

Huntsman CORP  
Form 10-Q  
October 30, 2018  
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Form 10 Q

(Mark One)

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

For the quarterly period ended September 30, 2018

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

| Commission File Number | Exact Name of Registrant as Specified in its Charter, Principal Office Address and Telephone Number       | State of Incorporation or Organization | I.R.S. Employer Identification No. |
|------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------------------|
| 001 32427              | Huntsman Corporation<br>10003 Woodloch Forest Drive<br>The Woodlands, Texas 77380<br>(281) 719-6000       | Delaware                               | 42 1648585                         |
| 333 85141              | Huntsman International LLC<br>10003 Woodloch Forest Drive<br>The Woodlands, Texas 77380<br>(281) 719-6000 | Delaware                               | 87 0630358                         |

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 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 | NO |
| Huntsman International LLC | YES | NO |

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Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files).

|                            |     |    |
|----------------------------|-----|----|
| Huntsman Corporation       | YES | NO |
| Huntsman International LLC | YES | NO |

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b 2 of the Exchange Act. (Check one):

|                            |                         |                   |                       |                           |                         |
|----------------------------|-------------------------|-------------------|-----------------------|---------------------------|-------------------------|
| Huntsman Corporation       | Large accelerated filer | Accelerated filer | Non accelerated filer | Smaller reporting company | Emerging growth company |
| Huntsman International LLC | Large accelerated filer | Accelerated filer | Non accelerated filer | Smaller reporting company | Emerging Growth company |

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

Huntsman Corporation  
Huntsman International LLC

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

|                            |     |    |
|----------------------------|-----|----|
| Huntsman Corporation       | YES | NO |
| Huntsman International LLC | YES | NO |

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On October 22, 2018, 238,321,460 shares of common stock of Huntsman Corporation were outstanding and 2,728 units of membership interests of Huntsman International LLC were outstanding. There is no trading market for Huntsman International LLC’s units of membