hazards and risks incident to our business. Each of these insurance policies is subject to customary exclusions, deductibles and coverage limits, in accordance with industry standards and practices. As a result of market conditions, premiums and deductibles for certain insurance policies can increase substantially and, in some instances, certain insurance may become unavailable or available only for reduced amounts of coverage. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our business, results of operations, financial condition and liquidity.

In addition, we are subject to various claims and litigation in the ordinary course of business. We are a party to various pending lawsuits and proceedings. For more information, see "Item 3. Legal Proceedings" below.

We are subject to many environmental, health and safety regulations that may result in unanticipated costs or liabilities, which could reduce our profitability.

We are subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment and human health and safety, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. Actual or alleged violations of environmental, health and safety, or EHS, laws or permit requirements could result in restrictions or prohibitions on plant operations and substantial civil or criminal sanctions, as well as, under some EHS laws, the assessment of strict liability and/or joint and several liability.

Many of our products and operations are subject to the chemical control laws of the countries in which they are located. These laws include the regulation of chemical substances and inventories under the Toxic Substances Control Act ("TSCA") in the United States and the Registration, Evaluation and Authorization of Chemicals ("REACH") regulation in Europe. Analogous regimes exist

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in other parts of the world, including China, South Korea, and Taiwan. In addition, a number of countries where we operate, including the United Kingdom, have adopted rules to conform chemical labeling in accordance with the globally harmonized system. Many of these foreign regulatory regimes are in the process of a multi-year implementation period for these rules. Additional new laws and regulations may be enacted or adopted by various regulatory agencies globally. For example, the United States Congress is considering an overhaul of the chemical control laws under TSCA. The costs of compliance with any new laws or regulations cannot be estimated until the manner in which they will be implemented has been more precisely defined.

Furthermore, governmental, regulatory and societal demands for increasing levels of product safety and environmental protection could result in increased pressure for more stringent regulatory control with respect to the chemical industry. In addition, these concerns could influence public perceptions regarding our products and operations, the viability of certain products, our reputation, the cost to comply with regulations, and the ability to attract and retain employees. Moreover, changes in EHS regulations could inhibit or interrupt our operations, or require us to modify our facilities or operations. Accordingly, environmental or regulatory matters may cause us to incur significant unanticipated losses, costs or liabilities, which could reduce our profitability.

For example, our operations are increasingly subject to regulations that seek to reduce emissions of greenhouse gases, or GHGs, such as carbon dioxide and methane, which may be contributing to changes in the Earth's climate. There are existing efforts to address GHG emissions at the international, national, and regional levels. The 2015 Paris climate summit agreement resulted in voluntary commitments by numerous countries to reduce their GHG emissions, and could result in additional firm commitments by various nations with respect to future GHG emissions. The European Union ("EU") regulates GHGs under the EU Emissions Trading Scheme. China has begun pilot programs for carbon taxes and trading of GHG emissions in selected areas. In August 2015, the EPA issued its final Clean Power Plan rules that establish carbon pollution standards for power plants, called CO_2 emission performance rates. Depending on how states decide to implement these rules, they may result in national or regional trading schemes. Collectively, these rules and agreements may affect the long term price and supply of electricity and natural gas and demand for products that contribute to energy efficiency and renewable energy. These various regulations and agreements are likely to result in increased costs to purchased energy, additional capital costs for installation or modification of GHG emitting equipment, and additional costs associated directly with GHG emissions (such as cap and trade systems or carbon taxes), which are primarily related to energy use. Compliance with these regulations and any more stringent restrictions in the future may increase our operational costs.

In addition, some scientists have concluded that increasing concentrations of GHGs in the Earth's atmosphere may produce climate changes increase the frequency and severity of storms, droughts, floods and other climatic events. If any such effects were to occur in areas where we or our clients operate, they could have an adverse effect on our assets and operations.

We could incur significant expenditures in order to comply with existing or future EHS laws. Capital expenditures and costs relating to EHS matters will be subject to evolving regulatory requirements and will depend on the timing of the promulgation and enforcement of specific standards which impose requirements on our operations. Capital expenditures and costs beyond those currently anticipated may therefore be required under existing or future EHS laws.

Furthermore, we may be liable for the costs of investigating and cleaning up environmental contamination on or from our properties or at off-site locations where we disposed of or arranged for the disposal or treatment of hazardous materials or from disposal activities that pre-dated our purchase of our businesses. We may therefore incur additional costs and expenditures beyond those currently anticipated to address all such known and unknown situations under existing and future EHS laws.

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Our operations, financial condition and liquidity could be adversely affected by legal claims against us, including antitrust claims.

We face risks arising from various legal actions, including matters relating to antitrust, product liability, intellectual property and environmental claims. It is possible that judgments could be rendered against us in these cases or others for which we could be uninsured or not covered by indemnity, or which may be beyond the amounts that we currently have reserved or anticipate incurring for such matters. Over the past few years, antitrust claims have been made against chemical companies, and we have been named as a defendant in the antitrust suits discussed in " Item 3. Legal Proceedings Antitrust Matters." In this type of litigation, the plaintiffs generally seek treble damages, which may be significant. An adverse outcome in any antitrust claim could be material and significantly impact our operations, financial condition and liquidity.

Financial difficulties and related problems at our customers, vendors, suppliers and other business partners could have a material adverse effect on our business.

During periods of economic disruption, more of our customers than normal may experience financial difficulties, including bankruptcies, restructurings and liquidations, which could affect our business by reducing sales, increasing our risk in extending trade credit to customers and reducing our profitability. A significant adverse change in a customer relationship or in a customer's financial position could cause us to limit or discontinue business with that customer, require us to assume more credit risk relating to that customer's receivables or limit our ability to collect accounts receivable from that customer.

Our business is dependent on our intellectual property. If our intellectual property rights cannot be enforced or our trade secrets become known to our competitors, our ability to compete may be adversely affected.

Proprietary protection of our processes, apparatuses and other technology is important to our business. While a presumption of validity exists with respect to patents issued to us in the U.S., there can be no assurance that any of our patents will not be challenged, invalidated, circumvented or rendered unenforceable. Furthermore, if any pending patent application filed by us does not result in an issued patent, or if patents are issued to us, but such patents do not provide meaningful protection of our intellectual property, then our ability to compete may be adversely affected. Additionally, our competitors or other third parties may obtain patents that restrict or preclude our ability to lawfully produce or sell our products in a competitive manner, which could have a material adverse effect on our business, results of operations, financial condition and liquidity.

We also rely upon unpatented proprietary know-how and continuing technological innovation and other trade secrets to develop and maintain our competitive position. While it is our policy to enter into agreements imposing confidentiality obligations upon our employees and third parties to protect our intellectual property, these confidentiality obligations may be breached, may not provide meaningful protection for our trade secrets or proprietary know-how, or adequate remedies may not be available in the event of an unauthorized access, use or disclosure of our trade secrets and know-how. In addition, others could obtain knowledge of our trade secrets through independent development or other access by legal means.

We may have to rely on judicial enforcement of our patents and other proprietary rights. We may not be able to effectively protect our intellectual property rights from misappropriation or infringement in countries where effective patent, trademark, trade secret and other intellectual property laws and judicial systems may be unavailable, or may not protect our proprietary rights to the same extent as U.S. law.

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The failure of our patents or confidentiality agreements to protect our processes, apparatuses, technology, trade secrets or proprietary know-how or the failure of adequate legal remedies for related actions could have a material adverse effect on our business, results of operations, financial condition and liquidity.

Conflicts, military actions, terrorist attacks and general instability, particularly in certain energy-producing nations, along with increased security regulations related to our industry, could adversely affect our business.

Conflicts, military actions and terrorist attacks have precipitated economic instability and turmoil in financial markets. Instability and turmoil, particularly in energy-producing nations, may result in raw material cost increases. The uncertainty and economic disruption resulting from hostilities, military action or acts of terrorism may impact any or all of our facilities and operations or those of our suppliers or customers. Accordingly, any conflict, military action or terrorist attack that impacts us or any of our suppliers or customers, could have a material adverse effect on our business, results of operations, financial condition and liquidity.

In addition, a number of governments have instituted regulations attempting to increase the security of chemical plants and the transportation of hazardous chemicals, which could result in higher operating costs and could have a material adverse effect on our financial condition and liquidity.

If our subsidiaries do not make sufficient distributions to us, then we will not be able to make payment on our debts.

Our debt is generally the exclusive obligation of Huntsman International and our guarantor subsidiaries. Because a significant portion of our operations are conducted by nonguarantor subsidiaries, our cash flow and our ability to service indebtedness, including our ability to pay the interest on our debt when due and principal of such debt at maturity, are dependent to a large extent upon cash dividends and distributions or other transfers from such nonguarantor subsidiaries. Any payment of dividends, distributions, loans or advances by our nonguarantor subsidiaries to us could be subject to restrictions on dividends or repatriation of earnings under applicable local law, monetary transfer restrictions and foreign currency exchange regulations in the jurisdictions in which our subsidiaries operate, and any restrictions imposed by the current and future debt instruments of our nonguarantor subsidiaries. In addition, payments to us by our subsidiaries are contingent upon our subsidiaries' earnings.

Our subsidiaries are separate legal entities and, except for our guarantor subsidiaries, have no obligation, contingent or otherwise, to pay any amounts due on our debt or to make any funds available for those amounts, whether by dividends, loans, distributions or other payments, and do not guarantee the payment of interest on, or principal of, our debt. Any right that we have to receive any assets of any of our subsidiaries that are not guarantors upon the liquidation or reorganization of any such subsidiary, and the consequent right of holders of notes to realize proceeds from the sale of their assets, will be structurally subordinated to the claims of that subsidiary's creditors, including trade creditors and holders of debt issued by that subsidiary.

Regulatory or market changes with respect to MTBE may materially reduce our sales and/or materially increase our costs.

We produce MTBE, an oxygenate that is blended with gasoline to reduce vehicle air emissions and to enhance the octane rating of gasoline. Because of the allegations that MTBE has contaminated some water supplies, its use has become controversial in the U.S. and elsewhere, and its use has been effectively eliminated in the U.S. market. We currently market MTBE, either directly or through third parties, to gasoline additive customers located outside the U.S. This business has been profitable to us

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over time, and future legislative or regulatory initiatives or changing consumer opinion outside the U.S. restricting MTBE or changing consumer opinion could materially adversely affect our ability to market and sell MTBE and our profitability. Expansion of our PO/MTBE operations, including our joint venture with Sinopec in China, will further expose us to these risks.

While we could use all or a portion of our precursor TBA to produce saleable products other than MTBE, this would require significant capital expenditures to modify our facilities. Moreover, the sale of other products would produce a lower level of cash flow than that historically produced from the sale of MTBE.

Our pension and postretirement benefit plan obligations are currently underfunded, and under certain circumstances we may have to significantly increase the level of cash funding to some or all of these plans, which would reduce the cash available for our business.

We have unfunded obligations under our domestic and foreign pension and postretirement benefit plans. The funded status of our pension plans is dependent upon many factors, including returns on invested assets, the level of certain market interest rates and the discount rates used to determine pension obligations. Unfavorable returns on the plan assets or unfavorable changes in applicable laws or regulations could materially change the timing and amount of required plan funding, which would reduce the cash available for our business. In addition, a decrease in the discount rate used to determine pension obligations could result in an increase in the valuation of pension obligations, which could affect the reported funding status of our pension plans and future contributions, as well as the periodic pension cost in subsequent fiscal years.

Under the Employee Retirement Income Security Act of 1974, as amended, the Pension Benefit Guaranty Corporation ("PBGC") has the authority to terminate an underfunded tax-qualified pension plan under limited circumstances. In the event our tax-qualified pension plans are terminated by the PBGC, we could be liable to the PBGC for the entire amount of the underfunding and, under certain circumstances, the liability could be senior to our notes.

RISKS RELATED TO OUR COMMON STOCK AND DEBT SECURITIES

Certain provisions contained in our certificate of incorporation and bylaws could discourage a takeover attempt, which may reduce or eliminate the likelihood of a change of control transaction and, therefore, limit your ability to sell our common stock at a price higher than the current market value.

Certain provisions contained in our certificate of incorporation and bylaws, such as limitations on stockholder proposals at meetings of stockholders, the inability of stockholders to call special meetings and certain provisions of Delaware law, could make it more difficult for a third party to acquire control of our Company, even if some of our stockholders were to consider such a change of control to be beneficial. Our certificate of incorporation also authorizes our Board of Directors to issue preferred stock without stockholder approval. Therefore, our Board of Directors could elect to issue preferred stock that has special voting or other rights that could make it even more difficult for a third party to acquire us, which may reduce or eliminate your ability to sell our common stock at a price higher than the current market value.

We have purchased, and may continue to purchase, a portion of our equity and debt securities, which could impact the market for our equity and debt securities and likely would negatively affect our liquidity.

Consistent with past practices, we may from time to time seek to repurchase or redeem our equity and debt securities in open market purchases, accelerated repurchase programs, privately negotiated transactions, tender offers, partial or full calls for redemption or otherwise. Any such

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repurchases or redemptions and the timing and amount thereof would depend on prevailing market conditions, liquidity requirements, contractual restrictions and other factors. Such transactions could negatively affect our liquidity.

ITEM 1B. UNRESOLVED STAFF COMMENTS

As of the date of this filing, we did not have any unresolved comments from the staff of the SEC.

ITEM 2. PROPERTIES

We own or lease chemical manufacturing and research facilities in the locations indicated in the list below which we believe are adequate for our short-term and anticipated long-term needs. We own or lease office space and storage facilities throughout the U.S. and in many foreign countries. Our principal executive offices are located at 10003 Woodloch Forest Drive, The Woodlands, Texas 77380. The following is a list of our principal owned or leased properties where manufacturing, research and main office facilities are located.

Location	Business Segment	Description of Facility
The Woodlands, Texas(1)	Various	Executive Offices, Operating Headquarters, Global Technology Center and Shared Services Center
Salt Lake City, Utah(1)	Corporate and other	Executive Offices
Kuala Lumpur, Malaysia	Various	Shared Services Center and Pigments and Additives Administrative Offices
Mumbai, India	Various	Technology Center, Administrative Offices, Labs and Accounting Shared Services Center
Sao Paulo, Brazil	Various	Administrative Offices, Labs and Accounting Shared Services Center
Geismar, Louisiana(2)	Polyurethanes and Performance Products	MDI, Nitrobenzene(2), Aniline(2), Polyols and Maleic Anhydride Manufacturing Facilities, Polyurethanes Systems House
Rotterdam, The Netherlands(1)	Polyurethanes and other various	MDI Manufacturing Facility, Polyols Manufacturing Facilities, Polyurethanes Systems House and Accounting Shared Services Center
Caojing, China	Polyurethanes	MDI Finishing Facilities, Global Technology Center
Caojing, China(3)	Polyurethanes	Precursor MDI Manufacturing Facility
Jinshan, China(1)	Polyurethanes	TPU Manufacturing Facility
Deer Park, Australia	Polyurethanes	Polyurethane Systems House
Cartagena, Colombia	Polyurethanes	Polyurethane Systems House
Deggendorf, Germany	Polyurethanes	Polyurethane Systems House and Technology Center
Ternate, Italy	Polyurethanes	Polyurethane Systems House and Technology Center
Shanghai, China(1)	Polyurethanes, Performance Products and Advanced Materials	Polyurethane Systems House, Global Technology Center
Azeglio, Italy	Polyurethanes	Polyurethane Systems House
Pune, India(1)	Polyurethanes	Polyurethane Systems House
Buenos Aires, Argentina(1)	Polyurethanes	Polyurethane Systems House
Samutprakarn, Thailand(1)	Polyurethanes	Polyurethane Systems House
Istanbul, Turkey	Polyurethanes	Polyurethane Systems House
Kuan Yin, Taiwan(1)	Polyurethanes	Polyurethane Systems House
Tlalnepantla, Mexico	Polyurethanes	Polyurethane Systems House
Mississauga, Canada(1)	Polyurethanes	Polyurethane Systems House

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Location	Business Segment	Description of Facility
Obninsk, Russia	Polyurethanes	Polyurethane Systems House
Dammam, Saudi Arabia(4)	Polyurethanes	Polyurethane Systems House
Georgsmarienhütte, Germany	Polyurethanes	Polyurethane Systems House
Castelfranco Emilia, Italy	Polyurethanes	Polyurethanes Systems House
Auburn Hills, Michigan(1)	Polyurethanes	Polyurethane Research Facility
Everberg, Belgium	Polyurethanes and Performance Products	Polyurethane and Performance Products Regional Headquarters, Global Technology Center and Shared Service Center
Houston, Texas(1)	Polyurethanes	Polyols Manufacturing Facility
Derry, New Hampshire(1)	Polyurethanes	TPU Research Facility
Ringwood, Illinois(1)	Polyurethanes	TPU Manufacturing Facility
Osnabrück, Germany	Polyurethanes	TPU Manufacturing Facility
Wilton, U.K.	Polyurethanes and other various	Aniline and Nitrobenzene Manufacturing Facilities
Nanjing, China(5)	Polyurethanes	PO and MTBE Manufacturing Facilities
Port Neches, Texas	Polyurethanes and Performance Products	Olefins, EO, EG, Surfactants, Amines, PO and MTBE Manufacturing Facilities
Conroe, Texas	Performance Products	Amines Manufacturing Facility
Petfurdo, Hungary(1)	Performance Products	Amines Manufacturing Facility
Llanelli, U.K.	Performance Products	Amines Manufacturing Facility
Freeport, Texas(1)	Performance Products	Amines Manufacturing Facility
Jurong Island, Singapore(1)	Performance Products	Amines Manufacturing Facility
Jubail, Saudi Arabia(6)	Performance Products	Amines Manufacturing Facility
Chocolate Bayou, Texas(1)	Performance Products	LAB Manufacturing Facility
Pensacola, Florida(1)	Performance Products	Maleic Anhydride Manufacturing Facility
Moers, Germany(7)	Performance Products	Maleic Anhydride Manufacturing Facility
Dayton, Texas	Performance Products	Surfactant Manufacturing Facility
Botany, Australia	Performance Products	Surfactant/EG Manufacturing Facility
St. Mihiel, France	Performance Products	Surfactant Manufacturing Facility
Castiglione, Italy	Performance Products	Surfactant Manufacturing Facility
Ankleshwar, India(1)	Performance Products	Surfactant/Amines Manufacturing Facility
Barcelona, Spain(1)	Performance Products	Surfactant Manufacturing Facility
Melbourne, Australia	Performance Products	Research Facility
Bergkamen, Germany	Advanced Materials	Synthesis Facility
Monthey, Switzerland	Advanced Materials	Resins and Synthesis Facility
Pamplona, Spain	Advanced Materials	Synthesis Facility
McIntosh, Alabama	Advanced Materials	Resins and Synthesis Facility
Bad Saeckingen, Germany	Advanced Materials	Formulating Facility
Duxford, U.K.	Advanced Materials	Formulating Facility
Taboão da Serra, Brazil	Advanced Materials, Polyurethanes and Textile Effects	Formulating Facility, Polyurethane Systems House and Chemicals and Inks Formulations Facility
Panyu, China(1)(8)	Advanced Materials and Textile Effects	Formulating and Synthesis Facility, Technology Center and Accounting Shared Services Center
Nanjing, China(1)	Advanced Materials	Formulating Facility
East Lansing, Michigan	Advanced Materials	Formulating Facility
Istanbul, Turkey(1)	Textile Effects	Formulating Facility
Los Angeles, California	Advanced Materials	Formulating Facility
Basel, Switzerland(1)	Advanced Materials and Textile Effects	Advanced Materials Regional Headquarters, Technology Center
Langweid am Leich, Germany(1)	Textile Effects	Chemicals Synthesis and Textile Dyes and Chemicals and Inks Formulation Facility
Charlotte, North Carolina(1)	Textile Effects	Chemicals Formulations Facility
Samutsakorn (Mahachai), Thailand(1)(9)	Textile Effects	Textiles Dyes Synthesis and Dyes and Chemicals Formulations Facility
Atotonilquillo, Mexico	Textile Effects	Textile Dyes and Chemicals Synthesis and Formulations Facility

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Location	Business Segment	Description of Facility
Baroda, India	Textile Effects	Textile Dyes Synthesis and Dyes and Chemicals Formulations Facility
Gandaria, Jakarta, Indonesia	Textile Effects and Polyurethanes	Textile Dyes and Chemicals Formulations Facility and Polyurethane Systems House
Fraijanes, Guatemala(1)	Textile Effects	Chemicals Formulations Facility
Bogota, Colombia(1)	Textile Effects	Chemicals Formulations Facility
Hangzhou, China(1)	Textile Effects	Chemicals Formulations Facility
Karachi, Pakistan(1)	Textile Effects	Chemicals Formulations Facility
Singapore(1)	Textile Effects and Performance Products	Textile Effects Headquarters and Performance Products Regional Headquarters
Wynyard, U.K.(1)	Pigments and Additives	Administrative Offices, Research Facility and Shared Services Center
Greatham, U.K.	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Birtley, U.K.	Pigments and Additives	Color Pigments Manufacturing Facility
Kidsgrove, U.K.	Pigments and Additives	Color Pigments Manufacturing Facility
Sudbury, U.K.	Pigments and Additives	Color Pigments Manufacturing Facility
Duisburg, Germany	Pigments and Additives	Titanium Dioxide, Functional Additives and Water Treatment Manufacturing Facility
Ibbenbueren, Germany	Pigments and Additives	Water Treatment Manufacturing Facility
Krefeld, Germany(1)	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Schwarzheide, Germany(1)	Pigments and Additives	Water Treatment Manufacturing Facility
Walluf, Germany(1)	Pigments and Additives	Color Pigments Manufacturing Facility
Calais, France	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Comines, France	Pigments and Additives	Color Pigments Manufacturing Facility
Huelva, Spain	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Scarlino, Italy	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Turin, Italy	Pigments and Additives	Color Pigments Manufacturing Facility
Pori, Finland	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Shenzhen, China(1)(10)	Pigments and Additives	Color Pigments Manufacturing Facility
Taicang, China(1)	Pigments and Additives	Color Pigments Manufacturing Facility
Teluk Kalung, Malaysia	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Umbogintwini, South Africa	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Augusta, Georgia	Pigments and Additives	Color Pigments Manufacturing Facility
Lake Charles, Louisiana(11)	Pigments and Additives	Titanium Dioxide Manufacturing Facility
Beltsville, Maryland(1)	Pigments and Additives	Administrative Offices and Color Pigments Manufacturing Facility
Los Angeles, California	Pigments and Additives	Color Pigments Manufacturing Facility
St. Louis, Missouri(1)	Pigments and Additives	Color Pigments Manufacturing Facility
Harrisburg, North Carolina	Pigments and Additives	Timber Treatments Manufacturing Facility
Easton, Pennsylvania(1)	Pigments and Additives	Color Pigments Manufacturing Facility
Freeport, Texas	Pigments and Additives	Timber Treatments Manufacturing Facility

(1) Leased land and/or building.

(2) The Geismar facility is owned as follows: we own 100% of the MDI, polyol and maleic anhydride facilities, and Rubicon LLC, a consolidated manufacturing joint venture with Chemtura Corporation in which we own a 50% interest, owns the aniline and nitrobenzene facilities. Rubicon LLC is a separate legal entity that operates both the assets that we own jointly with Chemtura Corporation and our wholly owned assets at Geismar.

(3) 35% interest in SLIC, our unconsolidated manufacturing joint venture with BASF and three Chinese chemical companies.

(4) 51%-owned consolidated manufacturing joint venture with Basic Chemicals Industries Ltd.

(5) 49% interest in Nanjing Jinling Huntsman New Material Co., Ltd., our unconsolidated manufacturing joint venture with Sinopec. The facility is expected to be completed in the second half of 2016, with start-up expected in the first half of 2017.

(6) 50% interest in Arabian Amines Company, our consolidated manufacturing joint venture with the Zamil Group.

(7) 50% interest in Sasol-Huntsman, our consolidated manufacturing joint venture with Sasol.

(8) 95%-owned consolidated manufacturing joint venture with Guangzhou Sheng'an Package Company Limited.

(9) Chemicals Formulations operations were transferred to Gandaria, Jakarta, Indonesia as of the second quarter of 2015.

(10) 89%-owned consolidated manufacturing business with Shenzhen Nantou City Instdustry Co. Ltd. We have entered into an agreement to sell this business and expect to complete this transaction by mid-2016.

(11) Owned by Louisiana Pigment Company, L.P., our unconsolidated manufacturing joint venture which is owned 50% by us and 50% by Kronos.

ITEM 3. LEGAL PROCEEDINGS

Antitrust Matters

See "Note 19. Commitments and Contingencies Antitrust Matters" to our consolidated financial statements.

Product Delivery Claim

See "Note 19. Commitments and Contingencies Product Delivery Claim" to our consolidated financial statements.

Indemnification Matters

See "Note 19. Commitments and Contingencies Indemnification Matters" to our consolidated financial statements.

Port Neches Flaring Matter

See "Note 20. Environmental Health and Safety Matters Port Neches Flaring Matter" to our consolidated financial statements.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

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EXECUTIVE OFFICERS OF THE REGISTRANT

The following is information concerning our executive officers and significant employees as of the date of this report.

Jon M. Huntsman, age 78, is the Executive Chairman of the Board of Directors of our Company. Prior to his appointment as Executive Chairman in February 2009, Mr. Huntsman served as Chairman of the Board of our company since its formation in 2004 and the predecessors to our company since 1970, when he founded his first plastics company. Mr. Huntsman served as Chief Executive Officer of our company and our affiliated companies from 1970 to 2000. Mr. Huntsman is a director or manager, as applicable, of Huntsman International and certain of our other subsidiaries. In addition, Mr. Huntsman serves or has served as Chairman or as a member of numerous corporate, philanthropic and industry boards, including the American Red Cross, The Wharton School, University of Pennsylvania, Primary Children's Medical Center Foundation, the Chemical Manufacturers Association and the American Plastics Council. Mr. Huntsman was selected in 1994 as the chemical industry's top Chief Executive Officer for all businesses in Europe and North America. Mr. Huntsman was awarded the American Chemical Society's Lifetime Achievement Award in 2013. Mr. Huntsman formerly served as Special Assistant to the President of the United States and as Vice Chairman of the U.S. Chamber of Commerce. He is the founding and principal benefactor of the Huntsman Cancer Institute. Mr. Huntsman is the father of our Chief Executive Officer, Peter R. Huntsman and our Division President, Advanced Materials, James H. Huntsman.

Peter R. Huntsman, age 52, is President, Chief Executive Officer and a Director of our Company. Mr. Huntsman also serves on our Litigation Committee. Prior to his appointment in July 2000 as Chief Executive Officer, Mr. Huntsman had served as President and Chief Operating Officer since 1994. In 1987, Mr. Huntsman joined Huntsman Polypropylene Corporation as Vice President before serving as Senior Vice President and General Manager. Mr. Huntsman has also served as President of Olympus Oil, as Senior Vice President of Huntsman Chemical Corporation and as a Senior Vice President of Huntsman Packaging Corporation, a former subsidiary of our Company. Mr. Huntsman is a director or manager, as applicable, of Huntsman International and certain of our other subsidiaries. Mr. Huntsman is the son of our Executive Chairman, Jon M. Huntsman and the brother of our Division President, Advanced Materials, James H. Huntsman.

J. Kimo Esplin, age 53, is Executive Vice President and Chief Financial Officer. Mr. Esplin has served as Chief Financial Officer of all of the Huntsman companies since 1999. From 1994 to 1999, Mr. Esplin served as our Treasurer. Prior to joining Huntsman in 1994, Mr. Esplin was a Vice President in the Investment Banking Division of Bankers Trust Company, where he worked for seven years. Mr. Esplin also serves as a director of Nutraceutical International Corporation, a publicly traded nutrition supplements company.

David M. Stryker, age 57, is Executive Vice President, General Counsel and Secretary. Mr. Stryker was appointed to this position in June 2013. Prior to joining Huntsman, Mr. Stryker served as Senior Vice President, General Counsel, Secretary and Chief Compliance Officer of the BASF Corporation since 2004. Previously, he was Associate General Counsel and Chief Compliance Officer at Siemens Corporation and, prior to that, a partner at the law firm of Kirkland & Ellis. Mr. Stryker started his legal career as a judicial clerk to the Honorable Robert H. Bork on the U.S. Court of Appeals for the D.C. Circuit.

Monte G. Edlund, age 60, is Division President, Performance Products. Prior to his appointment to this position in July 2015, Mr. Edlund served as Vice President Americas, Advanced Materials since July 2011. From December 2007 to July 2011, Mr. Edlund served as Vice President Global Specialty Textiles, Textile Effects, from April 2002 to December 2007, he served as Vice

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President, Polymers and from June 1999 to April 2002, he served as Vice President, Marketing, Base Chemicals and Polymers. Prior to joining Huntsman in 1997 as Vice President Marketing, Rexene, Mr. Edlund held numerous positions with Rexene Corporation.

Anthony P. Hankins, age 58, is Division President, Polyurethanes and Chief Executive Officer, Asia-Pacific. Mr. Hankins was appointed to these positions in March 2004 and February 2011, respectively. From May 2003 to February 2004, Mr. Hankins served as President, Performance Products, from January 2002 to April 2003, he served as Global Vice President, Rigids Division for our Polyurethanes segment, from October 2000 to December 2001, he served as Vice President Americas for our Polyurethanes segment, and from March 1998 to September 2000, he served as Vice President Asia-Pacific for our Polyurethanes segment. Mr. Hankins worked for ICI from 1980 to February 1998, when he joined our Company. At ICI, Mr. Hankins held numerous management positions in the plastics, fibers and polyurethanes businesses. He has extensive international experience, having held senior management positions in Europe, Asia and the U.S.

Paul G. Hulme, age 59, is Division President, Textile Effects. Mr. Hulme was appointed to this position in February 2009. From June 2003 to February 2009, Mr. Hulme served as Division President, Materials and Effects. From February 2000 to May 2003, Mr. Hulme served as Vice President, Performance Chemicals, and from December 1999 to February 2000 he served as Operations Director, Polyurethanes. Prior to joining Huntsman in 1999, Mr. Hulme held various positions with ICI in finance, accounting and information systems roles. Mr. Hulme is a Chartered Accountant.

James H. Huntsman, age 45, is Division President, Advanced Materials. Mr. Huntsman was appointed to this position in July 2011. Prior to that time, Mr. Huntsman served as Vice President of Huntsman Advanced Materials, Americas Region since February 2009. From March 2006 to February 2009, Mr. Huntsman owned and managed a film production company based in Los Angeles, California. Prior to March 2006, he served as our Vice President, U.S. Base Chemicals and Polymers. Mr. Huntsman originally joined our Company in 1990 and has held numerous manufacturing and commercial roles of increasing responsibility within a number of divisions. Mr. Huntsman is the son of our Executive Chairman, Jon M. Huntsman the brother of our Chief Executive Officer, Peter R. Huntsman.

Simon Turner, age 52, is Division President, Pigments and Additives. Prior to his appointment to this position in November 2008, Mr. Turner served as Senior Vice President, Pigments and Additives since April 2008. From September 2004 to April 2008, Mr. Turner served as Vice President of Global Sales and from July 1999 to September 2004, he held positions including General Manager Co-Products and Director Supply Chain and Shared Services. Prior to joining Huntsman in July 1999, Mr. Turner held various positions with ICI.

Ronald W. Gerrard, age 56, is Senior Vice President, Environmental, Health & Safety and Manufacturing Excellence. Mr. Gerrard was appointed to this position in June 2009. He also serves as our Corporate Sustainability Officer. From May 2004 to June 2009, Mr. Gerrard served as Vice President, Global Operations and Technology in our Polyurethanes segment. From 1999 to May 2004, Mr. Gerrard served as Vice President, Asia; Business Director, Flexible Foams; and Director, EHS and Engineering, also within our Polyurethanes segment. Prior to joining Huntsman in 1999, Mr. Gerrard had worked for ICI and for EVC, a joint venture between ICI and Enichem. Mr. Gerrard is a Chartered Engineer.

Brian V. Ridd, age 58, is Senior Vice President, Purchasing. Mr. Ridd has held this position since July 2000. Mr. Ridd served as Vice President, Purchasing from December 1995 until he was appointed to his current position. Mr. Ridd joined Huntsman in 1984.

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R. Wade Rogers, age 50, is Senior Vice President, Global Human Resources. Mr. Rogers has held this position since August 2009. From May 2004 to August 2009, Mr. Rogers served as Vice President, Global Human Resources, from October 2003 to May 2004, Mr. Rogers served as Director, Human Resources Americas and from August 2000 to October 2003, he served as Director, Human Resources for our Polymers and Base Chemicals businesses. From the time he joined Huntsman in 1994 to August 2000, Mr. Rogers served as Area Manager, Human Resources Jefferson County Operations. Prior to joining Huntsman, Mr. Rogers held a variety of positions with Texaco Chemical Company.

Russ R. Stolle, age 53, is Senior Vice President and Deputy General Counsel. Mr. Stolle was appointed to this position in January 2010. From October 2006 to January 2010, Mr. Stolle served as our Senior Vice President, Global Public Affairs and Communications, from November 2002 to October 2006, he served as Vice President and Deputy General Counsel, from October 2000 to November 2002 he served as Vice President and Chief Technology Counsel and from April 1994 to October 2000 he served as Chief Patent and Licensing Counsel. Prior to joining Huntsman in 1994, Mr. Stolle had been an attorney with Texaco Inc. and an associate with the law firm of Baker & Botts.

Randy W. Wright, age 57, is Vice President and Controller. Prior to his appointment to this position in February 2012, Mr. Wright served as Assistant Controller and Director of Financial Reporting since July 2004. Prior to joining Huntsman in 2004, Mr. Wright held various positions with Georgia-Pacific Corporation, Riverwood International, Johns Manville and PricewaterhouseCoopers. Mr. Wright is a Certified Public Accountant.

Sean Douglas, age 51, is Vice President, Corporate Development. Mr. Douglas left the Company in July 2012 to perform charitable services and rejoined the Company in July 2015. He previously served as our Vice President, Corporate Development from December 2009 until July 2012. Mr. Douglas served as Vice President and Treasurer from 2002 to December 2009, Vice President, Finance from July 2001 to 2002 and Vice President, Administration from January 1997 to July 2001. Mr. Douglas is a Certified Public Accountant and, prior to joining Huntsman in 1990, worked for the accounting firm of PricewaterhouseCoopers.

Kevin C. Hardman, age 52, is Vice President, Tax. Mr. Hardman served as Chief Tax Officer from 1999 until he was appointed to his current position in 2002. Prior to joining Huntsman in 1999, Mr. Hardman was a tax Senior Manager with the accounting firm of Deloitte & Touche LLP, where he worked for 10 years. Mr. Hardman is a Certified Public Accountant and holds a master's degree in tax accounting.

John R. Heskett, age 47, is Vice President, Planning and Treasurer. Mr. Heskett has held this position since December 2009. From September 2008 until October 2009, Mr. Heskett served as a Vice President at Boart Longyear Limited, a publicly-listed exploration drilling services and products company. Mr. Heskett previously served as Vice President, Corporate Development and Investor Relations for our Company from August 2004 until September 2008 and was appointed Vice President, Corporate Development in 2002. Mr. Heskett also served as Assistant Treasurer for our Company and several of our subsidiaries. Prior to joining Huntsman in 1997, Mr. Heskett was Assistant Vice President and Relationship Manager for PNC Bank, N.A., where he worked for a number of years.

Steven C. Jorgensen, age 47, is Vice President, Accounting Shared Services and Internal Controls effective February 2012. Prior to his appointment to this position in February 2012, Mr. Jorgensen served as Vice President, Internal Controls and Internal Audit since May 2007. Mr. Jorgensen joined Huntsman in May 2004 as Director of Internal Controls and in May 2005 was appointed as Director of Internal Audit and Controls. Prior to joining Huntsman, Mr. Jorgensen was Vice President and Audit Manager with General Electric Consumer Finance, and prior to that he was

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an audit Senior Manager with the accounting firm of Deloitte & Touche LLP. Mr. Jorgensen is a Certified Public Accountant and holds a master's degree in accounting.

Troy M. Keller, age 45, is Vice President, Government Affairs and Associate General Counsel. He has held this position since August 2015. From 2008 to 2015, Mr. Keller served as Vice President, Associate General Counsel & Assistant Secretary and from 2005 to 2008 he served as Senior Corporate Counsel & Assistant Secretary. Prior to joining Huntsman, he had been an attorney at Qwest Communications International and an associate at the law firms of Brobeck, Phleger & Harrison LLP and Brown & Wood LLP.

Kurt D. Ogden, age 47, is Vice President, Investor Relations and Finance. Prior to his appointment to this position in February 2009, Mr. Ogden served as Director, Corporate Finance since October 2004. Prior to joining Huntsman in 2004, Mr. Ogden held various positions with Hillenbrand Industries, Pliant Corporation and Huntsman Chemical Corporation. Mr. Ogden is a Certified Public Accountant and holds a master's degree in business administration.

Pierre Poukens, age 53, is Vice President, Internal Audit, a position he has held since February 2012. Mr. Poukens was Director of Internal Audit from April 2005 to January 2012 and joined Huntsman as Internal Audit Manager in January 2000. Prior to joining Huntsman, Mr. Poukens held various accounting and auditing positions with European companies in Belgium. Mr. Poukens is a Certified Internal Auditor.

Maria Csiba-Womersley, age 57, is Vice President and Chief Information Officer. Ms. Csiba-Womersley was appointed to this position effective September 2006. Ms. Csiba-Womersley served as Global eBusiness Director from 2004 to 2006 and also served as our Director of Global IT Planning and Security. Previously, Ms. Csiba-Womersley was a Regional Polymer Sales Manager, a Business Director for Polypropylene and Director of Polymer Logistics. Ms. Csiba-Womersley joined Huntsman in 1997.

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PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET INFORMATION AND HOLDERS

Our common stock is listed on the New York Stock Exchange under the symbol "HUN." As of February 8, 2016, there were approximately 59 stockholders of record and the closing price of our common stock on the New York Stock Exchange was $8.54 per share.

The reported high and low sale prices of our common stock on the New York Stock Exchange for each of the periods set forth below are as follows:

Period	High	Low
2015		
First Quarter	$24.62	$21.01
Second Quarter	23.83	21.46
Third Quarter	22.40	9.27
Fourth Quarter	14.02	9.84

Period	High	Low
2014		
First Quarter	$25.81	$20.79
Second Quarter	28.87	23.55
Third Quarter	29.32	25.64
Fourth Quarter	27.15	20.36

DIVIDENDS

The following tables represent dividends on common stock for our Company for the years ended December 31, 2015 and 2014 (dollars in millions, except per share payment amounts):

	2015	
Quarter ended	Per share payment amount	Approximate amount paid
March 31, 2015	$0.125	$31
June 30, 2015	0.125	31
September 30, 2015	0.125	31
December 31, 2015	0.125	30

	2014	
Quarter ended	Per share payment amount	Approximate amount paid
March 31, 2014	$0.125	$30
June 30, 2014	0.125	30
September 30, 2014	0.125	31
December 31, 2014	0.125	30

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The payment of dividends is a business decision made by our Board of Directors from time to time based on our earnings, financial position and prospects, and such other considerations as our Board of Directors considers relevant. Accordingly, while management currently expects that the Company will continue to pay the quarterly cash dividend, its dividend practice may change at any time.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

See "Part III. Item 11. Executive Compensation" for information relating to our equity compensation plans.

PURCHASES OF EQUITY SECURITIES BY THE COMPANY

The following table provides information with respect to shares of our common stock that we repurchased as part of our share repurchase program during the three months ended December 31, 2015. There were no shares of restricted stock granted under our stock incentive plan that we withheld upon vesting to satisfy our tax withholding obligations during the three months ended December 31, 2015.

	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs(1)	Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or programs(1)
October	7,118,928	$11.94	7,118,928	$50,000,000
November				50,000,000
December				50,000,000
Total	7,118,928	$11.94		

(1) On September 29, 2015, our Board of Directors authorized our Company to repurchase up to $150 million in shares of our common stock. The share repurchase authorization does not have an expiration date and repurchases may be commenced, suspended or discontinued from time to time without prior notice. On October 27, 2015, we entered into and funded an accelerated share repurchase agreement with Citibank, N.A. to repurchase $100 million of our common stock. Citibank, N.A. made an initial delivery of approximately 7.1 million shares of Huntsman Corporation common stock based on the closing price of $11.94 on October 27, 2015. The accelerated share repurchase agreement was completed in January 2016 with the delivery of an additional approximately 1.5 million shares of Huntsman Corporation common stock. The final number of shares repurchased and the aggregate cost per share was based on the Company's daily volume-weighted average stock price during the term of the transaction, less a discount. For more information, see "Note 21. Huntsman Corporation Stockholders' Equity Share Repurchase Program" to our consolidated financial statements.

ITEM 6. SELECTED FINANCIAL DATA

The selected historical financial data set forth below presents our historical financial data as of and for the dates and periods indicated. You should read the selected financial data in conjunction with " Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and accompanying notes.

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Huntsman Corporation

(in millions, except per share amounts)	Year ended December 31, 2015	2014	2013	2012	2011
Statements of Operations Data:					
Revenues	$ 10,299	$ 11,578	$ 11,079	$ 11,187	$ 11,221
Gross profit	1,848	1,919	1,753	2,034	1,840
Restructuring, impairment and plant closing costs	302	158	151	92	167
Operating income	405	633	510	845	606
Income from continuing operations	130	353	154	378	251
Loss from discontinued operations, net of tax(a)	(4)	(8)	(5)	(7)	(1)
Extraordinary gain on the acquisition of a business, net of tax of nil(b)				2	4
Net income	126	345	149	373	254
Net income attributable to Huntsman Corporation	93	323	128	363	247
Basic income (loss) per common share:					
Income from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.40	$ 1.36	$ 0.55	$ 1.55	$ 1.03
Loss from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax(a)	(0.02)	(0.03)	(0.02)	(0.03)	
Extraordinary gain on the acquisition of a business attributable to Huntsman Corporation common stockholders, net of tax(b)				0.01	0.01
Net income attributable to Huntsman Corporation common stockholders	$ 0.38	$ 1.33	$ 0.53	$ 1.53	$ 1.04
Diluted income (loss) per common share:					
Income from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.40	$ 1.34	$ 0.55	$ 1.53	$ 1.01
Loss from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax(a)	(0.02)	(0.03)	(0.02)	(0.03)	
Extraordinary gain on the acquisition of a business attributable to Huntsman Corporation common stockholders, net of tax(b)				0.01	0.01
Net income attributable to Huntsman Corporation common stockholders	$ 0.38	$ 1.31	$ 0.53	$ 1.51	$ 1.02
Other Data:					
Depreciation and amortization	$ 399	$ 445	$ 448	$ 432	$ 439
Capital expenditures	663	601	471	412	330
Dividends per share	0.50	0.50	0.50	0.40	0.40
Balance Sheet Data (at period end):					
Total assets	$ 9,820	$ 10,923	$ 9,159	$ 8,862	$ 8,635
Total debt	4,796	5,127	3,887	3,684	3,924
Total liabilities	8,191	8,972	7,030	6,966	6,859

(a) Loss from discontinued operations represents the operating results and loss on disposal of our former Australian styrenics business, our former U.S. base chemicals business, our former North American polymers business, our former European base chemicals and polymers business and our former TDI business. The U.S. base chemicals business was sold on November 5, 2007, the North American polymers business was sold on August 1, 2007, the

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European base chemicals and polymers business was sold on December 29, 2006 and the TDI business was sold on July 6, 2005.

(b) The extraordinary gain on the acquisition of a business relates to the June 30, 2006 acquisition of our Textile Effects segment.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

We are a global manufacturer of differentiated organic chemical products and of inorganic chemical products. Our products comprise a broad range of chemicals and formulations, which we market globally to a diversified group of consumer and industrial customers. Our products are used in a wide range of applications, including those in the adhesives, aerospace, automotive, construction products, personal care and hygiene, durable and non-durable consumer products, electronics, medical, packaging, paints and coatings, power generation, refining, synthetic fiber, textile chemicals and dye industries. We are a leading global producer in many of our key product lines, including MDI, amines, surfactants, maleic anhydride, epoxy-based polymer formulations, textile chemicals, dyes, titanium dioxide and color pigments. Our administrative, research and development and manufacturing operations are primarily conducted at the facilities listed in "Part I. Item 2. Properties" above, which are located in 30 countries. We employed approximately 15,000 associates worldwide at December 31, 2015.

We operate in five segments: Polyurethanes, Performance Products, Advanced Materials, Textile Effects and Pigments and Additives. Our Polyurethanes, Performance Products, Advanced Materials and Textile Effects segments produce differentiated organic chemical products and our Pigments and Additives segment produces primarily inorganic chemical products. In a series of transactions beginning in 2006, we have sold or shut down substantially all of our former Australian styrenics operations and our North American polymers and base chemicals operations. We report the results from these businesses as discontinued operations.

In our Performance Products segment, demand for our specialty products has generally continued to grow at rates in excess of GDP, as overall demand is significantly influenced by new product and application development. Demand for most of our intermediate products has grown in line with GDP growth. Over time, demand for maleic anhydride has generally grown at rates that slightly exceed GDP growth. However, maleic anhydride demand can be cyclical given its dependence on the UPR market, which is influenced by construction end markets.

Growth in our Polyurethanes and Advanced Materials segments has been driven by the continued substitution of our products for other materials across a broad range of applications, as well as by the level of global economic activity. Historically, demand for many of these products has grown at rates in excess of GDP growth. In Polyurethanes, this growth, driven largely by Asia, has in recent years resulted in improved demand and higher industry capacity utilization rates for many of our key products, including MDI. MDI does, however, experience some seasonality in its sales reflecting its exposure to seasonal construction-related end markets. Sales generally peak during the spring and summer months in the northern hemisphere, resulting in greater sales volumes during the second and third quarters of the year.

Demand in our Textile Effects segment is driven primarily by consumer activity. Consumer spending for goods incorporating our Textile Effects products is impacted significantly by a wide range

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of economic factors, including personal incomes, housing and energy prices and other highly volatile factors. Accordingly, demand for our Textile Effects products has been volatile and appears likely to remain volatile.

Historically, demand for titanium dioxide pigments and additives has grown at rates approximately equal to GDP growth. Pigment prices have historically reflected industry-wide operating rates but have typically lagged behind movements in these rates by up to twelve months due to the effects of product stocking and destocking by customers and producers, contract arrangements and seasonality. The industry experiences some seasonality in its sales because sales of paints, the largest end use for titanium dioxide, generally peak during the spring and summer months in the northern hemisphere. This results in greater sales volumes in the second and third quarters of the year.

For further information regarding sales price and demand trends, see " Results of Operations Segment Analysis Year Ended December 31, 2015 Compared to Year Ended December 31, 2014" and the tables captioned "Year ended December 31, 2015 vs. 2014, Period-Over-Period Increase (Decrease)" and "Fourth Quarter 2015 vs. Third Quarter 2015, Period-Over-Period Increase (Decrease)" below.

OUTLOOK

We expect our cyclical businesses, particularly MTBE, ethylene and titanium dioxide, to continue to negatively impact our profitability in 2016. Our differentiated downstream businesses continue to have an attractive growth profile and we expect profitability to continue to improve during 2016, offsetting the impact from our cyclical businesses.

We have a number of initiatives underway that will improve the competitiveness and strength of our entire Company and we are investing in growth projects that will improve our businesses over the next few years.

Our earnings are subject to fluctuations due to exchange rate movements. Our revenues and expenses are denominated in various currencies, including the primary European currencies which have recently been volatile, while our reporting currency is the U.S. dollar. Generally, a decline in the value of the euro relative to the U.S. dollar, will reduce the reported profitability of our Polyurethanes, Performance Products, Advanced Materials and Pigments and Additives segments. A decline in the value of the Pound Sterling relative to the U.S. dollar will increase the reported profitability of our Pigments and Additives segment and an increase in the value of the Swiss Franc relative to the U.S. dollar will reduce the reported profitability of our Advanced Materials and Textile Effects segments. We are also exposed to other foreign currencies including the Chinese Renminbi, the Indian Rupiah, the Brazilian Real and the Thai Baht. In general, a decline in the value of these currencies as compared to the U.S. dollar will reduce our reported profitability.

Notwithstanding near term headwinds and shocks to the business landscape, such as meaningful movements in foreign currency rates and lower priced oil, we believe we are well positioned to deliver increased earnings, an improvement in free cash flow and increased stockholder value over the next several years. The following is a summary of the key trends expected in our business segments:

Polyurethanes:

- 2016 improving MDI urethane demand
- 2016 adjusted EBITDA improvement

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Low PO/MTBE margins

Performance Products:

Favorable downstream product margins

2016 benefit of growth projects, such as ethylene oxide expansion in the U.S. and polyetheramines expansion in Singapore

Lower oil prices reduce U.S. Gulf Coast cost advantage

2016 adjusted EBITDA similar to 2015

Advanced Materials:

Strong aerospace market more than one-third of earnings

Moderate increase in 2016 adjusted EBITDA

Textile Effects:

Selective growth above underlying market demand

Moderate increase in 2016 adjusted EBITDA

Pigments and Additives:

More than $100 million of incremental synergy and restructuring savings

Stable additives business

Slightly positive 2016 adjusted EBITDA

We remain committed to a separation of our titanium dioxide business and are actively exploring additional possibilities outside of an initial public offering or a spin-off. Our ability to effect such separation is subject to, among other things, market conditions and the approval of our Board of Directors. See " Item 1A. Risk Factors."

In 2016, we expect to spend approximately $450 million on capital expenditures, net of reimbursements.

We expect our full year 2016 tax rate to be approximately 30% and our full year adjusted effective tax rate to be approximately 30%. We believe our long-term effective income tax rate will be approximately 30%.

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RESULTS OF OPERATIONS

For each of our Company and Huntsman International, the following tables set forth our consolidated results of operations for the years ended December 31, 2015, 2014 and 2013 (dollars in millions, except per share amounts).

Huntsman Corporation

	Year ended December 31,			Percent Change	
	2015	2014	2013	2015 vs. 2014	2014 vs. 2013
Revenues	$ 10,299	$ 11,578	$ 11,079	(11)%	5%
Cost of goods sold	8,451	9,659	9,326	(13)%	4%
Gross profit	1,848	1,919	1,753	(4)%	9%
Operating expenses	1,141	1,128	1,092	1%	3%
Restructuring, impairment and plant closing costs	302	158	151	91%	5%
Operating income	405	633	510	(36)%	24%
Interest expense, net	(205)	(205)	(190)		8%
Equity in income of investment in unconsolidated affiliates	6	6	8		(25)%
Loss on early extinguishment of debt	(31)	(28)	(51)	11%	(45)%
Other income (loss)	1	(2)	2	NM	NM
Income from continuing operations before income taxes	176	404	279	(56)%	45%
Income tax expense	(46)	(51)	(125)	(10)%	(59)%
Income from continuing operations	130	353	154	(63)%	129%
Loss from discontinued operations, net of tax	(4)	(8)	(5)	(50)%	60%
Net income	126	345	149	(63)%	132%
Net income attributable to noncontrolling interests	(33)	(22)	(21)	50%	5%
Net income attributable to Huntsman Corporation	93	323	128	(71)%	152%
Interest expense, net	205	205	190		8%
Income tax expense from continuing operations	46	51	125	(10)%	(59)%
Income tax benefit from discontinued operations	(2)	(2)	(2)		
Depreciation and amortization	399	445	448	(10)%	(1)%
EBITDA(1)	$ 741	$ 1,022	$ 889	(27)%	15%

Reconciliation of EBITDA to adjusted EBITDA:			
EBITDA(1)	$ 741	$ 1,022	$ 889
Acquisition and integration expenses and purchase accounting adjustments	53	67	21
EBITDA from discontinued operations	6	10	5
Loss (gain) on disposition of businesses/assets	2	(3)	
Loss on early extinguishment of debt	31	28	51
Certain legal settlements and related expenses	4	3	9
Amortization of pension and postretirement actuarial losses	74	51	74
Net plant incident remediation costs	4		
Restructuring, impairment and plant closing and transition costs(3):			
Polyurethanes	15	19	2
Performance Products	11	28	18
Advanced Materials	12	11	34
Textile Effects	38	28	87
Pigments and Additives	219	60	4
Corporate and other	11	16	19
Total restructuring, impairment and plant closing and transition costs(3)	306	162	164

Adjusted EBITDA(1)	$ 1,221	$ 1,340	$ 1,213		
Net cash provided by operating activities	$ 575	$ 760	$ 708	(24)%	7%
Net cash used in investing activities	(600)	(1,606)	(566)	(63)%	184%
Net cash (used in) provided by financing activities	(562)	1,197	(6)	NM	NM
Capital expenditures	(663)	(601)	(471)	10%	28%

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Huntsman International

	Year ended December 31,			Percent Change	
	2015	2014	2013	2015 vs. 2014	2014 vs. 2013
Revenues	$ 10,299	$ 11,578	$ 11,079	(11)%	5%
Cost of goods sold	8,447	9,651	9,309	(12)%	4%
Gross profit	1,852	1,927	1,770	(4)%	9%
Operating expenses	1,137	1,123	1,086	1%	3%
Restructuring, impairment and plant closing costs	302	158	151	91%	5%
Operating income	413	646	533	(36)%	21%
Interest expense, net	(214)	(214)	(203)		5%
Equity in income of investment in unconsolidated affiliates	6	6	8		(25)%
Loss on early extinguishment of debt	(31)	(28)	(51)	11%	(45)%
Other income (loss)	2	(1)	2	NM	NM
Income from continuing operations before income taxes	176	409	289	(57)%	42%
Income tax expense	(45)	(43)	(137)	5%	(69)%
Income from continuing operations	131	366	152	(64)%	141%
Loss from discontinued operations, net of tax	(4)	(9)	(5)	(56)%	80%
Net income	127	357	147	(64)%	143%
Net income attributable to noncontrolling interests	(33)	(22)	(21)	50%	5%
Net income attributable to Huntsman International LLC	94	335	126	(72)%	166%
Interest expense, net	214	214	203		5%
Income tax expense from continuing operations	45	43	137	5%	(69)%
Income tax benefit from discontinued operations	(2)	(2)	(2)		
Depreciation and amortization	387	430	424	(10)%	1%
EBITDA(1)	$ 738	$ 1,020	$ 888	(28)%	15%

Reconciliation of EBITDA to adjusted EBITDA:			
EBITDA(1)	$ 738	$ 1,020	$ 888
Acquisition and integration expenses and purchase accounting adjustments	53	67	21
EBITDA from discontinued operations	6	10	5
Loss (gain) on disposition of businesses/assets	2	(3)	
Loss on early extinguishment of debt	31	28	51
Certain legal settlements and related expenses	4	3	9
Amortization of pension and postretirement actuarial losses	82	59	80
Net plant incident remediation costs	4		
Restructuring, impairment and plant closing and transition costs(3):			
Polyurethanes	15	19	2
Performance Products	11	28	18
Advanced Materials	12	11	34
Textile Effects	38	28	87
Pigments and Additives	219	60	4
Corporate and other	11	16	19
Total restructuring, impairment and plant closing and transition costs(3)	306	162	164
Adjusted EBITDA(1)	$ 1,226	$ 1,346	$ 1,218

Net cash provided by operating activities

	$ 570	$ 754	$ 734	(24)%	3%
Net cash used in investing activities	(599)	(1,607)	(614)	(63)%	162%
Net cash (used in) provided by financing activities	(408)	1,059	188	NM	463%
Capital expenditures	(663)	(601)	(471)	10%	28%

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Huntsman Corporation

	Year ended December 31,		
	2015	2014	2013
Reconciliation of net income to adjusted net income:			
Net income attributable to Huntsman Corporation	$ 93	$ 323	$ 128
Acquisition and integration expenses and purchase accounting adjustments net of tax of $(13), $(10) and $(5) in 2015, 2014 and 2013, respectively	40	57	16
Impact of certain foreign tax credit elections		(94)	
Loss from discontinued operations, net of tax of $(2), $(2) and $(2) in 2015, 2014 and 2013, respectively	4	8	5
Discount amortization on settlement financing, net of tax of nil, nil and $(3) in 2015, 2014 and 2013, respectively			6
Loss (gain) on disposition of businesses/assets, net of tax of nil, $1 and nil in 2015, 2014 and 2013, respectively	2	(2)	
Loss on early extinguishment of debt, net of tax of $(11), $(10) and $(19) in 2015, 2014 and 2013, respectively	20	18	32
Certain legal settlements and related expenses, net of tax of $(1), nil and $(2) in 2015, 2014 and 2013, respectively	3	3	7
Amortization of pension and postretirement actuarial losses, net of tax of $(17), $(10) and $(20) in 2015, 2014 and 2013, respectively	57	41	54
Net plant incident remediation costs, net of tax of $(1), nil and nil in 2015, 2014 and 2013, respectively	3		
Restructuring, impairment and plant closing and transition costs(3), net of tax of $(36), $(38) and $(22) in 2015, 2014 and 2013, respectively	270	124	142
Adjusted net income(2)	$ 492	$ 478	$ 390
Weighted average shares basic	242.8	242.1	239.7
Weighted average shares diluted	245.4	246.0	242.4
Net income per share:			
Basic	$ 0.38	$ 1.33	$ 0.53
Diluted	0.38	1.31	0.53
Other non-GAAP measures:			
Adjusted income per share(2):			
Basic	$ 2.03	$ 1.97	$ 1.63
Diluted	2.00	1.94	1.61
Capital expenditures, net of reimbursements(4)	(648)	(564)	(467)

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Huntsman International

	Year ended December 31,		
	2015	2014	2013
Reconciliation of net income to adjusted net income:			
Net income attributable to Huntsman International	$ 94	$ 335	$ 126
Acquisition and integration expenses and purchase accounting adjustments net of tax of $(13), $(10) and $(5) in 2015, 2014 and 2013, respectively	40	57	16
Impact of certain foreign tax credit elections		(105)	
Loss from discontinued operations, net of tax of $(2), $(2) and $(2) in 2015, 2014 and 2013, respectively	4	8	5
Discount amortization on settlement financing, net of tax of nil, nil and $(3) in 2015, 2014 and 2013, respectively			6
Loss (gain) on disposition of businesses/assets, net of tax of nil, $1 and nil in 2015, 2014 and 2013, respectively	2	(2)	
Loss on early extinguishment of debt, net of tax of $(11), $(10) and $(19) in 2015, 2014 and 2013, respectively	20	18	32
Certain legal settlements and related expenses, net of tax of $(1), nil and $(2) in 2015, 2014 and 2013, respectively	3	3	7
Amortization of pension and postretirement actuarial losses, net of tax of $(18), $(11) and $(21) in 2015, 2014 and 2013, respectively	64	48	59
Net plant incident remediation costs, net of tax of $(1), nil and nil in 2015, 2014 and 2013, respectively	3		
Restructuring, impairment and plant closing and transition costs(3), net of tax of $(36), $(38) and $(22) in 2015, 2014 and 2013, respectively	270	124	142
Adjusted net income(2)	$ 500	$ 486	$ 393
Capital expenditures, net of reimbursements(4)	(648)	(564)	(467)

NM Not meaningful

(1)

EBITDA is defined as net income attributable to Huntsman Corporation or Huntsman International, as appropriate, before interest, income taxes, depreciation and amortization. Because EBITDA excludes these items, EBITDA provides an indicator of general economic performance that is not affected by debt restructurings, fluctuations in interest rates or effective tax rates, or levels of depreciation and amortization. Adjusted EBITDA is computed by eliminating the following from EBITDA: (a) acquisition and integration expenses and purchase accounting adjustments; (b) EBITDA from discontinued operations; (c) loss (gain) on disposition of businesses/assets; (d) loss on early extinguishment of debt; (e) certain legal settlements and related expenses; (f) amortization of pension and postretirement actuarial losses; (g) net plant incident remediation costs; and (h) restructuring, impairment, plant closing and transition costs. We believe that net income attributable to Huntsman Corporation or Huntsman International, as appropriate, is the performance measure calculated and presented in accordance with GAAP that is most directly comparable to EBITDA and adjusted EBITDA.

We believe that EBITDA and adjusted EBITDA supplement an investor's understanding of our financial performance. However, these measures should not be considered in isolation or viewed as substitutes for net income attributable to Huntsman Corporation or Huntsman International, as appropriate, or other measures of performance determined in accordance with GAAP. Moreover, EBITDA and adjusted EBITDA as used herein are not necessarily comparable to other similarly titled measures of other companies due to potential inconsistencies in the methods of calculation. Our management believes these measures are useful to compare general operating performance from period to period and to make certain related management decisions. EBITDA and adjusted EBITDA are also used by securities analysts, lenders and others in their evaluation of different companies because they exclude certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be highly dependent on a company's capital structure, debt levels and credit ratings. Therefore, the impact of interest expense on earnings can vary significantly among companies. In addition, the tax positions of companies can vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the various jurisdictions in which they operate. As a result, effective tax rates and tax expense can vary considerably among companies. Finally, companies employ productive assets of different ages and utilize different methods of acquiring and depreciating such assets. This can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies.

Nevertheless, our management recognizes that there are material limitations associated with the use of EBITDA and adjusted EBITDA in the evaluation of our Company as compared to net income attributable to Huntsman Corporation or Huntsman International, as appropriate, which reflects overall financial performance. For example, we have borrowed money in order to finance our operations and interest expense is a necessary element of our costs and ability to generate revenue. Our management compensates for the limitations of using EBITDA and adjusted EBITDA by using these measures to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business rather than GAAP results alone.

In addition to the limitations noted above, adjusted EBITDA excludes items that may be recurring in nature and should not be disregarded in the evaluation of performance. However, we believe it is useful to exclude such items to provide a supplemental analysis of current results and trends compared to other periods because certain excluded items can vary significantly depending on specific underlying transactions or events, and the variability of such items may not relate specifically to ongoing operating results or trends and certain excluded items, while potentially recurring in future periods, may not be indicative of future results. For example, while EBITDA from discontinued operations is a recurring item, it is not indicative of ongoing operating results and trends or future results.

(2)

Adjusted net income is computed by eliminating the after-tax amounts related to the following from net income attributable to Huntsman Corporation or Huntsman International, as appropriate: (a) acquisition and integration expenses and purchase accounting adjustments; (b) impact of certain foreign tax credit elections; (c) loss from discontinued operations; (d) discount amortization on settlement financing; (e) loss (gain) on disposition of businesses/assets; (f) loss on early extinguishment of debt; (g) certain legal settlements and related expenses; (h) amortization of pension and postretirement actuarial losses; (i) net plant incident remediation costs; and (j) restructuring, impairment and plant closing and transition costs. 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 do not adjust for changes in tax valuation allowances because we do not believe it provides more meaningful information than is provided under GAAP. Basic adjusted income per share excludes dilution and is computed by dividing adjusted net income by the weighted average number of shares outstanding during the period. Diluted adjusted income per share reflects all

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potential dilutive common shares outstanding during the period and is computed by dividing adjusted net income by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding as dilutive securities.

Adjusted net income and adjusted income per share amounts are presented solely as supplemental disclosures to net income applicable to Huntsman Corporation or Huntsman International, as appropriate, and income per share because we believe that these measures are indicative of our operating performance. These measures are also used by securities analysts, lenders and others in their evaluation of different companies because they exclude certain items that can vary widely across different industries or among companies within the same industry. Nevertheless, our management recognizes that there are material limitations associated with the use of adjusted net income and adjusted income per share in the evaluation of our Company as compared to net income attributable to Huntsman Corporation or Huntsman International, as appropriate, which reflects overall financial performance For example, adjusted net income and adjusted income per share exclude items that may be recurring in nature and should not be disregarded in the evaluation of performance. However, we believe it is useful to exclude such items to provide a supplemental analysis of current results and trends compared to other periods because certain excluded items can vary significantly depending on specific underlying transactions or events, and the variability of such items may not relate specifically to current operating results or trends and certain excluded items, while potentially recurring in future periods, may not be indicative of future results. For example, while loss from discontinued operations is a recurring item, it is not indicative of ongoing operating results and trends or future results.

(3)
Includes cost associated with transition activities relating to the migration of our information data centers and the transition of our Textile Effects segment's production from Basel, Switzerland to a tolling facility. These transition costs were included in either selling, general and administrative expenses or cost of sales on our consolidated statements of operations.

(4)
Capital expenditures, net of reimbursements, represent cash paid for capital expenditures less payments received as reimbursements from customers and joint venture partners. During 2015, 2014 and 2013, capital expenditures of $663 million, $601 million and $471 million, respectively, were reimbursed in part by $15 million, $37 million and $4 million, respectively.

Year Ended December 31, 2015 Compared with Year Ended December 31, 2014

For the year ended December 31, 2015, net income attributable to Huntsman Corporation was $93 million on revenues of $10,299 million, compared with net income attributable to Huntsman Corporation of $323 million on revenues of $11,578 million for 2014. For the year ended December 31, 2015, net income attributable to Huntsman International was $94 million on revenues of $10,299 million, compared with net income attributable to Huntsman International of $335 million on revenues of $11,578 million for 2014. The decrease of $230 million in net income attributable to Huntsman Corporation and the decrease of $241 million in net income attributable to Huntsman International was the result of the following items:

Revenues for the year ended December 31, 2015 decreased by $1,279 million, or 11%, as compared with 2014. The decrease was due principally to lower sales volumes and lower average selling prices in all our segments. See " Segment Analysis" below.

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Our gross profit and the gross profit of Huntsman International for the year ended December 31, 2015 decreased by $71 million and $75 million, respectively, or 4% each, as compared with 2014. The impact on gross profit resulted from lower gross margins in all of our segments, except for our Advanced Materials segment. See " Segment Analysis" below.

Our operating expenses and the operating expenses of Huntsman International increased by $13 million and $14 million, respectively, or 1% each, for the year ended December 31, 2015 as compared with 2014, primarily related to the consolidated expenses of the acquired Rockwood businesses, offset in part by the foreign currency exchange impacts of the strengthening U.S. dollar against other major international currencies.

Restructuring, impairment and plant closing costs for the year ended December 31, 2015 increased to $302 million from $158 million in 2014. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Loss on early extinguishment of debt for the year ended December 31, 2015 increased to $31 million from $28 million in 2014. During 2015, we recorded a loss on early extinguishment of debt of $30 million related to the redemption of our 8.625% senior subordinated notes due 2021 ("2021 Senior Subordinated Notes"). For more information, see "Note 14. Debt Direct and Subsidiary Debt Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements.

Our income tax expense for the year ended December 31, 2015 decreased to $46 million from $51 million in 2014. The income tax expense of Huntsman International for the year ended December 31, 2015 increased to $45 million from $43 million in 2014. The change in income tax expense is impacted by the benefit in 2015 of generating $14 million of excess U.S. foreign tax credits and in 2014 of utilizing U.S. foreign tax credits which had been subject to a valuation allowance. Excluding the impact of the U.S. foreign tax credits, our income tax expense and the income tax expense of Huntsman International decreased by $97 million and $101 million, respectively, as compared with 2014, primarily due to lower pre-tax income and tax impacts of tax only foreign currency exchange losses. Our tax expense is significantly affected by the mix of income and losses in the tax jurisdictions in which we operate, as impacted by the presence of valuation allowances in certain tax jurisdictions. For further information concerning taxes, see "Note 18. Income Taxes" to our consolidated financial statements.

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Segment Analysis

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

	Year ended December 31, 2015	Year ended December 31, 2014	Percent Change Favorable (Unfavorable)
Revenues			
Polyurethanes	$ 3,811	$ 5,032	(24)%
Performance Products	2,501	3,072	(19)%
Advanced Materials	1,103	1,248	(12)%
Textile Effects	804	896	(10)%
Pigments and Additives	2,160	1,549	39%
Eliminations	(80)	(219)	63%
Total	$ 10,299	$ 11,578	(11)%
Huntsman Corporation			
Segment EBITDA			
Polyurethanes	$ 516	$ 669	(23)%
Performance Products	438	440	
Advanced Materials	195	182	7%
Textile Effects	18	28	(36)%
Pigments and Additives	(223)	(59)	(278)%
Corporate and other	(197)	(228)	14%
Subtotal	747	1,032	(28)%
Discontinued Operations	(6)	(10)	40%
Total	$ 741	$ 1,022	(27)%
Huntsman International			
Segment EBITDA			
Polyurethanes	$ 516	$ 669	(23)%
Performance Products	438	440	
Advanced Materials	195	182	7%
Textile Effects	18	28	(36)%
Pigments and Additives	(223)	(59)	(278)%
Corporate and other	(200)	(230)	13%
Subtotal	744	1,030	(28)%
Discontinued Operations	(6)	(10)	40%
Total	$ 738	$ 1,020	(28)%

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	Year ended December 31, 2015 vs. 2014			
	Average Selling Price(1)			
	Local Currency	Foreign Currency Translation Impact	Mix & Other(2)	Sales Volumes(3)
Period-Over-Period Increase (Decrease)				
Polyurethanes	(12)%	(5)%	3%	(10)%
Performance Products	(7)%	(5)%	(3)%	(4)%
Advanced Materials	2%	(8)%	(1)%	(5)%
Textile Effects	1%	(6)%	2%	(7)%
Pigments and Additives	(10)%	(8)%	62%	(5)%
Total Company	(8)%	(6)%	10%	(7)%

	Fourth Quarter 2015 vs. Third Quarter 2015			
	Average Selling Price(1)			
	Local Currency	Foreign Currency Translation Impact	Mix & Other	Sales Volumes(3)
Period-Over-Period Increase (Decrease)				
Polyurethanes	(8)%	(1)%		(2)%
Performance Products	(2)%	(1)%	2%	(10)%
Advanced Materials		(2)%	4%	(9)%
Textile Effects		(2)%		(3)%
Pigments and Additives	(3)%	(1)%	(1)%	(12)%
Total Company	(5)%	(1)%		(6)%

(1) Excludes revenues from tolling arrangements, byproducts and raw materials.

(2) Includes the impact from the Rockwood Acquisition.

(3) Excludes sales volumes of byproducts and raw materials.

NM Not Meaningful

Polyurethanes

The decrease in revenues in our Polyurethanes segment for 2015 compared to 2014 was primarily due to a planned maintenance outage at our PO/MTBE facility in Port Neches, Texas that commenced in the first quarter of 2015 and extended into the second quarter of 2015, lower MDI average selling prices and the foreign currency exchange impact of a stronger U.S. dollar against other key currencies. PO/MTBE sales volumes decreased due to the planned maintenance outage at our PO/MTBE facility in Port Neches, Texas. MDI sales volumes decreased slightly due to the market slowdown in China and lower sales into commercial construction in the U.S. PO/MTBE average selling prices decreased following lower pricing for high octane gasoline. MDI average selling prices decreased in response to lower raw material costs and the foreign currency exchange impact of a stronger U.S. dollar against major European currencies. The decrease in segment EBITDA was due to lower PO/MTBE earnings and the foreign currency exchange impact of a stronger U.S. dollar against the euro. We estimate the reduction to segment EBITDA resulting from the planned PO/MTBE maintenance outage was approximately $90 million for 2015.

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Performance Products

The decrease in revenues in our Performance Products segment for 2015 compared to 2014 was primarily due to lower average selling prices and lower sales volumes. Average selling prices decreased across all product lines primarily in response to lower raw material costs and the foreign currency exchange impact of a stronger U.S. dollar against major European currencies. Sales volumes decreased across most product lines, including the effect of the sale of our European commodity surfactants business in the second quarter of 2014 partially offset by higher toll volumes in our upstream intermediates business. The decrease in segment EBITDA was primarily due to lower margins on produced ethylene, partially offset by higher amines margins and lower restructuring, impairment and plant closing costs. During 2015 and 2014, our Performance Products segment recorded restructuring, impairment and plant closing costs of $11 million and $28 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Advanced Materials

The decrease in revenues in our Advanced Materials segment for 2015 compared to 2014 was due to lower sales volumes and lower average selling prices. Sales volumes decreased globally primarily in our coatings and construction and transportation and industrial markets due to the de-selection of certain business and competitive pressure, partially offset by strong volume growth in our do-it-yourself and wind markets in the Asia Pacific region. Average selling prices increased, in most markets, on a local currency basis in the Americas and Asia Pacific regions due to certain price increase initiatives and our focus on higher value markets; overall this was more than offset by the foreign currency exchange impact of a stronger U.S. dollar against major international currencies. The increase in segment EBITDA was primarily due to higher margins, resulting from lower raw material costs, and our focus on higher value business as well as lower fixed costs.

Textile Effects

The decrease in revenues in our Textile Effects segment for 2015 compared to 2014 was due to lower average selling prices and lower sales volumes. Average selling prices decreased in response to lower raw material costs and the foreign currency exchange impact of a stronger U.S. dollar against major international currencies. Sales volumes decreased primarily due to the de-selection of certain less profitable business and challenging market conditions. The decrease in segment EBITDA was primarily due to lower margins and higher restructuring, impairment and plant closing and transition costs, partially offset by lower fixed costs. During 2015 and 2014, our Textile Effects segment recorded restructuring, impairment and plant closing and transition costs of $38 million and $28 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Pigments and Additives

The increase in revenues in our Pigments and Additives segment for 2015 compared to 2014 was primarily due to the impact of the Rockwood Acquisition. Other than the impact of the Rockwood Acquisition, average selling prices decreased primarily as a result of high titanium dioxide industry inventory levels and the foreign currency exchange impact of a stronger U.S. dollar against major European currencies. Sales volumes decreased primarily as a result of lower end-use demand and the impact of a nitrogen tank explosion owned and operated by a third party at our Uerdingen, Germany facility, which disrupted our manufacturing during the third quarter of 2015. The decrease in segment EBITDA was primarily due to lower contribution margin for titanium dioxide, higher acquisition

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expenses and integration costs, higher restructuring, impairment and plant closing costs and the negative impact from the manufacturing disruption at our Uerdingen, Germany facility. During 2015 and 2014, our Pigments and Additives segment recorded acquisition expenses and integration costs of $44 million and $43 million, respectively. During 2015 and 2014, our Pigments and Additives segment recorded restructuring, impairment and plant closing costs of $219 million and $60 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Corporate and other

Corporate and other includes unallocated corporate overhead, unallocated foreign exchange gains and losses, last-in first-out ("LIFO") inventory valuation reserve adjustments, loss on early extinguishment of debt, unallocated restructuring, impairment and plant closing costs, nonoperating income and expense, benzene sales and gains and losses on the disposition of corporate assets. For 2015, EBITDA from Corporate and other for Huntsman Corporation increased by $31 million to a loss of $197 million from a loss of $228 million for 2014. For 2015, EBITDA from Corporate and other for Huntsman International increased by $30 million to a loss of $200 million from a loss of $230 million for 2014. The increase in EBITDA from Corporate and other resulted primarily from a $28 million increase in LIFO inventory valuation income ($29 million of income in 2015 compared to $1 million of income in 2014), a $11 million decrease in unallocated corporate overhead ($178 million of expense in 2015 compared to $189 million of expense in 2014), and a $5 million decrease in restructuring, impairment and plant closing costs ($8 million of expense in 2015 compared to $13 million of expense in 2014). For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements. The increase in EBITDA was partially offset by a $9 million decrease in EBITDA from benzene sales ($9 million of loss in 2015 compared to nil of income in 2014), and a $3 million increase in loss on early extinguishment of debt ($31 million of loss in 2015 compared to $28 million of loss in 2014). For more information concerning the loss on early extinguishment of debt, see "Note 14. Debt Direct and Subsidiary Debt Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements.

Discontinued Operations

The operating results of our former polymers, base chemicals and Australian styrenics businesses are classified as discontinued operations, and, accordingly, the revenues of these businesses are excluded from revenues for all periods presented. The EBITDA of these former businesses are included in discontinued operations for all periods presented. The loss from discontinued operations represents the operating results, legal costs, restructuring, impairment and plant closing costs and gain (loss) on disposal with respect to our former businesses.

Year Ended December 31, 2014 Compared with Year Ended December 31, 2013

For the year ended December 31, 2014, net income attributable to Huntsman Corporation was $323 million on revenues of $11,578 million, compared with net income attributable to Huntsman Corporation of $128 million on revenues of $11,079 million for 2013. For the year ended December 31, 2014, net income attributable to Huntsman International was $335 million on revenues of $11,578 million, compared with net income attributable to Huntsman International of $126 million on revenues of $11,079 million for 2013. The increase of $195 million in net income attributable to

Huntsman Corporation and the increase of $209 million in net income attributable to Huntsman International was the result of the following items:

Revenues for the year ended December 31, 2014 increased by $499 million, or 5%, as compared with 2013. The increase was due principally to higher average selling prices in our Performance Products, Advanced Materials and Textile Effects segments and higher sales volumes in our Polyurethanes and Pigments and Additives segments. See " Segment Analysis" below.

Our gross profit and the gross profit of Huntsman International for the year ended December 31, 2014 increased by $166 million and $157 million, respectively, or 9% each, as compared with 2013. The increase resulted from higher gross margins in all our segments, except for our Pigments and Additives segment. See " Segment Analysis" below.

Operating expenses for the year ended December 31, 2014 increased by $36 million and $37 million, respectively, or 3% each, as compared with 2013, primarily related to higher acquisition and integration costs and higher foreign currency losses.

Restructuring, impairment and plant closing costs for the year ended December 31, 2014 increased to $158 million from $151 million in 2013. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Our interest expense and the interest expense of Huntsman International for 2014 increased by $15 million and $11 million, respectively, or 8% and 5%, respectively, as compared with 2013. The increase was due primarily to additional borrowings in 2014 that were used to fund the Rockwood Acquisition.

Loss on early extinguishment of debt for the year ended December 31, 2014 decreased to $28 million from $51 million in 2013. The loss in 2014 resulted from the redemption of our 2020 Senior Subordinated Notes. The loss in 2013 resulted primarily from the repurchase of the remainder of our 5.50% senior notes due 2016 ("2016 Senior Notes"). For more information, see "Note 14. Debt Direct and Subsidiary Debt Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements.

Our income tax expense decreased and the income tax expense of Huntsman International decreased by $74 million and $94 million, respectively, as compared with 2013, primarily due to the benefit of utilizing U.S. foreign tax credits, which had been subject to a valuation allowance. Excluding the impact of the U.S. foreign tax credits, our income tax expense increased and the income tax expense of Huntsman International increased by $40 million and $41 million, respectively, as compared with 2013. For the year ended December 31, 2014, excluding the impact of the benefit of our U.S. foreign tax credits, our effective tax rate was 39%, which is lower than our effective tax rate of 45% for 2013, primarily due to various valuation allowance releases in 2014 and because our Textile Effects segment's restructuring charges in 2013 received nominal tax benefit. Our tax expense is significantly affected by the mix of income and losses in the tax jurisdictions in which we operate, as impacted by the presence of valuation allowances in certain tax jurisdictions. For further information concerning taxes, see "Note 18. Income Taxes" to our consolidated financial statements.

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Segment Analysis

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

	Year ended December 31, 2014	Year ended December 31, 2013	Percent Change Favorable (Unfavorable)
Revenues			
Polyurethanes	$ 5,032	$ 4,964	1%
Performance Products	3,072	3,019	2%
Advanced Materials	1,248	1,267	(1)%
Textile Effects	896	811	10%
Pigments and Additives	1,549	1,269	22%
Eliminations	(219)	(251)	13%
Total	$ 11,578	$ 11,079	5%

	2014	2013	Percent Change Favorable (Unfavorable)
Huntsman Corporation			
Segment EBITDA			
Polyurethanes	$ 669	$ 696	(4)%
Performance Products	440	372	18%
Advanced Materials	182	86	112%
Textile Effects	28	(78)	NM
Pigments and Additives	(59)	79	NM
Corporate and other	(228)	(261)	13%
Subtotal	1,032	894	15%
Discontinued Operations	(10)	(5)	100%
Total	$ 1,022	$ 889	15%

	2014	2013	Percent Change Favorable (Unfavorable)
Huntsman International			
Segment EBITDA			
Polyurethanes	$ 669	$ 696	(4)%
Performance Products	440	372	18%
Advanced Materials	182	86	112%
Textile Effects	28	(78)	NM
Pigments and Additives	(59)	79	NM
Corporate and other	(230)	(262)	12%
Subtotal	1,030	893	15%
Discontinued Operations	(10)	(5)	100%
Total	$ 1,020	$ 888	15%

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	Year ended December 31, 2014 vs 2013			
	Average Selling Price(1)			
	Local Currency	Foreign Currency Translation Impact	Mix & Other(2)	Sales Volumes(3)
Period-Over-Period Increase (Decrease)				
Polyurethanes	(2)%		1%	2%
Performance Products	4%		(1)%	(1)%
Advanced Materials	5%		4%	(10)%
Textile Effects	15%	(1)%		(4)%
Pigments and Additives	(6)%	2%	26%	
Total Company	2%		3%	

(1) Excludes revenues from tolling arrangements, byproducts and raw materials.

(2) Includes full revenue impact from the Rockwood Acquisition.

(3) Excludes sales volumes of byproducts and raw materials.

NM Not meaningful

Polyurethanes

The increase in revenues in our Polyurethanes segment for 2014 compared to 2013 was primarily due to higher sales volumes and improved sales mix, partially offset by lower average selling prices. MDI sales volumes increased due to improved demand in the Americas and Asian regions and across most major markets. PO/MTBE sales volumes decreased primarily as a result of two manufacturing disruptions at our Port Neches, Texas facility in the second and third quarters of 2014. PO/MTBE average selling prices decreased primarily due to less favorable market conditions. MDI average selling prices increased in the Americas and European regions, partially offset by lower component pricing in China. The decrease in segment EBITDA was primarily due to lower PO/MTBE earnings, partially offset by higher MDI sales margins. During 2014 and 2013, our Polyurethanes segment recorded restructuring, impairment and plant closing costs of $19 million and $2 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Performance Products

The increase in revenues in our Performance Products segment for 2014 compared to 2013 was primarily due to higher average selling prices, partially offset by lower sales volumes and unfavorable changes in sales mix. Average selling prices increased in response to higher raw material costs and continued strong market conditions for amines, maleic anhydride and specialty surfactants. Sales volumes decreased primarily due to a decline in sales volumes of surfactants, which resulted from the restructuring of our European surfactants business, partially offset by an increased demand for amines and maleic anhydride. The increase in segment EBITDA was primarily due to the impact of our scheduled maintenance in the first quarter of 2013, estimated at $55 million, and increased margins in amines and maleic anhydride, partially offset by higher restructuring charges. During 2014 and 2013, our Performance Products segment recorded restructuring, impairment and plant closing costs of $28 million and $18 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

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Advanced Materials

The decrease in revenues in our Advanced Materials segment for 2014 compared to 2013 was primarily due to lower sales volumes, partially offset by higher average selling prices and improved sales mix. Sales volumes decreased primarily in our coatings and construction market due to our restructuring efforts, partially offset by higher demand in the wind market in the Americas and Asia Pacific regions. During the fourth quarter of 2013, we closed two of our base resins production units as we focus on higher value markets, such as aerospace and transportation and industrial. During 2014, we also experienced an unplanned production outage due to a raw materials supply disruption in the Americas region. Average selling prices increased in all regions and across most markets primarily due to certain price increase initiatives and a focus on higher value markets. The increase in segment EBITDA was primarily due to higher margins, improved sales mix, lower restructuring, impairment and plant closing costs and lower selling, general and administrative costs as a result of recent restructuring efforts. During 2014 and 2013, our Advanced Materials segment recorded restructuring, impairment and plant closing costs of $11 million and $34 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Textile Effects

The increase in revenues in our Textile Effects segment for 2014 compared to 2013 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. Sales volumes decreased primarily due to the de-selection of lower value business. The increase in segment EBITDA was primarily due to higher margins, lower manufacturing costs and lower restructuring, impairment and plant closing and transition costs, partially offset by higher selling, general and administrative costs. During 2014 and 2013, our Textile Effects segment recorded restructuring, impairment and plant closing and transition costs of $28 million and $87 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Pigments and Additives

The increase in revenues in our Pigments and Additives segment for 2014 compared to 2013 was primarily due to the impact of the Rockwood Acquisition. Other than the impact of the Rockwood Acquisition, sales volumes remained flat as a result of higher end-use demand in the European and North American regions, offset by lower demand in the Africa, Latin America and Middle East regions. Average selling prices decreased primarily as a result of high industry inventory levels, partially offset by the strength of the euro against the U.S. dollar. The decrease in segment EBITDA was primarily due to lower margins, higher acquisition expenses and integration costs and higher restructuring costs, partially offset by lower selling, general and administrative costs. During 2014 and 2013, our Pigments and Additives segment recorded acquisition expenses and integration costs of $43 million and $8 million, respectively. During 2014 and 2013, our Pigments and Additives segment recorded restructuring, impairment and plant closing costs of $60 million and $4 million, respectively. For more information concerning restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Corporate and other

Corporate and other includes unallocated corporate overhead, unallocated foreign exchange gains and losses, LIFO inventory valuation reserve adjustments, loss on early extinguishment of debt,

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unallocated restructuring, impairment and plant closing costs, nonoperating income and expense, benzene sales and gains and losses on the disposition of corporate assets. For 2014, EBITDA from Corporate and other for Huntsman Corporation increased by $33 million to a loss of $228 million from a loss of $261 million for 2013. For 2014, EBITDA from Corporate and other for Huntsman International increased by $32 million to a loss of $230 million from a loss of $262 million for 2013. The increase in EBITDA from Corporate and other resulted primarily from a decrease in loss on early extinguishment of debt of $23 million ($28 million loss in 2014 compared to $51 million loss in 2013). For more information regarding the loss on early extinguishment of debt, see "Note 14. Debt Direct and Subsidiary Debt Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements. The increase in EBITDA also resulted from a $7 million decrease in loss from benzene sales (nil in 2014 compared to $7 million loss in 2013), a $6 million decrease in restructuring, impairment and plant closing costs ($13 million of expense in 2014 compared to $19 million of expense in 2013) and a decrease in legal settlements of $5 million (nil in 2014 compared to $5 million of expense in 2013). For more information concerning restructuring activities see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements. The increase in EBITDA was partially offset by an increase in unallocated foreign exchange losses of $5 million ($5 million loss in 2014 compared to nil in 2013) and an increase in global information technology transition costs of $3 million ($3 million of expense in 2014 compared to nil in 2013).

Discontinued Operations

The operating results of our former polymers, base chemicals and Australian styrenics businesses are classified as discontinued operations, and, accordingly, the revenues of these businesses are excluded from revenues for all periods presented. The EBITDA of these former businesses are included in discontinued operations for all periods presented. The loss from discontinued operations represents the operating results, legal costs, restructuring, impairment and plant closing costs and gain (loss) on disposal with respect to our former businesses.

LIQUIDITY AND CAPITAL RESOURCES

The following is a discussion of our liquidity and capital resources and generally does not include separate information with respect to Huntsman International in accordance with General Instruction I of Form 10-K.

Cash Flows for Year Ended December 31, 2015 Compared to the Year Ended December 31, 2014

Net cash provided by operating activities for 2015 and 2014 was $575 million and $760 million, respectively. The decrease in net cash provided by operating activities during 2015 compared with 2014 was primarily attributable to lower net income as described in " Results of Operations" above and a $24 million unfavorable variance in operating assets and liabilities for 2015 as compared with 2014.

Net cash used in investing activities for 2015 and 2014 was $600 million and $1,606 million, respectively. During 2015 and 2014, we paid $663 million and $601 million, respectively, for capital expenditures. During 2014, we paid $1.04 billion for the Rockwood Acquisition, and during 2015 and 2014, we received proceeds from a purchase price adjustment of $18 million and nil, respectively, related to the Rockwood Acquisition. For further information, see "Note 3. Business Combinations" to our consolidated financial statements. During 2015 and 2014, we made investments in Louisiana Pigment Company, L.P. of $42 million and $37 million, respectively, in Nanjing Jinling Huntsman New Materials Co., Ltd. of nil and $62 million, respectively, and in our BASF Huntsman Shanghai Isocyanate Investment B.V. joint venture of $12 million and $9 million, respectively, and we received dividends from Louisiana Pigment Company, L.P. of $48 million each. During 2015 and 2014, we received $1 million and $15 million, respectively, from the sale of businesses and assets. During 2015 and 2014, we received $66 million and nil, respectively, from the termination of cross-currency interest rate contracts.

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Net cash (used in) provided by financing activities for 2015 and 2014 was $(562) million and $1,197 million, respectively. The decrease in net cash provided by financing activities was primarily due to higher net borrowings during 2014, primarily used to fund the Rockwood Acquisition and an increase in repayments of long-term debt in 2015. On March 31, 2015, we issued €300 million (approximately $326 million) aggregate principal amount of 4.25% senior notes due April 1, 2025 ("2025 Senior Notes"). On April 17, 2015, we used the net proceeds of this offering to redeem $289 million ($294 million carrying value) of our 2021 Senior Subordinated Notes. In the third quarter of 2015, we redeemed the remaining $195 million ($198 million carrying value) of our 2021 Senior Subordinated Notes. During 2015, we repurchased $100 million of our common stock.

Cash Flows for Year Ended December 31, 2014 Compared to the Year Ended December 31, 2013

Net cash provided by operating activities for 2014 and 2013 was $760 million and $708 million, respectively. The increase in net cash provided by operating activities during 2014 compared with 2013 was primarily attributable to an increase in net income as described in "Results of Operations" above, offset in part by a $61 million unfavorable variance in operating assets and liabilities for 2014 as compared with 2013.

Net cash used in investing activities for 2014 and 2013 was $1,606 million and $566 million, respectively. During 2014 and 2013, we paid $601 million and $471 million, respectively, for capital expenditures. During 2014, we paid $1.04 billion for Rockwood's Performance Additives and Titanium Dioxide businesses and during 2013 we paid $66 million for the acquisition of businesses. During 2014 and 2013, we made investments in Louisiana Pigment Company, L.P. of $37 million and $60 million, respectively, and in Nanjing Jinling Huntsman New Materials Co., Ltd of $62 million and $37 million, respectively, and we received dividends from Louisiana Pigment Company, L.P. of $48 million and $71 million, respectively.

Net cash provided by (used in) financing activities for 2014 and 2013 was $1,197 million and $(6) million, respectively. The increase in net cash provided by financing activities was due to higher net borrowings during 2014, primarily used to fund the Rockwood Acquisition, as compared to 2013.

Changes in Financial Condition

The following information summarizes our working capital (dollars in millions):

	December 31, 2015	December 31, 2014	Increase (Decrease)	Percent Change
Cash and cash equivalents	$ 257	$ 860	$ (603)	(70)%
Restricted cash	12	10	2	20%
Accounts and notes receivable, net	1,449	1,707	(258)	(15)%
Inventories	1,692	2,025	(333)	(16)%
Prepaid expenses	112	62	50	81%
Deferred income taxes		62	(62)	NM
Other current assets	312	313	(1)	
Total current assets	3,834	5,039	(1,205)	(24)%
Accounts payable	1,061	1,275	(214)	(17)%
Accrued liabilities	686	739	(53)	(7)%
Deferred income taxes		51	(51)	NM
Current portion of debt	170	267	(97)	(36)%
Total current liabilities	1,917	2,332	(415)	(18)%
Working capital	$ 1,917	$ 2,707	$ (790)	(29)%

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Our working capital decreased by $790 million as a result of the net impact of the following significant changes:

The decrease in cash and cash equivalents of $603 million resulted from the matters identified on our consolidated statements of cash flows.

Accounts and notes receivable decreased by $258 million mainly due to lower revenues in the three months ended December 31, 2015 compared to the three months ended December 31, 2014 and the appreciation in value of the U.S. dollar.

Inventories decreased by $333 million mainly due to lower raw material costs and the appreciation in value of the U.S. dollar.

Prepaid expenses increased primarily due to the prepayment of $49 million of employee termination and other restructuring costs related to the restructuring of our Pigments and Additives, Textile Effects and Performance Products segments. For more information, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Effective October 1, 2015, we adopted Accounting Standard Update ("ASU") No. 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes.* The amendments in this ASU require that deferred tax liabilities and assets be classified as noncurrent on the statement of financial position. We adopted the amendments in this ASU on a prospective basis and classified all deferred tax liabilities and assets as noncurrent on our balance sheet for 2015 only.

The decrease in accounts payable of $214 million was primarily due to lower purchases consistent with the lower inventory balances noted above and the appreciation in value of the U.S. dollar.

Current portion of debt decreased by $97 million primarily due to the 2015 reclassification of loan commitments of Arabian Amines Company, our 50%-owned consolidated joint venture, as long-term debt. These loan commitments were classified as current portion of debt at December 31, 2014.

Direct and Subsidiary Debt

See "Note 14. Debt Direct and Subsidiary Debt" to our consolidated financial statements.

Debt Issuance Costs

See "Note 14. Debt Debt Issuance Costs" to our consolidated financial statements.

Senior Credit Facilities

See "Note 14. Debt Senior Credit Facilities" to our consolidated financial statements.

Amendment to Credit Agreement

See "Note 14. Debt Amendment to Credit Agreement" to our consolidated financial statements.

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A/R Programs

See "Note 14. Debt A/R Programs" to our consolidated financial statements.

Notes

See "Note 14. Debt Notes" to our consolidated financial statements.

Redemption of Notes and Loss on Early Extinguishment of Debt

See "Note 14. Debt Redemption of Notes and Loss on Early Extinguishment of Debt" to our consolidated financial statements.

Variable Interest Entity Debt

See "Note 14. Debt Variable Interest Entity Debt" to our consolidated financial statements.

Other Debt

See "Note 14. Debt Other Debt" to our consolidated financial statements.

Note Payable from Huntsman International to Huntsman Corporation

See "Note 14. Debt Note Payable from Huntsman International to Huntsman Corporation" to our consolidated financial statements.

Compliance with Covenants

See "Note 14. Debt Compliance with Covenants" to our consolidated financial statements.

Maturities

See "Note 14. Debt Maturities" to our consolidated financial statements.

Short-Term and Long-Term Liquidity

We depend upon our cash, credit facilities, accounts receivable securitization programs ("A/R Programs") and other debt instruments to provide liquidity for our operations and working capital needs. As of December 31, 2015, we had $1,023 million of combined cash and unused borrowing capacity, consisting of $269 million in cash and restricted cash, $610 million in availability under our revolving facility ("Revolving Facility"), and $144 million in availability under our A/R Programs. Our liquidity can be significantly impacted by various factors. The following matters had, or are expected to have, a significant impact on our liquidity:

- Cash from our accounts receivable and inventory, net of accounts payable, was approximately $143 million for 2015, as reflected in our consolidated statements of cash flows. We expect volatility in our working capital components to continue.

- During 2016, we expect to spend approximately $450 million on capital expenditures, net of reimbursements. Our future expenditures include certain EHS maintenance and upgrades; periodic maintenance and repairs applicable to major units of manufacturing

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facilities; expansions of our existing facilities or construction of new facilities; certain cost reduction projects; and certain information technology expenditures. We expect to fund this spending with cash provided by operations.

During 2015, we made contributions to our pension and postretirement benefit plans of $106 million. During 2016, we expect to contribute an additional amount of approximately $75 million to these plans.

We are also involved in a number of cost reduction programs for which we have established restructuring accruals. As of December 31, 2015, we had $167 million of accrued restructuring costs from continuing operations, and we expect to incur and pay additional restructuring and plant closing costs of approximately $9 million in 2016. For further discussion of these plans and the costs involved, see "Note 11. Restructuring, Impairment and Plant Closing costs" to our consolidated financial statements.

On September 29, 2015, our Board of Directors authorized our Company to repurchase up to $150 million in shares of our common stock. On October 27, 2015, we entered into and funded an accelerated share repurchase agreement to repurchase $100 million of our common stock. The accelerated share repurchase agreement was completed in January 2016 with the purchase of approximately 8.6 million shares of Huntsman Corporation common stock. For more information, see "Note 21. Huntsman Corporation Stockholders' Equity" to our consolidated financial statements. Our Company has the remaining $50 million available under this authorization to purchase additional shares.

As of December 31, 2015, we had $170 million classified as current portion of debt, including $50 million of our term loan C facility ("Term Loan C") due June 30, 2016, debt at our variable interest entities of $14 million, a short term borrowing facility in China totaling $47 million, our scheduled senior credit facilities ("Senior Credit Facilities") amortization payments totaling $25 million, our annual financing of various insurance premiums totaling $15 million, and certain other short-term facilities and scheduled amortization payments totaling $19 million. Although we cannot provide assurances, we intend to renew or extend the majority of these short-term facilities in the current period.

As of December 31, 2015, we had approximately $217 million of cash and cash equivalents, including restricted cash, held by our foreign subsidiaries, including our variable interest entities. Additionally, we have material intercompany debt obligations owed to us by our non-U.S. subsidiaries. We intend to use cash held in our foreign subsidiaries to fund our local operations. Nevertheless, we could repatriate cash as dividends or as repayments of intercompany debt. If foreign cash were repatriated as dividends, the dividends could be subject to U.S. federal and state income taxes without any offsetting foreign tax credit relief. At present, we estimate that we will generate sufficient cash in our U.S. operations, together with the payments of intercompany debt, if necessary, to meet our cash needs in the U.S. and we do not expect to repatriate cash to the U.S. as dividends. Cash held by certain foreign subsidiaries, including our variable interest entities, may also be subject to legal restrictions, including those arising from the interests of our partners, which could limit the amounts available for repatriation.

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Contractual Obligations and Commercial Commitments

Our obligations under long-term debt (including the current portion), lease agreements and other contractual commitments as of December 31, 2015 are summarized below (dollars in millions):

	2016	2017 - 2018	2019 - 2020	After 2020	Total
Long-term debt, including current portion	$ 170	$ 815	$ 1,479	$ 2,331	$ 4,795
Interest(1)	211	369	299	156	1,035
Operating leases(2)	87	145	119	202	553
Purchase commitments(3)	1,455	1,483	457	871	4,266
Total(4)(5)	$ 1,923	$ 2,812	$ 2,354	$ 3,560	$ 10,649

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(1) Interest calculated using interest rates as of December 31, 2015 and contractual maturity dates assuming no refinancing or extension of debt instruments.

(2) Future minimum lease payments have not been reduced by minimum sublease rentals of $2 million due in the future under noncancelable subleases.

(3) We have various purchase commitments extending through 2029 for materials, supplies and services entered into in the ordinary course of business. Included in the purchase commitments table above are contracts which require minimum volume purchases that extend beyond one year or are renewable annually and have been renewed for 2016. Certain contracts allow for changes in minimum required purchase volumes in the event of a temporary or permanent shutdown of a facility. To the extent the contract requires a minimum notice period, such notice period has been included in the above table. The contractual purchase price for substantially all of these contracts is variable based upon market prices, subject to annual negotiations. We have estimated our contractual obligations by using the terms of our current pricing for each contract. We also have a limited number of contracts which require a minimum payment even if no volume is purchased. We believe that all of our purchase obligations will be utilized in our normal operations. For the years ended December 31, 2015, 2014 and 2013, we made minimum payments of nil, nil and $7 million, respectively, under such take or pay contracts without taking the product.

(4) Totals do not include commitments pertaining to our pension and other postretirement obligations. Our estimated future contributions to our pension and postretirement plans are as follows (dollars in millions):

	2016	2017 - 2018	2019 - 2020	5-Year Average Annual
Pension plans	$ 67	$ 227	$ 235	$ 113
Other postretirement obligations	9	16	16	8

(5) The above table does not reflect expected tax payments and unrecognized tax benefits due to the inability to make reasonably reliable estimates of the timing and amount of payments. For additional discussion on unrecognized tax benefits, see "Note 18. Income Taxes" to our consolidated financial statements.

Off-Balance Sheet Arrangements

No off-balance sheet arrangements exist at this time.

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RESTRUCTURING, IMPAIRMENT AND PLANT CLOSING COSTS

Since the Rockwood Acquisition, our Pigments and Additives segment has been involved in a cost reduction program expected to reduce costs by approximately $140 million and improve its global competitiveness. In addition, we have announced a capacity reduction at our titanium dioxide manufacturing facility in Calais, France expected to generate approximately $35 million of annual savings. These cost savings are expected to be achieved by the middle of 2016.

For a discussion of restructuring, impairment and plant closing costs, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

LEGAL PROCEEDINGS

For a discussion of legal proceedings, see "Note 19. Commitments and Contingencies Legal Matters" to our consolidated financial statements.

ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

As noted above in "Part I. Item 1. Business Environmental, Health and Safety Matters" and "Part I. Item 1A, "Risk Factors," we are subject to extensive environmental regulations, which may impose significant additional costs on our operations in the future. While we do not expect any of these enactments or proposals to have a material adverse effect on us in the near term, we cannot predict the longer-term effect of any of these regulations or proposals on our future financial condition. For a discussion of environmental, health and safety matters, see "Note 20. Environmental, Health and Safety Matters" to our consolidated financial statements.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

For a discussion of recently issued accounting pronouncements, see "Note 2. Summary of Significant Accounting Policies Recently Issued Accounting Pronouncements" to our consolidated financial statements.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements and related disclosures in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts in our consolidated financial statements. Our significant accounting policies are summarized in "Note 2. Summary of Significant Accounting Policies" to our consolidated financial statements. Summarized below are our critical accounting policies:

Employee Benefit Programs

We sponsor several contributory and non-contributory defined benefit plans, covering employees primarily in the U.S., the U.K., The Netherlands, Belgium and Switzerland, but also covering employees in a number of other countries. We fund the material plans through trust arrangements (or local equivalents) where the assets are held separately from us. We also sponsor unfunded postretirement plans which provide medical and, in some cases, life insurance benefits covering certain employees in the U.S., Canada and South Africa. Amounts recorded in our consolidated financial statements are recorded based upon actuarial valuations performed by various independent actuaries. Inherent in these valuations are numerous assumptions regarding expected long-term rates of return on plan assets, discount rates, compensation increases, mortality rates and health care cost trends. These assumptions are described in "Note 17. Employee Benefit Plans" to our consolidated financial statements.

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Management, with the advice of actuaries, uses judgment to make assumptions on which our employee pension and postretirement benefit plan obligations and expenses are based. The effect of a 1% change in three key assumptions is summarized as follows (dollars in millions):

Assumptions	Statement of Operations(1)	Balance Sheet Impact(2)
Discount rate		
1% increase	$ (42)	$ (544)
1% decrease	43	678
Expected long-term rates of return on plan assets		
1% increase	(41)	
1% decrease	41	
Rate of compensation increase		
1% increase	12	94
1% decrease	(14)	(86)

(1) Estimated increase (decrease) on 2015 net periodic benefit cost

(2) Estimated increase (decrease) on December 31, 2015 pension and postretirement liabilities and accumulated other comprehensive loss

Goodwill

We test our goodwill for impairment at least annually (at the beginning of the third quarter) and when events and circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Goodwill has been assigned to reporting units for purposes of impairment testing. Approximately 68% of our goodwill balance relates to our Advanced Materials reporting unit. The remaining goodwill relates to three other reporting units.

Fair value is estimated using the market approach, as well as the income approach based on discounted cash flow projections. The estimated fair values of our reporting units are dependent on several significant assumptions including, among others, market information, operating results, earnings projections and anticipated future cash flows.

We tested goodwill for impairment at the beginning of the third quarter of 2015 as part of the annual impairment testing procedures and determined that no goodwill impairment existed. Our most recent fair value determination resulted in an amount that exceeded the carrying amounts of all reporting units by a significant margin.

Income Taxes

We use the asset and liability method of accounting for income taxes. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial and tax reporting purposes. We evaluate deferred tax assets to determine whether it is more likely than not that they will be realized. Valuation allowances are reviewed on a tax jurisdiction basis to analyze whether there is sufficient positive or negative evidence to support a change in judgment about the realizability of the related deferred tax assets for each jurisdiction. These conclusions require significant judgment. In evaluating the objective evidence that historical results provide, we consider the cyclicality of businesses and cumulative income or losses during the applicable period. Cumulative losses incurred over the period limits our ability to consider other subjective evidence such as our projections for the future. Changes in expected future income in applicable jurisdictions could affect the realization of deferred tax assets in those jurisdictions. As of December 31, 2015, we had total valuation allowances of $784 million. See "Note 18. Income Taxes" to our consolidated financial statements for more information regarding our valuation allowances.

For non-U.S. entities that were not treated as branches for U.S. tax purposes, we do not provide for income taxes on the undistributed earnings of these subsidiaries that are reinvested and, in the opinion of management, will continue to be reinvested indefinitely. We have material intercompany debt obligations owed by our non-U.S. subsidiaries to the U.S. We do not intend to repatriate earnings to the U.S. via dividend based on estimates of future domestic cash generation, combined with the ability to return cash to the U.S. through payments of intercompany debt owed by our non-U.S. subsidiaries to the U.S. To the extent that cash is required in the U.S., rather than repatriate earnings to the U.S. via dividend we will utilize our intercompany debt. If any earnings were repatriated via dividend, we may need to accrue and pay taxes on the distributions. As discussed in "Note 18. Income Taxes" to our consolidated financial statements, we made a distribution of a portion of our earnings in 2015 and 2013 when the amount of foreign tax credits associated with the distribution was greater than the amount of tax otherwise due. The undistributed earnings of foreign subsidiaries with positive earnings that are deemed to be permanently invested were approximately $354 million at December 31, 2015. It is not practicable to determine the unrecognized deferred tax liability on those earnings because of the significant assumptions necessary to compute the tax.

Accounting for uncertainty in income taxes prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The application of income tax law is inherently complex. We are required to determine if an income tax position meets the criteria of more-likely-than-not to be realized based on the merits of the position under tax law, in order to recognize an income tax benefit. This requires us to make significant judgments regarding the merits of income tax positions and the application of income tax law. Additionally, if a tax position meets the recognition criteria of more-likely-than-not we are required to make judgments and apply assumptions in order to measure the amount of the tax benefits to recognize. These judgments are based on the probability of the amount of tax benefits that would be realized if the tax position was challenged by the taxing authorities. Interpretations and guidance surrounding income tax laws and regulations change over time. As a consequence, changes in assumptions and judgments can materially affect amounts recognized in our consolidated financial statements.

Long-Lived Assets

The useful lives of our property, plant and equipment are estimated based upon our historical experience, engineering estimates and industry information and are reviewed when economic events indicate that we may not be able to recover the carrying value of the assets. The estimated lives of our property range from 3 to 50 years and depreciation is recorded on the straight-line method. Inherent in our estimates of useful lives is the assumption that periodic maintenance and an appropriate level of annual capital expenditures will be performed. Without on-going capital improvements and maintenance, the productivity and cost efficiency declines and the useful lives of our assets would be shorter.

Management uses judgment to estimate the useful lives of our long-lived assets. At December 31, 2015, if the estimated useful lives of our property, plant and equipment had either been one year greater or one year less than their recorded lives, then depreciation expense for 2015 would have been approximately $35 million less or $41 million greater, respectively.

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We are required to evaluate the carrying value of our long-lived tangible and intangible assets whenever events indicate that such carrying value may not be recoverable in the future or when management's plans change regarding those assets, such as idling or closing a plant. We evaluate impairment by comparing undiscounted cash flows of the related asset groups that are largely independent of the cash flows of other asset groups to their carrying values. Key assumptions in determining the future cash flows include the useful life, technology, competitive pressures, raw material pricing and regulations. In connection with our asset evaluation policy, we reviewed all of our long-lived assets for indicators that the carrying value may not be recoverable. During 2015, we recorded an impairment charge of $19 million related to the impairment of our Pigments and Additives South African asset group. See "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Restructuring and Plant Closing Costs

We have recorded restructuring charges in recent periods in connection with closing certain plant locations, workforce reductions and other cost savings programs in each of our business segments. These charges are recorded when management has committed to a plan and incurred a liability related to the plan. Estimates for plant closing costs include the write-off of the carrying value of the plant, any necessary environmental and/or regulatory costs, contract termination and demolition costs. Estimates for workforce reductions and other costs savings are recorded based upon estimates of the number of positions to be terminated, termination benefits to be provided and other information, as necessary. Management evaluates the estimates on a quarterly basis and will adjust the reserve when information indicates that the estimate is above or below the currently recorded estimate. For further discussion of our restructuring activities, see "Note 11. Restructuring, Impairment and Plant Closing Costs" to our consolidated financial statements.

Contingent Loss Accruals

Environmental remediation costs for our facilities are accrued when it is probable that a liability has been incurred and the amount can be reasonably estimated. Estimates of environmental reserves require evaluating government regulation, available technology, site-specific information and remediation alternatives. We accrue an amount equal to our best estimate of the costs to remediate based upon the available information. The extent of environmental impacts may not be fully known and the processes and costs of remediation may change as new information is obtained or technology for remediation is improved. Our process for estimating the expected cost for remediation considers the information available, technology that can be utilized and estimates of the extent of environmental damage. Adjustments to our estimates are made periodically based upon additional information received as remediation progresses. For further information, see "Note 20. Environmental, Health and Safety Matters" to our consolidated financial statements.

We are subject to legal proceedings and claims arising out of our business operations. We routinely assess the likelihood of any adverse outcomes to these matters, as well as ranges of probable losses. A determination of the amount of the reserves required, if any, for these contingencies is made after analysis of each known claim. We have an active risk management program consisting of numerous insurance policies secured from many carriers. These policies often provide coverage that is intended to minimize the financial impact, if any, of the legal proceedings. The required reserves may change in the future due to new developments in each matter. For further information, see "Note 19. Commitments and Contingencies Legal Matters" to our consolidated financial statements.

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Revenue Recognition

We generate substantially all of our revenues through sales in the open market and long-term supply agreements. We recognize revenue when it is realized or realizable and earned. Revenue for product sales is recognized when a sales arrangement exists, risk and title to the product transfer to the customer, collectability is reasonably assured and pricing is fixed or determinable. The transfer of risk and title to the product to the customer usually occurs at the time shipment is made.

Variable Interest Entities Primary Beneficiary

We evaluate each of our variable interest entities on an on-going basis to determine whether we are the primary beneficiary. Management assesses, on an on-going basis, the nature of our relationship to the variable interest entity, including the amount of control that we exercise over the entity as well as the amount of risk that we bear and rewards we receive in regards to the entity, to determine if we are the primary beneficiary of that variable interest entity. Management judgment is required to assess whether these attributes are significant. We consolidate all variable interest entities for which we have concluded that we are the primary beneficiary.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks, such as changes in interest rates, foreign exchange rates and commodity prices. From time to time, we enter into transactions, including transactions involving derivative instruments, to manage certain of these exposures. We also hedge our net investment in certain European operations. Changes in the fair value of the hedge in the net investment of certain European operations are recorded in accumulated other comprehensive loss.

INTEREST RATE RISKS

Through our borrowing activities, we are exposed to interest rate risk. Such risk arises due to the structure of our debt portfolio, including the mix of fixed and floating interest rates. Actions taken to reduce interest rate risk include managing the mix and rate characteristics of various interest bearing liabilities, as well as entering into interest rate derivative instruments.

From time to time, we may purchase interest rate swaps and/or other derivative instruments to reduce the impact of changes in interest rates on our floating-rate long-term debt. Under interest rate swaps, we agree with other parties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed notional principal amount.

Huntsman International has entered into several interest rate contracts to hedge the variability caused by monthly changes in cash flow due to associated changes in LIBOR under our Senior Credit Facilities. These swaps are designated as cash flow hedges and the effective portion of the changes in the fair value of the swaps are recorded in other comprehensive (loss) income (dollars in millions):

December 31, 2015				
Notional Value	Effective Date	Maturity	Fixed Rate	Fair Value
$ 50	December 2014	April 2017	2.5%	$1 noncurrent liability
50	January 2015	April 2017	2.5%	1 noncurrent liability

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		December 31, 2014		
Notional Value	Effective Date	Maturity	Fixed Rate	Fair Value
$ 50	January 2010	January 2015	2.8%	less than $1 current liability
50	December 2014	April 2017	2.5%	2 noncurrent liability
50	January 2015	April 2017	2.5%	2 noncurrent liability

Beginning in 2009, Arabian Amines Company entered into a 12-year floating to fixed interest rate contract providing for a receipt of LIBOR interest payments for a fixed payment of 5.02%. In connection with the consolidation of Arabian Amines Company as of July 1, 2010, the interest rate contract is now included in our consolidated results. See "Note 7. Variable Interest Entities" to our consolidated financial statements. The notional amount of the swap as of December 31, 2015 was $24 million, and the interest rate contract is not designated as a cash flow hedge. As of December 31, 2015 and 2014, the fair value of the swap was $2 million and $3 million, respectively, and was recorded as other current liabilities on our consolidated balance sheets. For 2015 and 2014, we recorded a reduction of interest expense of $1 million and $1 million, respectively, due to changes in fair value of the swap.

For the years ended December 31, 2015 and 2014, the changes in accumulated other comprehensive gain (loss) associated with these cash flow hedging activities were gains of approximately $1 million and $2 million, respectively.

During 2016, accumulated other comprehensive loss of nil is expected to be reclassified to earnings. The actual amount that will be reclassified to earnings over the next twelve months may vary from this amount due to changing market conditions. We would be exposed to credit losses in the event of nonperformance by a counterparty to our derivative financial instruments. We anticipate, however, that the counterparties will be able to fully satisfy their obligations under the contracts. Market risk arises from changes in interest rates.

FOREIGN EXCHANGE RATE RISK

Our cash flows and earnings are subject to fluctuations due to exchange rate variation. Our revenues and expenses are denominated in various currencies. We enter into foreign currency derivative instruments to minimize the short-term impact of movements in foreign currency rates. Where practicable, we generally net multicurrency cash balances among our subsidiaries to help reduce exposure to foreign currency exchange rates. Certain other exposures may be managed from time to time through financial market transactions, principally through the purchase of spot or forward foreign exchange contracts (generally with maturities of three months or less). We do not hedge our currency exposures in a manner that would eliminate the effect of changes in exchange rates on our cash flows and earnings. As of December 31, 2015 and 2014, we had approximately $176 million and $179 million notional amount (in U.S. dollar equivalents) outstanding, respectively, in foreign currency contracts with a term of approximately one month.

In November 2014, we entered into two five year cross-currency interest rate contracts and one eight year cross-currency interest rate contract to swap an aggregate notional $200 million for an aggregate notional €161 million. The swap is designated as a hedge of net investment for financial reporting purposes. Under the cross-currency interest rate contract, we will receive fixed U.S. dollar payments of $5 million semiannually on May 15 and November 15 (equivalent to an annual rate of 5.125%) and make interest payments of approximately €3 million (equivalent to an annual rate of approximately 3.6%). As of December 31, 2015 the fair value of this swap was $28 million and was recorded in noncurrent assets.

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On March 17, 2010, we entered into three five year cross-currency interest rate contracts to swap an aggregate notional $350 million for an aggregate notional €255 million. This swap was designated as a hedge of net investment for financial reporting purposes. As of December 31, 2014, the fair value of this swap was $43 million, and was recorded in current assets. During the three months ended March 31, 2015, we terminated these cross-currency interest rate contracts and received $66 million in payments from the counterparties.

A portion of our debt is denominated in euros. We also finance certain of our non-U.S. subsidiaries with intercompany loans that are, in many cases, denominated in currencies other than the entities' functional currency. We manage the net foreign currency exposure created by this debt through various means, including cross-currency swaps, the designation of certain intercompany loans as permanent loans because they are not expected to be repaid in the foreseeable future and the designation of certain debt and swaps as net investment hedges.

Foreign currency transaction gains and losses on intercompany loans that are not designated as permanent loans are recorded in earnings. Foreign currency transaction gains and losses on intercompany loans that are designated as permanent loans are recorded in other comprehensive (loss) income. From time to time, we review such designation of intercompany loans.

We review our non-U.S. dollar denominated debt and derivative instruments to determine the appropriate amounts designated as hedges. As of December 31, 2015, we have designated approximately €751 million (approximately $821 million) of euro-denominated debt and cross-currency interest rate contracts as a hedge of our net investment. For the years ended December 31, 2015, 2014 and 2013, the amount of gain (loss) recognized on the hedge of our net investment was $68 million, $97 million and $(22) million, respectively, and was recorded in other comprehensive (loss) income. As of December 31, 2015, we had approximately €1,213 million (approximately $1,325 million) in net euro assets.

COMMODITY PRICES RISK

Inherent in our business is exposure to price changes for several commodities. However, our exposure to changing commodity prices is somewhat limited since the majority of our raw materials are acquired at posted or market related prices, and sales prices for many of our finished products are at market related prices which are largely set on a monthly or quarterly basis in line with industry practice. Consequently, we do not generally hedge our commodity exposures.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our consolidated financial statements required by this item are included on the pages immediately following the Index to Consolidated Financial Statements appearing on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no changes in our independent accountants, Deloitte & Touche LLP, or disagreements with them on matters of accounting or financial disclosure.

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ITEM 9A. CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Our management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of December 31, 2015. Based on this evaluation, our chief executive officer and chief financial officer have concluded that, as of December 31, 2015, our disclosure controls and procedures were effective, in that they ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and (2) accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

No changes to our internal control over financial reporting occurred during the quarter ended December 31, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control framework and processes for our Company and Huntsman International are designed to provide reasonable assurance to management, Huntsman International's Board of Managers and our Board of Directors regarding the reliability of financial reporting and the preparation of our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting for our Company and Huntsman International includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our Company and Huntsman International;

- provide reasonable assurance that transactions are recorded properly to allow for the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of our Company and Huntsman International are being made only in accordance with authorizations of management and Directors of our Company and Huntsman International;

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our consolidated financial statements; and

- provide reasonable assurance as to the detection of fraud.

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Because of its inherent limitations, a system of internal control over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Further, because of changing conditions, effectiveness of internal control over financial reporting may vary over time.

Our management assessed the effectiveness of our internal control over financial reporting for our Company and Huntsman International and concluded that, as of December 31, 2015, such internal control is effective. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control Integrated Framework (2013)* ("COSO").

Our independent registered public accountants, Deloitte & Touche LLP, with direct access to our Board of Directors through our Audit Committee, have audited our consolidated financial statements prepared by our Company and Huntsman International and have issued attestation reports on internal control over financial reporting for our Company and Huntsman International.

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MANAGEMENT'S PROCESS TO ASSESS THE EFFECTIVENESS OF INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, we completed a comprehensive compliance process to evaluate our internal control over financial reporting for our Company and Huntsman International. We involved employees at all levels of our Company during 2015 in training, performing and evaluating our internal controls.

Our management's conclusion on the effectiveness of internal control over financial reporting is based on a comprehensive evaluation and analysis of the five elements of COSO. Our management considered information from multiple sources as the basis its conclusion including self-assessments of the control activities within each work process, assessments of division-level and entity-level controls and internal control attestations from key external service providers, as well as from key management. In addition, our internal control processes contain self-monitoring mechanisms, and proactive steps are taken to correct deficiencies as they are identified. We also maintain an internal auditing program that independently assesses the effectiveness of internal control over financial reporting within each of the five COSO elements.

/s/ PETER R. HUNTSMAN	/s/ J. KIMO ESPLIN
Peter R. Huntsman	J. Kimo Esplin
President and Chief Executive Officer	*Executive Vice President and Chief Financial Officer*
February 16, 2016	

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Huntsman Corporation and subsidiaries

We have audited the internal control over financial reporting of Huntsman Corporation and subsidiaries (the "Company") as of December 31, 2015, based on criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement

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schedules as of and for the year ended December 31, 2015 of the Company and our report dated February 16, 2016 expressed an unqualified opinion on those financial statements and financial statement schedules.

/s/ DELOITTE & TOUCHE LLP

Houston, Texas
February 16, 2016

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Managers and Members of
Huntsman International LLC and subsidiaries

We have audited the internal control over financial reporting of Huntsman International LLC and subsidiaries (the "Company") as of December 31, 2015, based on criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule

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as of and for the year ended December 31, 2015 of the Company and our report dated February 16, 2016 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ DELOITTE & TOUCHE LLP

Houston, Texas
February 16, 2016

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ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information relating to our Directors (including identification of our Audit Committee's financial expert(s)) and executive officers will be disclosed in the definitive Proxy Statement for our Annual Meeting of Stockholders and is incorporated herein by reference. See also the information regarding executive officers of the registrant set forth in Part I under the caption "Executive Officers of the Registrant" in reliance on General Instruction G to Form 10-K.

Code of Ethics

Our Company has adopted a code of ethics, as defined by Item 406(b) of Regulation S-K under the Exchange Act, that applies to our principal executive officer, principal financial officer and principal accounting officer or controller. A copy of the code of ethics is posted on our website, at www.huntsman.com. We intend to disclose any amendments to, or waivers from, our code of ethics on our website.

ITEM 11. EXECUTIVE COMPENSATION

Information relating to executive compensation and our equity compensation plans will be disclosed in the definitive Proxy Statement for our Annual Meeting of Stockholders and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information with respect to beneficial ownership of our common stock by each Director and all Directors and officers of our Company as a group will be disclosed in the definitive Proxy Statement for our Annual Meeting of Stockholders and is incorporated herein by reference.

Information relating to any person who beneficially owns in excess of 5 percent of the total outstanding shares of our common stock will be disclosed in the definitive Proxy Statement for our Annual Meeting of Stockholders and is incorporated herein by reference.

Information with respect to compensation plans under which equity securities are authorized for issuance will be disclosed in the definitive Proxy Statement for our Annual Meeting of Stockholders and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information with respect to certain relationships and related transactions will be disclosed in the definitive Proxy Statement for our Annual Meeting of Stockholders and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information with respect to principal accountant fees and services, and the disclosure of the Audit Committee's pre-approval policies and procedures are contained in the definitive Proxy Statement for our Annual Meeting of Stockholders and are incorporated herein by reference.

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PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed with this report.

1. Consolidated Financial Statements:

See Index to Consolidated Financial Statements on page F-1

2. Financial Statement Schedules:

Other than as stated on the Index to Consolidated Financial Statements on page F-1 with respect to Schedule I and Schedule II, financial statement schedules are omitted because they are not required or are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

3. Exhibits:

The exhibits to this report are listed on the Exhibit Index below.

(b) Description of exhibits.

EXHIBIT INDEX

Number	Description
3.1	Second Amended and Restated Certificate of Incorporation of Huntsman Corporation (incorporated by reference to Exhibit 3.1 to our registration statement on Form S-1/A filed on February 9, 2005)
3.2	Fourth Amended and Restated Bylaws of Huntsman Corporation effective September 12, 2013 (incorporated by reference to Exhibit 3.1 to our current report on Form 8-K filed on September 12, 2013)
4.1	Registration Rights Agreement dated as of February 10, 2005, by and among Huntsman Corporation and the stockholders signatory thereto (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on February 16, 2005 (File No. 001-32427))
4.2	Form of stock certificate of Huntsman Corporation (incorporated by reference to Exhibit 4.68 to amendment No. 3 to our registration statement on Form S-1 filed on February 8, 2005)
4.3	Form of Restricted Stock Agreement for Outside Directors, effective for grants prior to February 6, 2008 (incorporated by reference to Exhibit 4.7 to our registration statement on Form S-8 filed on February 10, 2006)
4.4	Form of Restricted Stock Unit Agreement for Outside Directors, effective for grants prior to February 6, 2008 (incorporated by reference to Exhibit 4.8 of our registration statement on Form S-8 filed on February 10, 2006)
4.5	Form of Restricted Stock Agreement for Outside Directors (incorporated by reference to Exhibit 4.31 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)

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Number	Description
4.6	Form of Restricted Stock Unit Agreement for Outside Directors, effective for grants from February 6, 2008 to September 21, 2010 (incorporated by reference to Exhibit 4.32 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
4.7	Indenture, dated as of November 19, 2012, by and among Huntsman International LLC, the guarantors named therein and Wells Fargo Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 to our current report on Form 8-K filed November 19, 2012)
4.8	Form of 4.875% Senior Note due 2020 (included as Exhibit A to Exhibit 4.7) (incorporated by reference to Exhibit 4.2 to our current report on Form 8-K filed November 19, 2012)
4.9	Form of Notation of Guarantee (included as Exhibit D to Exhibit 4.7) (incorporated by reference to Exhibit 4.3 to our current report on Form 8-K filed November 19, 2012)
4.10	Indenture, dated as of December 23, 2013, by and among Huntsman International LLC, the guarantors named therein, Citibank, N.A., London Branch, as paying agent, registrar and transfer agent, and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.1 to our current report on Form 8-K filed December 23, 2013)
4.11	Form of $5^1/_8$% Senior Note (included as Exhibit A to Exhibit 4.10) (incorporated by reference to Exhibit 4.2 to our current report on Form 8-K filed December 23, 2013)
4.12	Form of Notation of Guarantee (included as Exhibit D to Exhibit 4.10) (incorporated by reference to Exhibit 4.3 to our current report on Form 8-K filed December 23, 2013)
4.13	Indenture, dated as of November 13, 2014, by and among Huntsman International LLC, the guarantors named therein, and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on November 17, 2014)
4.14	Form of $5^1/_8$% Senior Note (included as Exhibit A to Exhibit 4.13) (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on November 17, 2014)
4.15	Form of Notation of Guarantee (included as Exhibit D to Exhibit 4.13) (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on November 17, 2014)
4.16	Indenture, dated as of March 31, 2015, by and among Huntsman International LLC, the guarantors named therein, Citibank, N.A., London Branch, as paying agent, transfer agent, registrar and authenticating agent, and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.1 to our current report on Form 8-K filed on April 2, 2015)
4.17	Form of 4.25% Senior Notes due 2025 (included as Exhibit A to Exhibit 4.16) (incorporated by reference to Exhibit 4.1 to our current report on Form 8-K filed on April 2, 2015)
4.18	Form of Notation of Guarantee (included as Exhibit D to Exhibit 4.16) (incorporated by reference to Exhibit 4.1 to our current report on Form 8-K filed on April 2, 2015)
10.1	Employment Agreement with Anthony Hankins (incorporated by reference to Exhibit 10.27 to amendment No. 2 to our registration statement on Form S-1 filed on January 28, 2005)
10.2	Huntsman Corporation Stock Incentive Plan (incorporated by reference to Exhibit 10.19 to amendment No. 4 to our registration statement on Form S-1 filed on February 8, 2005)
10.3	Form of Nonqualified Stock Option Agreement, effective for grants prior to February 21, 2011 (incorporated by reference to Exhibit 10.20 to amendment No. 4 to our registration statement on Form S-1 filed on February 8, 2005)

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Number	Description
10.4	Form of Restricted Stock Agreement, effective for grants prior to February 6, 2008 (incorporated by reference to Exhibit 10.21 to amendment No. 4 to our registration statement on Form S-1 filed on February 8, 2005)
10.5	Form of Stock Appreciation Rights Agreement (incorporated by reference to Exhibit 10.22 to amendment No. 4 to our registration statement on Form S-1 filed on February 8, 2005)
10.6	Form of Phantom Share Agreement, effective for grants prior to February 6, 2008 (incorporated by reference to Exhibit 10.23 to amendment No. 4 to our registration statement on Form S-1 filed on February 8, 2005)
10.7	Form of Executive Severance Plan (as amended and restated) (incorporated by reference to Exhibit 10.24 to amendment No. 4 to our registration statement on Form S-1 filed on February 8, 2005)
10.8	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.25 to amendment No. 4 to our registration statement on Form S-1 filed on February 8, 2005)
10.9	Credit Agreement dated August 16, 2005 among Huntsman International LLC, Deutsche Bank AG New York Branch as Administrative Agent and the other financial institutions named therein (incorporated by reference to Exhibit 10.1 to Huntsman International LLC's current report on Form 8-K filed August 22, 2005 (File No. 333-85141))
10.10	Form of Non-qualified Stock Option Agreement for Outside Directors (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed November 8, 2005 (File No. 001-32427)
10.11	Consent and First Amendment to Credit Agreement dated December 12, 2005 among Huntsman International LLC, Deutsche Bank AG New York Branch as Administrative Agent and the other financial institutions named therein (incorporated by reference to Exhibit 10.1 to Huntsman International LLC's current report on Form 8-K filed December 27, 2005 (File No. 333-85141))
10.12	Amended and Restated Huntsman Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed December 30, 2005 (File No. 001-32427))
10.13	Huntsman Supplemental Executive MPP Plan (incorporated by reference to Exhibit 10.2 to our current report on Form 8-K filed December 30, 2005 (File No. 001-32427))
10.14	Amended and Restated Huntsman Supplemental Savings Plan (incorporated by reference to Exhibit 10.3 to our current report on Form 8-K filed December 30, 2005 (File No. 001-32427))
10.15	Huntsman Outside Directors Elective Deferral Plan (incorporated by reference to Exhibit 10.4 to our current report on Form 8-K filed December 30, 2005 (File No. 001-32427))
10.16	Consent and Second Amendment to Credit Agreement and Amendment to Security Documents, dated June 30, 2006, by and among Huntsman International LLC, as Borrower, Deutsche Bank AG New York Branch, as Administrative Agent and Collateral Agent, and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on July 7, 2006 (File No. 001-32427))
10.17	Third Amendment to Credit Agreement dated April 19, 2007 by and among Huntsman International LLC, as Borrower, Deutsche Bank AG New York Branch, as Administrative Agent and Collateral Agent, and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on April 24, 2007 (File No. 001-32427))

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Number	Description
10.18	First Amendment to Huntsman Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.32 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
10.19	First Amendment to Huntsman Supplemental Executive MPP Plan (incorporated by reference to Exhibit 10.33 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
10.20	First Amendment to Huntsman Supplemental Savings Plan (incorporated by reference to Exhibit 10.34 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
10.21	Second Amendment to Huntsman Supplemental Savings Plan (incorporated by reference to Exhibit 10.35 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
10.22	First Amendment to Huntsman Outside Directors Elective Deferral Plan (incorporated by reference to Exhibit 10.36 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
10.23	Form of Restricted Stock Agreement effective for grants from February 6, 2008 to September 21, 2010 (incorporated by reference to Exhibit 10.37 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
10.24	Form of Phantom Share Agreement effective for grants from February 6, 2008 to February 23, 2010 (incorporated by reference to Exhibit 10.38 to our annual report on Form 10-K filed on February 22, 2008) (File No. 001-32427)
10.25	Letter Agreement, dated June 15, 2009, among Huntsman Polyurethanes (UK) Ltd. and Paul G. Hulme (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on June 17, 2009) (File No. 001-32427)
10.26	Fourth Amendment to Credit Agreement, dated as of June 22, 2009, by and among Huntsman International LLC and Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. (incorporated by reference to Exhibit 10.3 to our current report on Form 8-K filed on June 23, 2009) (File No. 001-32427)
10.27	U.S. Receivables Loan Agreement dated as of October 16, 2009 among Huntsman Receivables Finance II LLC, Huntsman (Europe) BVBA, the several entities party thereto as lenders, the several financial institutions party thereto as funding agents, the several commercial paper conduits party thereto as conduit lenders, the several financial institutions party thereto as committed lenders, Wachovia Bank National Association, as administrative agent, and Wachovia Bank National Association, as collateral Agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on October 22, 2009) (File No. 001-32427)
10.28	U.S. Contribution Agreement dated as of October 16, 2009 between Huntsman International LLC and Huntsman Receivables Finance II LLC (incorporated by reference to Exhibit 10.2 to our current report on Form 8-K filed on October 22, 2009) (File No. 001-32427)
10.29	European Receivables Loan Agreement dated as of October 16, 2009 between Huntsman Receivables Finance LLC, Huntsman (Europe) BVBA, the several entities party thereto as lenders, the several financial institutions party thereto as funding agents, Barclays Bank Plc, as administrative agent, and Barclays Bank Plc, as collateral agent (incorporated by reference to Exhibit 10.3 to our current report on Form 8-K filed on October 22, 2009) (File No. 001-32427)
10.30	European Contribution Agreement dated as of October 16, 2009 between Huntsman International LLC and Huntsman Receivables Finance LLC (incorporated by reference to Exhibit 10.4 to our current report on Form 8-K filed on October 22, 2009) (File No. 001-32427)

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Number	Description
10.31	Fifth Amendment to Credit Agreement, dated as of March 9, 2010, by and among Huntsman International LLC, JPMorgan Chase Bank, N.A. and the other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to our current report on Form 10-Q filed on May 7, 2010)
10.32	Certain exhibits and schedules to Exhibit A to the Fifth Amendment to Credit Agreement, dated as of March 9, 2010, which was previously filed as Exhibit 10.1 to our quarterly report on Form 10-Q filed May 7, 2010 (incorporated by reference to Exhibit 10.2 to our current report on Form 10-Q filed on November 4, 2010)
10.33	Second Amendment to Huntsman Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.38 to our annual report on Form 10-K filed on February 17, 2011)
10.34	Third Amendment to Huntsman Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.39 to our annual report on Form 10-K filed on February 17, 2011)
10.35	Form of Restricted Stock Agreement (incorporated by reference to Exhibit 10.40 to our annual report on Form 10-K filed on February 17, 2011)
10.36	Form of Phantom Share Agreement (incorporated by reference to Exhibit 10.41 to our annual report on Form 10-K filed on February 17, 2011)
10.37	Form of Nonqualified Stock Option Agreement (incorporated by reference to Exhibit 10.42 to our annual report on Form 10-K filed on February 17, 2011)
10.38	Form of Restricted Stock Unit Agreement for Outside Directors (incorporated by reference to Exhibit 10.43 to our annual report on Form 10-K filed on February 17, 2011)
10.39	Sixth Amendment, dated as of March 7, 2011, to the Credit Agreement, dated as of August 16, 2005, among Huntsman International LLC, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on March 9, 2011)
10.40	Master Amendment No. 2 to the U.S. Receivables Loan Agreement, U.S. Servicing Agreement and Transaction Documents dated as of April 18, 2011 (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on April 20, 2011)
10.41	Master Amendment No. 2 to the European Receivables Loan Agreement, European Servicing Agreement and Transaction Documents dated as of April 15, 2011 (incorporated by reference to Exhibit 10.2 to our current report on Form 8-K filed on April 20, 2011)
10.42	Huntsman Executive Severance Plan (as amended and restated) (incorporated by reference to Exhibit 10.4 to our current report on Form 10-Q filed on May 5, 2011)
10.43	Second Amendment to Huntsman Outside Directors Elective Deferral Plan (incorporated by reference to Exhibit 10.5 to our current report on Form 10-Q filed on May 5, 2011)
10.44	Third Amendment to Huntsman Outside Directors Elective Deferral Plan (incorporated by reference to Exhibit 10.6 to our current report on Form 10-Q filed on May 5, 2011)
10.45	Huntsman Corporation Stock Incentive Plan (amended and restated) (incorporated by reference to Exhibit 4.1 to our registration statement on Form S-8 filed on May 10, 2011)
10.46	Seventh Amendment, dated as of March 6, 2012, to Credit Agreement, dated as of August 16, 2005, among Huntsman International LLC, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on March 6, 2012)

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Number	Description
10.47	Severance Agreement dated January 1, 2013 between Huntsman Corporation and Jon M. Huntsman (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on January 4, 2013)
10.48	Severance Agreement dated January 1, 2013 between Huntsman Corporation and Peter R. Huntsman (incorporated by reference to Exhibit 10.2 to our current report on Form 8-K filed on January 4, 2013)
10.49	First Amendment to the Huntsman Corporation Stock Incentive Plan (as amended and restated) (incorporated by reference to Exhibit 10.56 to our annual report on Form 10-K filed on February 12, 2013)
10.50	Eighth Amendment, dated as of March 11, 2013, to Credit Agreement, dated as of August 16, 2005, among Huntsman International LLC, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on March 12, 2013)
10.51	Master Amendment No. 3 to the U.S. Receivables Loan Agreement, U.S. Servicing Agreement and Transaction Documents dated as of April 29, 2013 (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on May 2, 2013)
10.52	Master Amendment No. 3 to the European Receivables Loan Agreement dated as of April 29, 2013 (incorporated by reference to Exhibit 10.2 to our current report on Form 8-K filed on May 2, 2013)
10.53	Form of Notice of Award of Common Stock (incorporated by reference to Exhibit 10.3 to our quarterly report on Form 10-Q for the quarter ended June 30, 2013)
10.54	Ninth Amendment, dated as of August 22, 2013, to Credit Agreement, dated as of August 16, 2005, among Huntsman International LLC, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on August 26, 2013)
10.55	Stock Purchase Agreement dated as of September 17, 2013 by and between Rockwood Specialties Group, Inc. and Huntsman International LLC (incorporated by reference to Exhibit 2.1 to our current report on Form 8-K filed on September 20, 2013) as amended by Amendment to Stock Purchase Agreement dated as of March 20, 2014 (incorporated by reference to Exhibit 2.1 to our quarterly report on Form 10-Q filed on April 29, 2014) as amended by Amendment No. 2 to Stock Purchase Agreement dated as of July 24, 2014 (incorporated by reference to Exhibit 10.2 to our quarterly report on Form 10-Q filed on July 30, 2014) as amended by Amendment No. 3 to Stock Purchase Agreement dated as of September 30, 2014 (incorporated by reference to Exhibit 2.2 to our quarterly report on Form 10-Q filed on October 27, 2014)
10.56	Tenth Amendment to Credit Agreement, Second Amendment to Collateral Security Agreement, Second Amendment to Pledge Agreement and Second Amendment to Subsidiary Guaranty, dated as of October 15, 2013, among Huntsman International LLC, the subsidiary guarantors party thereto, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on October 18, 2013)
10.57	Huntsman Executive Severance Plan (as amended and restated) (incorporated by reference to Exhibit 10.3 to our quarterly report on Form 10-Q for the quarter ended September 30, 2013)
10.58	Huntsman Corporation Stock Incentive Plan (amended and restated) (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on May 12, 2014)

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Number	Description
10.59	Eleventh Amendment, dated as of August 12, 2014, to Credit Agreement, dated as of August 16, 2005, among Huntsman International LLC, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on August 15, 2014)
10.60	Twelfth Amendment, dated as of August 13, 2014, to Credit Agreement, dated as of August 16, 2005, among Huntsman International LLC, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on August 15, 2014)
10.61	Thirteenth Amendment to Credit Agreement, dated as of October 1, 2014, among Huntsman International LLC, the subsidiary guarantors party thereto, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on October 7, 2014)
10.62	Registration Rights Agreement, dated as of November 13, 2014, by and among Huntsman International LLC, the guarantors named therein and J.P. Morgan Securities LLC, as representative of the several purchasers (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on November 17, 2014)
10.63	Form of Performance Share Unit Award Agreement (incorporated by reference to Exhibit 10.65 to our annual report on Form 10-K filed on February 18, 2015)
10.64	Amendment to the Huntsman Corporation Stock Incentive Plan Nonqualified Stock Option Agreement (incorporated by reference to Exhibit 10.66 to our annual report on Form 10-K filed on February 18, 2015)
10.65	Registration Rights Agreement, dated as of March 31, 2015, by and among Huntsman International LLC, the guarantors named therein and the several initial purchasers (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on April 2, 2015)
10.66	Master Amendment No. 4 to the European Receivables Loan Agreement, the Servicing Agreement, the Liquidation Servicer Agreement and the Transaction Documents, dated as of March 5, 2015 (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on March 9, 2015)
10.67	Master Amendment No. 4 to the U.S. Receivables Loan Agreement, U.S. Servicing Agreement and Transaction Documents and Waiver, dated as of March 30, 2015 (incorporated by reference to Exhibit 10.2 to our current report on Form 8-K filed on April 2, 2015)
10.68	Fourteenth Amendment to Credit Agreement, dated as of August 10, 2015, among Huntsman International LLC, the lenders from time to time party thereto, and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to our current report on Form 8-K filed on August 10, 2015)
21.1*	Subsidiaries of Huntsman Corporation
23.1*	Consent of Independent Registered Public Accounting Firm
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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Number	Description
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.LAB*	XBRL Taxonomy Extension Label Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Linkbase

*
Filed herewith.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned, thereunto duly authorized.

Dated: February 16, 2016

HUNTSMAN CORPORATION
HUNTSMAN INTERNATIONAL LLC

By: /s/ J. KIMO ESPLIN

J. Kimo Esplin
Executive Vice President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Huntsman Corporation in the capacities indicated on the 16 day of February 2016.

/s/ JON M. HUNTSMAN	/s/ PETER R. HUNTSMAN
Jon M. Huntsman *Executive Chairman of the Board and Director*	Peter R. Huntsman *President, Chief Executive Officer and Director* *(Principal Executive Officer)*
/s/ J. KIMO ESPLIN	/s/ RANDY W. WRIGHT
J. Kimo Esplin *Executive Vice President and Chief Financial Officer* *(Principal Financial Officer)*	Randy W. Wright *Vice President and Controller* *(Authorized Signatory and* *Principal Accounting Officer)*
/s/ NOLAN D. ARCHIBALD	/s/ WAYNE A. REAUD
Nolan D. Archibald *Chairman of the Compensation Committee and Director*	Wayne A. Reaud *Chairman of the Litigation Committee and Director*
/s/ ALVIN V. SHOEMAKER	/s/ M. ANTHONY BURNS
Alvin V. Shoemaker *Director*	M. Anthony Burns *Chairman of the Audit Committee and Director*
/s/ MARY C. BECKERLE	/s/ SIR ROBERT MARGETTS
Mary C. Beckerle *Director*	Sir Robert Margetts *Director*

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Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of Huntsman International in the capacities indicated on the 16 day of February 2016.

/s/ JON M. HUNTSMAN	/s/ PETER R. HUNTSMAN
Jon M. Huntsman *Chairman of the Board of Managers and Manager*	Peter R. Huntsman *President, Chief Executive Officer and Manager* *(Principal Executive Officer)*
/s/ J. KIMO ESPLIN	/s/ RANDY W. WRIGHT
J. Kimo Esplin *Executive Vice President, Chief Financial Officer and Manager* *(Principal Financial Officer)*	Randy W. Wright *Vice President and Controller* *(Authorized Signatory and* *Principal Accounting Officer)*
/s/ DAVID M. STRYKER	
David M. Stryker *Executive Vice President, General Counsel* *Chief Compliance Officer and Secretary*	

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HUNTSMAN CORPORATION AND SUBSIDIARIES

HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Huntsman Corporation and subsidiaries

We have audited the accompanying consolidated balance sheets of Huntsman Corporation and subsidiaries (the "Company") as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive (loss) income, equity, and cash flows for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedules listed in the Index on page F-1. These financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Huntsman Corporation and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 16, 2016 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Houston, Texas
February 16, 2016

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HUNTSMAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Millions, Except Share and Per Share Amounts)

	December 31, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents(a)	$ 257	$ 860
Restricted cash(a)	12	10
Accounts and notes receivable (net of allowance for doubtful accounts of $26 and $34, respectively), ($438 and $472 pledged as collateral, respectively)(a)	1,420	1,665
Accounts receivable from affiliates	29	42
Inventories(a)	1,692	2,025
Prepaid expenses	112	62
Deferred income taxes		62
Other current assets(a)	312	313
Total current assets	3,834	5,039
Property, plant and equipment, net(a)	4,446	4,423
Investment in unconsolidated affiliates	347	350
Intangible assets, net(a)	86	95
Goodwill	116	122
Deferred income taxes	418	435
Other noncurrent assets(a)	573	459
Total assets	$ 9,820	$ 10,923
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable(a)	$ 1,034	$ 1,218
Accounts payable to affiliates	27	57
Accrued liabilities(a)	686	739
Deferred income taxes		51
Current portion of debt(a)	170	267
Total current liabilities	1,917	2,332
Long-term debt(a)	4,625	4,854
Notes payable to affiliates	1	6
Deferred income taxes	422	333
Other noncurrent liabilities(a)	1,226	1,447
Total liabilities	8,191	8,972
Commitments and contingencies (Notes 19 and 20)		
Equity		
Huntsman Corporation stockholders' equity:		
Common stock $0.01 par value, 1,200,000,000 shares authorized, 249,483,541 and 248,893,036 issued and 237,080,026 and 243,416,979 outstanding in 2015 and 2014, respectively	3	3
Additional paid-in capital	3,407	3,385
Treasury stock, 11,162,454 and 4,043,526 shares in 2015 and 2014, respectively	(135)	(50)
Unearned stock-based compensation	(17)	(14)
Accumulated deficit	(528)	(493)
Accumulated other comprehensive loss	(1,288)	(1,053)
Total Huntsman Corporation stockholders' equity	1,442	1,778
Noncontrolling interests in subsidiaries	187	173
Total equity	1,629	1,951

Total liabilities and equity	$ 9,820	$ 10,923

(a) At December 31, 2015 and December 31, 2014, respectively, $34 and $46 of cash and cash equivalents, $12 and $10 of restricted cash, $26 and $41 of accounts and notes receivable (net), $54 and $68 of inventories, $5 and $6 of other current assets, $307 and $339 of property, plant and equipment (net), $36 and $40 of intangible assets (net), $38 and $27 of other noncurrent assets, $82 and $92 of accounts payable, $27 and $37 of accrued liabilities, $15 and $172 of current portion of debt, $137 and $36 of long-term debt, and $54 and $97 of other noncurrent liabilities from consolidated variable interest entities are included in the respective Balance Sheet captions above. See "Note 7. Variable Interest Entities."

See accompanying notes to consolidated financial statements.

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HUNTSMAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Millions, Except Per Share Amounts)

	Year ended December 31,		
	2015	**2014**	**2013**
Revenues:			
Trade sales, services and fees, net	$ 10,168	$ 11,317	$ 10,847
Related party sales	131	261	232
Total revenues	10,299	11,578	11,079
Cost of goods sold	8,451	9,659	9,326
Gross profit	1,848	1,919	1,753
Operating expenses:			
Selling, general and administrative	982	974	942
Research and development	160	158	140
Other operating (income) expense	(1)	(4)	10
Restructuring, impairment and plant closing costs	302	158	151
Total expenses	1,443	1,286	1,243
Operating income	405	633	510
Interest expense	(205)	(205)	(190)
Equity in income of investment in unconsolidated affiliates	6	6	8
Loss on early extinguishment of debt	(31)	(28)	(51)
Other income (loss)	1	(2)	2
Income from continuing operations before income taxes	176	404	279
Income tax expense	(46)	(51)	(125)
Income from continuing operations	130	353	154
Loss from discontinued operations	(4)	(8)	(5)
Net income	126	345	149
Net income attributable to noncontrolling interests	(33)	(22)	(21)
Net income attributable to Huntsman Corporation	$ 93	$ 323	$ 128

(continued)

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HUNTSMAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS (Continued)

(In Millions, Except Per Share Amounts)

	Year ended December 31, 2015	2014	2013
Basic income (loss) per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.40	$ 1.36	$ 0.55
Loss from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax	(0.02)	(0.03)	(0.02)
Net income attributable to Huntsman Corporation common stockholders	$ 0.38	$ 1.33	$ 0.53
Weighted average shares	242.8	242.1	239.7
Diluted income (loss) per share:			
Income from continuing operations attributable to Huntsman Corporation common stockholders	$ 0.40	$ 1.34	$ 0.55
Loss from discontinued operations attributable to Huntsman Corporation common stockholders, net of tax	(0.02)	(0.03)	(0.02)
Net income attributable to Huntsman Corporation common stockholders	$ 0.38	$ 1.31	$ 0.53
Weighted average shares	245.4	246.0	242.4
Amounts attributable to Huntsman Corporation common stockholders:			
Income from continuing operations	$ 97	$ 331	$ 133
Loss from discontinued operations, net of tax	(4)	(8)	(5)
Net income	$ 93	$ 323	$ 128
Dividends per share	$ 0.50	$ 0.50	$ 0.50

See accompanying notes to consolidated financial statements.

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HUNTSMAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(In Millions)

	Year ended December 31,		
	2015	2014	2013
Net income	$ 126	$ 345	$ 149
Other comprehensive (loss) income, net of tax:			
Foreign currency translations adjustments	(313)	(221)	(23)
Pension and other postretirement benefits adjustments	66	(271)	185
Other, net	7	1	10
Other comprehensive (loss) income, net of tax	(240)	(491)	172
Comprehensive (loss) income	(114)	(146)	321
Comprehensive income attributable to noncontrolling interests	(28)	(7)	(26)
Comprehensive (loss) income attributable to Huntsman Corporation	$ (142)	$ (153)	$ 295

See accompanying notes to consolidated financial statements.

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HUNTSMAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In Millions, Except Share Amounts)

Huntsman Corporation Stockholders' Equity

	Shares								
	Common stock	Common stock	Additional paid-in capital	Treasury stock	Unearned stock-based compensation	Accumulated deficit	Accumulated other comprehensive loss	Noncontrolling interests in subsidiaries	Total equity
Balance, January 1, 2013	238,273,422	2	3,264	(50)	(12)	(687)	(744)	123	1,896
Net income						128		21	149
Other comprehensive income							167	5	172
Issuance of nonvested stock awards			14		(14)				
Vesting of stock awards	1,067,888		5						5
Recognition of stock-based compensation			8		13				21
Repurchase and cancellation of stock awards	(304,209)					(6)			(6)
Stock options exercised	1,364,341		13						13
Excess tax benefit related to stock-based compensation			1						1
Accrued and unpaid dividends						(2)			(2)
Dividends declared on common stock						(120)			(120)
Balance, December 31, 2013	240,401,442	2	3,305	(50)	(13)	(687)	(577)	149	2,129
Net income						323		22	345
Other comprehensive loss							(476)	(15)	(491)
Issuance of nonvested stock awards			15		(15)				
Vesting of stock awards	1,018,050		7						7
Recognition of stock-based compensation			10		14				24
Repurchase and cancellation of stock awards	(302,200)					(7)			(7)
Stock options exercised	2,299,687	1	47						48
Dividends paid to noncontrolling interests								(4)	(4)
Excess tax benefit related to stock-based compensation			1						1
Accrued and unpaid dividends						(1)			(1)
Cash received for a noncontrolling interest of a subsidiary								5	5
Acquisition of a business								16	16
Dividends declared on common stock						(121)			(121)
Balance, December 31, 2014	243,416,979	3	3,385	(50)	(14)	(493)	(1,053)	173	1,951
Net income						93		33	126

Other comprehensive loss							(235)	(5)	(240)
Issuance of nonvested stock awards			19		(19)				
Vesting of stock awards	1,037,743		7						7
Recognition of stock-based compensation			10		16				26
Repurchase and cancellation of stock awards	(304,340)					(7)			(7)
Stock options exercised	48,572		1						1
Dividends paid to noncontrolling interests								(14)	(14)
Excess tax benefit related to stock-based compensation			1						1
Cash paid for noncontrolling interest			(1)						(1)
Treasury stock repurchased	(7,118,928)		(15)	(85)					(100)
Dividends declared on common stock						(121)			(121)
Balance, December 31, 2015	237,080,026	$ 3	$ 3,407	$ (135)	$ (17)	$ (528)	$ (1,288)	$ 187	$ 1,629

See accompanying notes to consolidated financial statements.

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HUNTSMAN CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)

	Year ended December 31,		
	2015	**2014**	**2013**
Operating Activities:			
Net income	$ 126	$ 345	$ 149
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in income of investment in unconsolidated affiliates	(6)	(6)	(8)
Depreciation and amortization	399	445	448
Provision for losses on accounts receivable	1		2
Loss on disposal of businesses/assets, net	4	4	5
Loss on early extinguishment of debt	31	28	51
Noncash interest expense	11	11	11
Noncash restructuring and impairment charges	112	37	13
Deferred income taxes	(25)	(51)	10
Noncash loss on foreign currency transactions	7	15	31
Stock-based compensation	30	28	29
Other, net	3	(2)	
Changes in operating assets and liabilities, net of effects of acquisitions:			
Accounts and notes receivable	121	2	(11)
Inventories	179	(20)	77
Prepaid expenses	(52)	(2)	(11)
Other current assets	(64)	(44)	23
Other noncurrent assets	(98)	(44)	(113)
Accounts payable	(157)	86	(12)
Accrued liabilities	(9)	11	(39)
Other noncurrent liabilities	(38)	(83)	53
Net cash provided by operating activities	575	760	708
Investing Activities:			
Capital expenditures	(663)	(601)	(471)
Cash received from unconsolidated affiliates	48	51	71
Investment in unconsolidated affiliates	(54)	(108)	(104)
Acquisition of businesses, net of cash acquired	(14)	(960)	(66)
Cash received from purchase price adjustment for business acquired	18		
Proceeds from sale of businesses/assets	1	15	2
Cash received from termination of cross-currency interest rate contracts	66		
Change in restricted cash	(3)		
Other, net	1	(3)	2
Net cash used in investing activities	(600)	(1,606)	(566)

(continued)

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HUNTSMAN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(In Millions)

	Year ended December 31,		
	2015	**2014**	**2013**
Financing Activities:			
Net repayments under revolving loan facilities	$ (1)	$ (1)	$ (4)
Net repayments on overdraft facilities	(8)	(5)	(9)
Repayments of short-term debt		(8)	(18)
Borrowings on short-term debt	12	15	15
Repayments of long-term debt	(604)	(418)	(840)
Proceeds from issuance of long-term debt	326	1,792	979
Repayments of notes payable	(33)	(34)	(40)
Borrowings on notes payable	34	33	35
Debt issuance costs paid	(8)	(67)	(11)
Call premiums related to early extinguishment of debt	(35)	(24)	(4)
Contingent consideration paid for acquisition	(4)	(6)	
Dividends paid to common stockholders	(121)	(121)	(120)
Dividends paid to noncontrolling interests	(14)	(4)	
Repurchase and cancellation of stock awards	(7)	(7)	(6)
Proceeds from issuance of common stock	1	47	13
Repurchase of common stock	(100)		
Excess tax benefit related to stock-based compensation	1	1	1
Other, net	(1)	4	3
Net cash (used in) provided by financing activities	(562)	1,197	(6)
Effect of exchange rate changes on cash	(16)	(11)	(3)
(Decrease) increase in cash and cash equivalents	(603)	340	133
Cash and cash equivalents at beginning of period	860	520	387
Cash and cash equivalents at end of period	$ 257	$ 860	$ 520
Supplemental cash flow information:			
Cash paid for interest	$ 225	$ 208	$ 187
Cash paid for income taxes	126	165	78

As of December 31, 2015, 2014 and 2013, the amount of capital expenditures in accounts payable was $79 million, $88 million and $73 million, respectively.

See accompanying notes to consolidated financial statements.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Managers and Members of
Huntsman International LLC and subsidiaries

We have audited the accompanying consolidated balance sheets of Huntsman International LLC and subsidiaries (the "Company") as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive (loss) income, equity, and cash flows for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedule listed in the Index on page F-1. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Huntsman International LLC and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 16, 2016 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ DELOITTE & TOUCHE LLP

Houston, Texas
February 16, 2016

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HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Millions, Except Unit Amounts)

	December 31, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents(a)	$ 257	$ 710
Restricted cash(a)	12	10
Accounts and notes receivable (net of allowance for doubtful accounts of $26 and $34, respectively), ($438 and $472 pledged as collateral, respectively)(a)	1,420	1,665
Accounts receivable from affiliates	340	346
Inventories(a)	1,692	2,025
Prepaid expenses	111	61
Deferred income taxes		62
Other current assets(a)	306	306
Total current assets	4,138	5,185
Property, plant and equipment, net(a)	4,410	4,375
Investment in unconsolidated affiliates	347	350
Intangible assets, net(a)	86	96
Goodwill	116	122
Deferred income taxes	418	435
Other noncurrent assets(a)	573	459
Total assets	$ 10,088	$ 11,022
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable(a)	$ 1,034	$ 1,218
Accounts payable to affiliates	52	74
Accrued liabilities(a)	683	736
Deferred income taxes		52
Notes payable to affiliates	100	100
Current portion of debt(a)	170	267
Total current liabilities	2,039	2,447
Long-term debt(a)	4,625	4,854
Notes payable to affiliates	698	656
Deferred income taxes	418	326
Other noncurrent liabilities(a)	1,224	1,443
Total liabilities	9,004	9,726
Commitments and contingencies (Notes 19 and 20)		
Equity		
Huntsman International LLC members' equity:		
Members' equity, 2,728 units issued and outstanding	3,196	3,166
Accumulated deficit	(983)	(956)
Accumulated other comprehensive loss	(1,316)	(1,087)
Total Huntsman International LLC members' equity	897	1,123
Noncontrolling interests in subsidiaries	187	173
Total equity	1,084	1,296
Total liabilities and equity	$ 10,088	$ 11,022

(a) At December 31, 2015 and December 31, 2014, respectively, $34 and $46 of cash and cash equivalents, $12 and $10 of restricted cash, $26 and $41 of accounts and notes receivable (net), $54 and $68 of inventories, $5 and $6 of other current assets, $307 and $339 of property, plant and equipment (net), $36 and $40 of intangible assets (net), $38 and $27 of other noncurrent assets, $82 and $92 of accounts payable, $27 and $37 of accrued liabilities, $15 and $172 of current portion of debt, $137 and $36 of long-term debt, and $54 and $97 of other noncurrent liabilities from consolidated variable interest entities are included in the respective Balance Sheet captions above. See "Note 7. Variable Interest Entities."

See accompanying notes to consolidated financial statements.

HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In Millions)

	Year ended December 31,		
	2015	2014	2013
Revenues:			
Trade sales, services and fees, net	$ 10,168	$ 11,317	$ 10,847
Related party sales	131	261	232
Total revenues	10,299	11,578	11,079
Cost of goods sold	8,447	9,651	9,309
Gross profit	1,852	1,927	1,770
Operating expenses:			
Selling, general and administrative	977	969	936
Research and development	160	158	140
Other operating (income) expense		(4)	10
Restructuring, impairment and plant closing costs	302	158	151
Total expenses	1,439	1,281	1,237
Operating income	413	646	533
Interest expense	(214)	(214)	(203)
Equity in income of investment in unconsolidated affiliates	6	6	8
Loss on early extinguishment of debt	(31)	(28)	(51)
Other income (loss)	2	(1)	2
Income from continuing operations before income taxes	176	409	289
Income tax expense	(45)	(43)	(137)
Income from continuing operations	131	366	152
Loss from discontinued operations, net of tax	(4)	(9)	(5)
Net income	127	357	147
Net income attributable to noncontrolling interests	(33)	(22)	(21)
Net income attributable to Huntsman International LLC	$ 94	$ 335	$ 126

See accompanying notes to consolidated financial statements.

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HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(In Millions)

	Year ended December 31,		
	2015	2014	2013
Net income	$ 127	$ 357	$ 147
Other comprehensive (loss) income, net of tax:			
Foreign currency translations adjustment	(314)	(221)	(25)
Pension and other postretirement benefits adjustments	73	(264)	193
Other, net	7	1	10
Other comprehensive (loss) income, net of tax	(234)	(484)	178
Comprehensive (loss) income	(107)	(127)	325
Comprehensive income attributable to noncontrolling interests	(28)	(7)	(26)
Comprehensive (loss) income attributable to Huntsman International LLC	$ (135)	$ (134)	$ 299

See accompanying notes to consolidated financial statements.

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HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In Millions, Except Unit Amounts)

	Huntsman International LLC Members					
	Members' equity					
	Units	Amount	Accumulated deficit	Accumulated other comprehensive loss	Noncontrolling interests in subsidiaries	Total equity
Balance, January 1, 2013	2,728	$ 3,109	$ (1,224)	$ (791)	$ 123	$ 1,217
Net income			126		21	147
Dividends paid to parent			(96)			(96)
Other comprehensive income				173	5	178
Contribution from parent		28				28
Excess tax benefit related to stock-based compensation		1				1
Balance, December 31, 2013	2,728	3,138	(1,194)	(618)	149	1,475
Net income			335		22	357
Dividends paid to parent			(97)			(97)
Other comprehensive income				(469)	(15)	(484)
Contribution from parent		27				27
Dividends paid to noncontrolling interests					(4)	(4)
Excess tax benefit related to stock-based compensation		1				1
Cash received for a noncontrolling interest of a subsidiary					5	5
Acquisition of a business					16	16
Balance, December 31, 2014	2,728	3,166	(956)	(1,087)	173	1,296
Net income			94		33	127
Dividends paid to parent			(121)			(121)
Other comprehensive income				(229)	(5)	(234)
Contribution from parent		29				29
Dividends paid to noncontrolling interests					(14)	(14)
Excess tax benefit related to stock-based compensation		1				1
Balance, December 31, 2015	2,728	$ 3,196	$ (983)	$ (1,316)	$ 187	$ 1,084

See accompanying notes to consolidated financial statements.

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HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)

	Year ended December 31, 2015	2014	2013
Operating Activities:			
Net income	$ 127	$ 357	$ 147
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in income of investment in unconsolidated affiliates	(6)	(6)	(8)
Depreciation and amortization	387	430	424
Provision for losses on accounts receivable	1		2
Loss on disposal of businesses/assets, net	4	4	5
Loss on early extinguishment of debt	31	28	51
Noncash interest expense	20	21	23
Noncash restructuring and impairment charges	112	37	13
Deferred income taxes	(24)	(48)	56
Noncash loss on foreign currency transactions	7	15	31
Noncash compensation	29	27	28
Other, net	4	(3)	
Changes in operating assets and liabilities, net of effects of acquisitions:			
Accounts and notes receivable	121	2	(11)
Inventories	179	(20)	77
Prepaid expenses	(52)	(2)	(11)
Other current assets	(66)	(37)	23
Other noncurrent assets	(98)	(44)	(113)
Accounts payable	(166)	76	(24)
Accrued liabilities	(9)	(8)	(39)
Other noncurrent liabilities	(31)	(75)	60
Net cash provided by operating activities	570	754	734
Investing Activities:			
Capital expenditures	(663)	(601)	(471)
Cash received from unconsolidated affiliates	48	51	71
Investment in unconsolidated affiliates	(54)	(108)	(104)
Acquisition of businesses, net of cash acquired	(14)	(960)	(66)
Cash received from purchase price adjustment for business acquired	18		
Proceeds from sale of businesses/assets	1	15	2
Decrease (increase) in receivable from affiliate	1	(2)	(48)
Cash received from termination of cross-currency interest rate contracts	66		
Change in restricted cash	(3)		
Other, net	1	(2)	2
Net cash used in investing activities	(599)	(1,607)	(614)

(continued)

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HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(In Millions)

	Year ended December 31,		
	2015	2014	2013
Financing Activities:			
Net repayments under revolving loan facilities	$ (1)	$ (1)	$ (4)
Net repayments on overdraft facilities	(8)	(5)	(9)
Repayments of short-term debt		(8)	(18)
Borrowings on short-term debt	12	15	15
Repayments of long-term debt	(604)	(418)	(840)
Proceeds from issuance of long-term debt	326	1,792	979
Repayments of notes payable to affiliate	(148)	(122)	
Proceeds from notes payable to affiliate	195		177
Repayments of notes payable	(33)	(34)	(40)
Borrowings on notes payable	34	33	35
Debt issuance costs paid	(8)	(67)	(11)
Call premiums related to early extinguishment of debt	(35)	(24)	(4)
Contingent consideration paid for acquisition	(4)	(6)	
Dividends paid to noncontrolling interests	(14)	(4)	
Dividends paid to parent	(121)	(97)	(96)
Excess tax benefit related to stock-based compensation	1	1	1
Other, net		4	3
Net cash (used in) provided by financing activities	(408)	1,059	188
Effect of exchange rate changes on cash	(16)	(11)	(3)
(Decrease) increase in cash and cash equivalents	(453)	195	305
Cash and cash equivalents at beginning of period	710	515	210
Cash and cash equivalents at end of period	$ 257	$ 710	$ 515

Supplemental cash flow information:			
Cash paid for interest	$ 225	$ 208	$ 205
Cash paid for income taxes	126	165	44

As of December 31, 2015, 2014 and 2013, the amount of capital expenditures in accounts payable was $79 million, $88 million and $73 million, respectively. During the years ended 2015, 2014 and 2013, Huntsman Corporation contributed $29 million, $27 million and $28 million, respectively to stock-based compensation.

See accompanying notes to consolidated financial statements.

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HUNTSMAN CORPORATION AND SUBSIDIARIES
HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

DEFINITIONS

For convenience in this report, the terms "Company," "our" or "we" may be used to refer to Huntsman Corporation and, unless the context otherwise requires, its subsidiaries and predecessors. Any references to our "Company" "we" "us" or "our" as of a date prior to October 19, 2004 (the date of our Company's formation) are to Huntsman Holdings, LLC and its subsidiaries (including their respective predecessors). In this report, "Huntsman International" refers to Huntsman International LLC (our 100% owned subsidiary) and, unless the context otherwise requires, its subsidiaries; "HPS" refers to Huntsman Polyurethanes Shanghai Ltd. (our consolidated splitting joint venture with Shanghai Chlor-Alkali Chemical Company, Ltd); and "SLIC" refers to Shanghai Liengheng Isocyanate Company (our unconsolidated manufacturing joint venture with BASF and three Chinese chemical companies).

In this report, we may use, without definition, the common names of competitors or other industry participants. We may also use the common names or abbreviations for certain chemicals or products.

DESCRIPTION OF BUSINESS

We are a global manufacturer of differentiated organic chemical products and of inorganic chemical products. Our products comprise a broad range of chemicals and formulations, which we market globally to a diversified group of consumer and industrial customers. Our products are used in a wide range of applications, including those in the adhesives, aerospace, automotive, construction products, personal care and hygiene, durable and non-durable consumer products, electronics, medical, packaging, paints and coatings, power generation, refining, synthetic fiber, textile chemicals and dye industries. We are a leading global producer in many of our key product lines, including MDI, amines, surfactants, maleic anhydride, epoxy-based polymer formulations, textile chemicals, dyes, titanium dioxide and color pigments.

We operate in five segments: Polyurethanes, Performance Products, Advanced Materials, Textile Effects and Pigments and Additives. Our Polyurethanes, Performance Products, Advanced Materials and Textile Effects segments produce differentiated organic chemical products and our Pigments and Additives segment produces inorganic chemical products. In a series of transactions beginning in 2006, we sold or shutdown substantially all of our Australian styrenics operations and our North American polymers and base chemicals operations. We report the results of these businesses as discontinued operations.

COMPANY

Our Company, a Delaware corporation, was formed in 2004 to hold the Huntsman businesses. Jon M. Huntsman founded the predecessor to our Company in 1970 as a small packaging company. Since then, we have grown through a series of acquisitions and now own a global portfolio of businesses.

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Currently, we operate all of our businesses through Huntsman International, our 100% owned subsidiary. Huntsman International is a Delaware limited liability company and was formed in 1999.

HUNTSMAN CORPORATION AND HUNTSMAN INTERNATIONAL FINANCIAL STATEMENTS

Except where otherwise indicated, these notes relate to the consolidated financial statements for both our Company and Huntsman International. The differences between our consolidated financial statements and Huntsman International's consolidated financial statements relate primarily to the following:

- purchase accounting recorded at our Company for the 2003 step-acquisition of Huntsman International Holdings LLC, the former parent company of Huntsman International that was merged into Huntsman International in 2005;
- the different capital structures; and
- a note payable from Huntsman International to us.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ASSET RETIREMENT OBLIGATIONS

We accrue for asset retirement obligations, which consist primarily of landfill capping, closure and post-closure costs, asbestos abatement costs, demolition and removal costs and leasehold remediation costs, in the period in which the obligations are incurred. Asset retirement obligations are accrued at estimated fair value. When the liability is initially recorded, we capitalize the cost by increasing the carrying amount of the related long-lived asset. Over time, the liability is accreted to its estimated settlement value and the capitalized cost is depreciated over the useful life of the related asset. Upon settlement of the liability, we will recognize a gain or loss for any difference between the settlement amount and the liability recorded.

CARRYING VALUE OF LONG-LIVED ASSETS

We review long-lived assets and all amortizable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. Recoverability is based upon current and anticipated undiscounted cash flows, and we recognize an impairment when such estimated cash flows are less than the carrying value of the asset. Measurement of the amount of impairment, if any, is based upon the difference between carrying value and fair value. Fair value is generally estimated by discounting estimated future cash flows using a discount rate commensurate with the risks involved or selling price of assets held for sale. See "Note 11. Restructuring, Impairment and Plant Closing Costs."

CASH AND CASH EQUIVALENTS

We consider cash in checking accounts and cash in short-term highly liquid investments with remaining maturities of three months or less at the date of purchase, to be cash and cash equivalents. Cash flows from discontinued operations are not presented separately in our consolidated statements of cash flows.

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COST OF GOODS SOLD

We classify the costs of manufacturing and distributing our products as cost of goods sold. Manufacturing costs include variable costs, primarily raw materials and energy, and fixed expenses directly associated with production. Manufacturing costs also include, among other things, plant site operating costs and overhead (including depreciation), production planning and logistics costs, repair and maintenance costs, plant site purchasing costs, and engineering and technical support costs. Distribution, freight and warehousing costs are also included in cost of goods sold.

DERIVATIVES AND HEDGING ACTIVITIES

All derivatives, whether designated in hedging relationships or not, are recorded on our balance sheet at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and the hedged items are recognized in earnings. If the derivative is designated as a cash flow hedge, changes in the fair value of the derivative are recorded in accumulated other comprehensive loss, to the extent effective, and will be recognized in the income statement when the hedged item affects earnings. Changes in the fair value of the hedge in the net investment of certain international operations are recorded in other comprehensive income (loss), to the extent effective. The effectiveness of a cash flow hedging relationship is established at the inception of the hedge, and after inception we perform effectiveness assessments at least every three months. A derivative designated as a cash flow hedge is determined to be effective if the change in value of the hedge divided by the change in value of the hedged item is within a range of 80% to 125%. Hedge ineffectiveness in a cash flow hedge occurs only if the cumulative gain or loss on the derivative hedging instrument exceeds the cumulative change in the expected future cash flows on the hedged transaction. For a derivative that does not qualify or has not been designated as a hedge, changes in fair value are recognized in earnings.

ENVIRONMENTAL EXPENDITURES

Environmental related restoration and remediation costs are recorded as liabilities when site restoration and environmental remediation and clean-up obligations are either known or considered probable and the related costs can be reasonably estimated. Other environmental expenditures that are principally maintenance or preventative in nature are recorded when expended and incurred and are expensed or capitalized as appropriate. See "Note 20. Environmental, Health and Safety Matters."

FOREIGN CURRENCY TRANSLATION

The accounts of our operating subsidiaries outside of the U.S., unless they are operating in highly inflationary economic environments, consider the functional currency to be the currency of the economic environment in which they operate. Accordingly, assets and liabilities are translated at rates prevailing at the balance sheet date. Revenues, expenses, gains and losses are translated at a weighted average rate for the period. Cumulative translation adjustments are recorded to equity as a component of accumulated other comprehensive loss.

If a subsidiary operates in an economic environment that is considered to be highly inflationary (100% cumulative inflation over a three-year period), the U.S. dollar is considered to be the functional currency and gains and losses from remeasurement to the U.S. dollar from the local currency are included in the statement of operations. Where a subsidiary's operations are effectively run, managed, financed and contracted in U.S. dollars, such as certain finance subsidiaries outside of the U.S., the U.S. dollar is considered to be the functional currency.

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Foreign currency transaction gains and losses are recorded in other operating (income) expense in our consolidated statements of operations and were net losses of $7 million, $15 million and $11 million for the years ended December 31, 2015, 2014 and 2013, respectively.

INCOME TAXES

We use the asset and liability method of accounting for income taxes. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial and tax reporting purposes. We evaluate deferred tax assets to determine whether it is more likely than not that they will be realized. Valuation allowances are reviewed on a tax jurisdiction basis to analyze whether there is sufficient positive or negative evidence to support a change in judgment about the realizability of the related deferred tax assets for each jurisdiction. These conclusions require significant judgment. In evaluating the objective evidence that historical results provide, we consider the cyclicality of businesses and cumulative income or losses during the applicable period. Cumulative losses incurred over the period limits our ability to consider other subjective evidence such as our projections for the future. Changes in expected future income in applicable jurisdictions could affect the realization of deferred tax assets in those jurisdictions.

We do not provide for income taxes or benefits on the undistributed earnings of our non-U.S. subsidiaries that are reinvested and, in the opinion of management, will continue to be reinvested indefinitely.

Accounting for uncertainty in income taxes prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The application of income tax law is inherently complex. We are required to determine if an income tax position meets the criteria of more-likely-than-not to be realized based on the merits of the position under tax law, in order to recognize an income tax benefit. This requires us to make significant judgments regarding the merits of income tax positions and the application of income tax law. Additionally, if a tax position meets the recognition criteria of more-likely-than-not we are required to make judgments and apply assumptions to measure the amount of the tax benefits to recognize. These judgments are based on the probability of the amount of tax benefits that would be realized if the tax position was challenged by the taxing authorities. Interpretations and guidance surrounding income tax laws and regulations change over time. As a consequence, changes in assumptions and judgments can materially affect amounts recognized in our consolidated financial statements.

INTANGIBLE ASSETS AND GOODWILL

Intangible assets are stated at cost (fair value at the time of acquisition) and are amortized using the straight-line method over the estimated useful lives or the life of the related agreement as follows:

Patents and technology	5 - 30 years
Trademarks	9 - 30 years
Licenses and other agreements	5 - 15 years
Other intangibles	5 - 15 years

Goodwill represents costs in excess of fair values assigned to the underlying net assets of acquired businesses. Goodwill is not subject to any method of amortization, but is tested for impairment annually (at the beginning of the third quarter) and when events and circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. When the fair value is less than the carrying value of the related reporting unit, we are required to

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reduce the amount of goodwill through a charge to earnings. Fair value is estimated using the market approach, as well as the income approach based on discounted cash flow projections. Goodwill has been assigned to reporting units for purposes of impairment testing. The net change to goodwill in response to changes in foreign currency exchange rates during 2015 was $6 million.

INVENTORIES

Inventories are stated at the lower of cost or market, with cost determined using LIFO, first-in first-out, and average costs methods for different components of inventory.

LEGAL COSTS

We expense legal costs, including those legal costs incurred in connection with a loss contingency, as incurred.

NET INCOME PER SHARE ATTRIBUTABLE TO HUNTSMAN CORPORATION

Basic income per share excludes dilution and is computed by dividing net income attributable to Huntsman Corporation common stockholders by the weighted average number of shares outstanding during the period. Diluted income per share reflects all potential dilutive common shares outstanding during the period and is computed by dividing net income available to Huntsman Corporation common stockholders by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding as dilutive securities.

Basic and diluted income per share is determined using the following information (in millions):

	Year Ended December 31,		
	2015	2014	2013
Numerator:			
Basic and diluted income from continuing operations:			
Income from continuing operations attributable to Huntsman Corporation	$ 97	$ 331	$ 133
Basic and diluted net income:			
Net income attributable to Huntsman Corporation	$ 93	$ 323	$ 128
Shares (denominator):			
Weighted average shares outstanding	242.8	242.1	239.7
Dilutive securities:			
Stock-based awards	2.6	3.9	2.7
Total weighted average shares outstanding, including dilutive shares	245.4	246.0	242.4

Additional stock-based awards of 6.1 million, 1.0 million and 7.3 million weighted average equivalent shares of stock were outstanding during the years ended December 31, 2015, 2014 and 2013, respectively. However, these stock-based awards were not included in the computation of diluted earnings per share for the respective periods mentioned because the effect would be anti-dilutive.

OTHER NONCURRENT ASSETS

Other noncurrent assets consist primarily of spare parts, the overfunded portion related to defined benefit plans for employees and capitalized turnaround costs.

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PRINCIPLES OF CONSOLIDATION

Our consolidated financial statements include the accounts of our wholly owned and majority owned subsidiaries and any variable interest entities for which we are the primary beneficiary. All intercompany accounts and transactions have been eliminated.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives or lease term as follows:

Buildings and equipment	5 - 50 years
Plant and equipment	3 - 30 years
Furniture, fixtures and leasehold improvements	5 - 20 years

Interest expense capitalized as part of plant and equipment was $22 million, $16 million and $7 million for the years ended December 31, 2015, 2014 and 2013, respectively.

Periodic maintenance and repairs applicable to major units of manufacturing facilities (a "turnaround") are accounted for on the deferral basis by capitalizing the costs of the turnaround and amortizing the costs over the estimated period until the next turnaround. Normal maintenance and repairs of plant and equipment are charged to expense as incurred. Renewals, betterments and major repairs that materially extend the useful life of the assets are capitalized, and the assets replaced, if any, are retired.

RECLASSIFICATIONS

Certain amounts in the consolidated financial statements for prior periods have been reclassified to conform with the current presentation. Effective October 1, 2015, we retroactively applied, and information in this report reflects, the presentation and disclosure requirements of ASU No. 2015-03, *Interest Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*. See " Recently Issued Accounting Pronouncements."

REVENUE RECOGNITION

We generate substantially all of our revenues through sales in the open market and long-term supply agreements. We recognize revenue when it is realized or realizable and earned. Revenue for product sales is recognized when a sales arrangement exists, risk and title to the product transfer to the customer, collectability is reasonably assured and pricing is fixed or determinable. The transfer of risk and title to the product to the customer usually occurs at the time shipment is made.

SECURITIZATION OF ACCOUNTS RECEIVABLE

Under our A/R Programs, we grant an undivided interest in certain of our trade receivables to the U.S. SPE and the EU SPE. This undivided interest serves as security for the issuance of debt. The A/R Programs provide for financing in both U.S. dollars and euros. The amounts outstanding under our A/R Programs are accounted for as secured borrowings. See "Note 14. Debt Direct and Subsidiary Debt A/R Programs."

STOCK-BASED COMPENSATION

We measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. That cost will be recognized over the period during which the employee is required to provide services in exchange for the award. See "Note 22. Stock-Based Compensation Plan."

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USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Accounting Pronouncements Adopted During 2015

In April 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-08, *Presentation of Financial Statements (Topic 205) and Property, Plant, and Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*, changing the criteria for reporting discontinued operations and enhancing reporting requirements for discontinued operations. A disposal of a component of an entity or a group of components of an entity will be required to be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results. Further, the amendments in this ASU will require an entity to present, for each comparative period, the assets and liabilities of a disposal group that includes a discontinued operation separately in the asset and liability sections, respectively, of the statement of financial position. The amendments in this ASU are effective prospectively for all disposals (or classifications as held for sale) of components of an entity that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years, and for all businesses that, on acquisition, are classified as held for sale that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years. We adopted the amendments in this ASU effective January 1, 2015, and the initial adoption of the amendments in this ASU did not have a significant impact on our consolidated financial statements.

In April 2015, the FASB issued ASU No. 2015-03, *Interest Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*. The amendments in this ASU require that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts, and that amortization of debt issuance costs shall be reported as interest expense. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in this ASU. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015, with early application permitted. Entities would apply the new guidance retrospectively to all prior periods. We adopted the amendments in this ASU effective October 1, 2015 and have presented debt issuance costs as a direct deduction from the carrying amount of debt in our consolidated financial statements retrospectively to all prior periods. Debt issuance costs were previously presented as other noncurrent assets in our consolidated financial statements.

In September 2015, the FASB issued ASU No. 2015-16, *Business Combinations (Topic 805): Simplifying the Accounting for Measurement-Period Adjustments*. The amendments in this ASU require that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the current reporting period in which the adjustment amounts are determined and calculated as if the accounting had been completed at the acquisition date. The amendments in this ASU also require an entity to present separately on the face of the income statement or disclose in the notes the portion of the amount recorded in current-period earnings by line item that would have been recorded in previous reporting periods if the adjustment to the provisional amounts had been recognized as of the acquisition date. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. The amendments in this

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ASU should be applied prospectively to adjustments to provisional amounts that occur after the effective date of this ASU with earlier application permitted for financial statements that have not been issued. We adopted the amendments in this ASU effective October 1, 2015, and the initial adoption of the amendments in this ASU did not have a significant impact on our consolidated financial statements.

In November 2015, the FASB issued ASU No. 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes*. The amendments in this ASU require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The amendments in this ASU are effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Earlier application is permitted for all entities as of the beginning of an interim or annual reporting period. The amendments in this ASU may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. We adopted the amendments in this ASU effective October 1, 2015 and have classified, on a prospective basis, all deferred tax liabilities and assets as noncurrent on our consolidated financial statements.

Accounting Pronouncements Pending Adoption in Future Periods

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, outlining a single comprehensive model for entities to use in accounting for revenues arising from contracts with customers and supersedes most current revenue recognition guidance. In August 2015, the FASB issued ASU No. 2015-14, *Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*, deferring the effective date of ASU No. 2014-09 for all entities by one year. The amendments in these ASUs are effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. The amendments in ASU No. 2014-09 should be applied retrospectively, and early application is permitted. We are currently evaluating the impact of the adoption of the amendments in ASU No. 2014-09 on our consolidated financial statements.

In August 2014, the FASB issued ASU No. 2014-15, *Presentation of Financial Statements Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern,* providing guidance about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. The amendments in this ASU are effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. Early adoption is permitted. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

In January 2015, the FASB issued ASU No. 2015-01, *Income Statement Extraordinary and Unusual Items (Subtopic 225-20): Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items*, eliminating from US GAAP the concept of extraordinary items. Reporting entities will no longer have to assess whether a particular event or transaction event is extraordinary. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. A reporting entity may apply the amendments prospectively or may also apply them retrospectively to all prior periods presented in the financial statements. Early adoption is permitted provided that the guidance is applied from the beginning of the fiscal year of adoption. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

In February 2015, the FASB issued ASU No. 2015-02, *Consolidation (Topic 810): Amendments to the Consolidation Analysis*. The amendments in this ASU change the analysis that a reporting entity

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must perform to determine whether it should consolidate certain types of legal entities by placing more emphasis on risk of loss when determining a controlling financial interest. These amendments affect areas specific to limited partnerships and similar legal entities, evaluating fees paid to a decision maker or service provider as a variable interest, the effects of both fee arrangements and related parties on the primary beneficiary determination and certain investment funds. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. A reporting entity may apply the amendments retrospectively or using a modified retrospective approach. Early adoption is permitted, including adoption in an interim period provided that any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

In April 2015, the FASB issued ASU No. 2015-05, *Intangibles Goodwill and Other Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*. The amendments in this ASU provide guidance that will help entities evaluate the accounting for fees paid by a customer in a cloud computing arrangement, including whether a cloud computing arrangement includes a software license. If a cloud computing arrangement includes a software license, then the customer should account for the software license consistent with the acquisition of other software licenses; otherwise, the customer should account for the arrangement as a service contract. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Entities can elect to adopt the amendments either prospectively to all arrangements entered into after the effective date or retrospectively to all prior periods. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

In July 2015, the FASB issued ASU No. 2015-11, *Inventory (Topic 330): Simplifying the Measurement of Inventory*. The amendments in this ASU do not apply to inventory that is measured using last-in, first-out (LIFO) or the retail inventory method, but rather does apply to all other inventory, which includes inventory that is measured using first-in, first-out (FIFO) or average cost. An entity should measure in scope inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Subsequent measurement is unchanged for inventory measured using LIFO or the retail inventory method. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. The amendments in this ASU should be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. The amendments in this ASU require equity investments (except those accounted for under the equity method of accounting or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income. The amendments allow equity investments that do not have readily determinable fair values to be remeasured at fair value either upon the occurrence of an observable price change or upon identification of an impairment. The amendments in this ASU are effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. Early adoption of the amendments in the ASU is not permitted. An entity should apply the amendments by means of a cumulative-effect adjustment to the balance sheet as of the beginning of the fiscal year of adoption. The amendments related to equity securities without readily determinable fair values (including disclosure requirements) should be applied prospectively to equity investments

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that exist as of the date of adoption. We do not expect the adoption of the amendments in this ASU to have a significant impact on our consolidated financial statements.

3. BUSINESS COMBINATIONS

ROCKWOOD ACQUISITION

On October 1, 2014, we completed the acquisition of the Performance Additives and Titanium Dioxide businesses of Rockwood Holdings, Inc. We paid $1.02 billion in cash and assumed certain unfunded pension liabilities in connection with the Rockwood Acquisition. The acquisition was financed using a bank term loan. The majority of the acquired businesses have been integrated into our Pigments and Additives segment. Transaction costs charged to expense related to this acquisition were approximately nil, $24 million and $8 million for the years ended December 31, 2015, 2014 and 2013, respectively, and were recorded in selling, general and administrative expenses in our consolidated statements of operations.

The following businesses were acquired from Rockwood:

- titanium dioxide, a white pigment derived from titanium bearing ores with strong specialty business in fibers, inks, pharmaceuticals, food and cosmetics;
- functional additives made from barium and zinc based inorganics used to make colors more brilliant, primarily in plastics, coatings, films, food, cosmetics, pharmaceuticals and paper;
- color pigments made from synthetic iron-oxide and other non-TiO2 inorganic pigments used by manufacturers of coatings and colorants;
- timber treatment wood protection chemicals used primarily in residential and commercial applications;
- water treatment products used to improve water purity in industrial, commercial and municipal applications; and
- specialty automotive molded components.

In connection with securing certain regulatory approvals required to complete the Rockwood Acquisition, we sold our TiO2 TR52 product line used in printing inks to Henan in December 2014. The sale did not include any manufacturing assets but does include an agreement to supply TR52 product to Henan during a transitional period.

We have accounted for the Rockwood Acquisition using the acquisition method. As such, we analyzed the fair value of tangible and intangible assets acquired and liabilities assumed. The allocation

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of acquisition cost to the assets acquired and liabilities assumed is summarized as follows (dollars in millions):

Cash paid for Rockwood Acquisition in 2014	$	1,038
Purchase price adjustment received in 2015		(18)
Net acquisition cost	$	1,020

Fair value of assets acquired and liabilities assumed:		
Cash	$	77
Accounts receivable		220
Inventories		401
Prepaid expenses and other current assets		55
Property, plant and equipment		665
Intangible assets		31
Deferred income taxes, non-current		106
Other assets		8
Accounts payable		(146)
Accrued expenses and other current liabilities		(106)
Long-term debt, non-current		(3)
Pension and related liabilities		(233)
Deferred income taxes, non-current		(9)
Other liabilities		(30)
Total fair value of net assets acquired		1,036
Noncontrolling interest		(16)
Total	$	1,020

During the second quarter of 2015, we received $18 million related to the settlement of certain purchase price adjustments. As a result of the finalization of the valuation of the assets and liabilities, reallocations were made in certain property, plant and equipment, deferred tax, accrued liability and other long-term liability balances. None of the fair value of this acquisition was allocated to goodwill. Intangible assets acquired consist primarily of developed technology, trademarks and customer relationships, all of which are being amortized over nine years. The noncontrolling interest primarily relates to Viance, a 50%-owned joint venture with Dow Chemical acquired as part of the Rockwood Acquisition. The noncontrolling interest was valued at 50% of the fair value of the net assets of Viance as of October 1, 2014, as dictated by the ownership interest percentages. If the Rockwood Acquisition were to have occurred on January 1, 2013, the following estimated pro forma revenues and net income

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attributable to Huntsman Corporation and Huntsman International would have been reported (dollars in millions, except per share amounts):

Huntsman Corporation

	Pro Forma Year ended December 31, (Unaudited)	
	2014	2013
Revenues	$ 12,724	$ 12,599
Net income attributable to Huntsman Corporation	398	100
Income per share:		
Basic	$ 1.64	$ 0.42
Diluted	1.62	0.41

Huntsman International

	Pro Forma Year ended December 31, (Unaudited)	
	2014	2013
Revenues	$ 12,724	$ 12,599
Net income attributable to Huntsman International	410	98

OXID ACQUISITION

On August 29, 2013, we completed the acquisition of the chemical business of Oxid L.P. (the "Oxid Acquisition"). The acquisition cost of approximately $76 million consisted of cash payments of approximately $66 million and contingent consideration of $10 million. The contingent consideration related to an earn-out agreement which would be paid over two years if certain conditions were met. Related to this earn-out agreement, $6 million was paid during 2014 and the balance has been paid in 2015. The acquired business has been integrated into our Polyurethanes segment. Transaction costs charged to expense related to this acquisition were not significant.

We have accounted for the Oxid Acquisition using the acquisition method. As such, we analyzed the fair value of tangible and intangible assets acquired and liabilities assumed. The allocation

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of acquisition cost to the assets acquired and liabilities assumed is summarized as follows (dollars in millions):

Cash paid for acquisition	$	66
Contingent consideration		10
Acquisition cost	$	76

Fair value of assets acquired and liabilities assumed:		
Accounts receivable	$	9
Inventories		14
Property, plant and equipment		22
Intangible assets		36
Accounts payable		(4)
Accrued liabilities		(1)
Total fair value of net assets acquired	$	76

Intangible assets acquired consist primarily of developed technology and customer relationships, both of which are being amortized over 15 years. If the Oxid Acquisition were to have occurred on January 1, 2013, the following estimated pro forma revenues and net income attributable to Huntsman Corporation and Huntsman International would have been reported (dollars in millions, except per share amounts):

Huntsman Corporation

	Pro Forma Year ended December 31, 2013 (Unaudited)	
Revenues	$	11,142
Net income attributable to Huntsman Corporation		135
Income per share:		
Basic	$	0.56
Diluted		0.56

Huntsman International

	Pro Forma Year ended December 31, 2013 (Unaudited)	
Revenues	$	11,142
Net income attributable to Huntsman International		133

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4. INVENTORIES

Inventories consisted of the following (dollars in millions):

	December 31,	
	2015	2014
Raw materials and supplies	$ 389	$ 508
Work in progress	125	96
Finished goods	1,221	1,494
Total	1,735	2,098
LIFO reserves	(43)	(73)
Net inventories	$ 1,692	$ 2,025

For both December 31, 2015 and 2014, approximately 9% of inventories were recorded using the LIFO cost method.

5. PROPERTY, PLANT AND EQUIPMENT

The cost and accumulated depreciation of property, plant and equipment were as follows (dollars in millions):

Huntsman Corporation

	December 31,	
	2015	2014
Land	$ 208	$ 227
Buildings	793	799
Plant and equipment	6,981	6,889
Construction in progress	935	869
Total	8,917	8,784
Less accumulated depreciation	(4,471)	(4,361)
Net	$ 4,446	$ 4,423

Depreciation expense for 2015, 2014 and 2013 was $377 million, $413 million and $415 million, respectively, of which nil, nil and $2 million was related to discontinued operations in 2015, 2014 and 2013, respectively.

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Huntsman International

	December 31,	
	2015	2014
Land	$ 208	$ 227
Buildings	793	799
Plant and equipment	7,009	6,918
Construction in progress	935	869
Total	8,945	8,813
Less accumulated depreciation	(4,535)	(4,438)
Net	$ 4,410	$ 4,375

Depreciation expense for 2015, 2014 and 2013 was $365 million, $398 million and $391 million, respectively, of which nil, nil and $2 million was related to discontinued operations in 2015, 2014 and 2013, respectively.

6. INVESTMENT IN UNCONSOLIDATED AFFILIATES

Investments in companies in which we exercise significant influence, but do not control, are accounted for using the equity method. Investments in companies in which we do not exercise significant influence are accounted for using the cost method.

Our ownership percentage and investment in unconsolidated affiliates were as follows (dollars in millions):

	December 31,	
	2015	2014
Equity Method:		
Louisiana Pigment Company, L.P. (50%)	$ 84	$ 91
BASF Huntsman Shanghai Isocyanate Investment BV (50%)(1)	116	100
Nanjing Jinling Huntsman New Material Co., Ltd. (49%)	120	122
Jurong Ningwu New Materials Development Co., Ltd. (30%)	18	16
Nippon Aqua Co., Ltd (15%)(2)		12
Total equity method investments	338	341
Cost Method:		
International Diol Company (4%)	5	5
White Mountain Titanium Corporation (3%)	3	3
Others	1	1
Total investments	$ 347	$ 350

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(1) We own 50% of BASF Huntsman Shanghai Isocyanate Investment BV. BASF Huntsman Shanghai Isocyanate Investment BV owns a 70% interest in SLIC, thus giving us an indirect 35% interest in SLIC.

(2) As of April 1, 2015, we no longer exercise significant influence in our investment in Nippon Aqua Co., Ltd., for which we previously accounted using the equity method. Consequently, we

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now account for this investment at fair value as an available-for-sale equity security. See "Note 16. Fair Value."

In November 2012, we entered into an agreement to form a joint venture with Sinopec (Nanjing Jingling). The joint venture involves the construction and operation of a PO/MTBE facility in China. Under the joint venture agreement, we hold a 49% interest in the joint venture and Sinopec holds a 51% interest. Our total equity investment is anticipated to be approximately $85 million, net of license fees from the joint venture. At the end of 2015, cumulative capital contributions were approximately $85 million, net of license fees from the joint venture. Construction on the project is expected to be completed in the second half of 2016, with start-up expected in the first half of 2017.

7. VARIABLE INTEREST ENTITIES

We evaluate our investments and transactions to identify variable interest entities for which we are the primary beneficiary. We hold a variable interest in the following joint ventures for which we are the primary beneficiary:

Rubicon LLC manufactures products for our Polyurethanes and Performance Products segments. The structure of the joint venture is such that the total equity investment at risk is not sufficient to permit the joint venture to finance its activities without additional financial support. By virtue of the operating agreement with this joint venture, we purchase a majority of the output, absorb a majority of the operating costs and provide a majority of the additional funding.

Pacific Iron Products Sdn Bhd manufactures products for our Pigments and Additives segment. In this joint venture we supply all the raw materials through a fixed cost supply contract, operate the manufacturing facility and market the products of the joint venture to customers. Through a fixed price raw materials supply contract with the joint venture we are exposed to the risk related to the fluctuation of raw material pricing.

Arabian Amines Company manufactures products for our Performance Products segment. As required in the operating agreement governing this joint venture, we purchase all of Arabian Amines Company's production and sell it to our customers. Substantially all of the joint venture's activities are conducted on our behalf.

Sasol-Huntsman is our 50%-owned joint venture with Sasol that owns and operates a maleic anhydride facility in Moers, Germany. This joint venture manufactures products for our Performance Products segment. The joint venture uses our technology and expertise, and we bear a disproportionate amount of risk of loss due to a related-party loan to Sasol-Huntsman for which we bear the default risk.

Viance is our 50%-owned joint venture with Dow Chemical. Viance markets timber treatment products for our Pigments and Additives segment. Our joint venture interest in Viance was acquired as part of the Rockwood Acquisition on October 1, 2014. The joint venture sources all of its products through a contract manufacturing arrangement at our Harrisburg, North Carolina facility, and we bear a disproportionate amount of working capital risk of loss due to the supply arrangement whereby we control manufacturing on Viance's behalf. As a result, we concluded that we are the primary beneficiary and began consolidating Viance upon the Rockwood Acquisition on October 1, 2014.

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Creditors of these entities have no recourse to our general credit. See "Note 14. Debt Direct and Subsidiary Debt." As the primary beneficiary of these variable interest entities at December 31, 2015, the joint ventures' assets, liabilities and results of operations are included in our consolidated financial statements.

The following table summarizes the carrying amount of our variable interest entities' assets and liabilities included in our consolidated balance sheets, before intercompany eliminations, as of December 31, 2015 and 2014 (dollars in millions):

	December 31,	
	2015	2014
Current assets	$ 121	$ 186
Property, plant and equipment, net	307	340
Other noncurrent assets	95	70
Deferred income taxes	35	50
Intangible assets	36	39
Goodwill	13	14
Total assets	$ 607	$ 699
Current liabilities	$ 159	$ 356
Long-term debt	140	42
Deferred income taxes	11	9
Other noncurrent liabilities	54	97
Total liabilities	$ 364	$ 504

8. INTANGIBLE ASSETS

The gross carrying amount and accumulated amortization of intangible assets were as follows (dollars in millions):

Huntsman Corporation

	December 31, 2015			December 31, 2014		
	Carrying Amount	Accumulated Amortization	Net	Carrying Amount	Accumulated Amortization	Net
Patents, trademarks and technology	$ 369	$ 327	$ 42	$ 371	$ 328	$ 43
Licenses and other agreements	38	22	16	37	19	18
Non-compete agreements	3	2	1	4	2	2
Other intangibles	82	55	27	87	55	32
Total	$ 492	$ 406	$ 86	$ 499	$ 404	$ 95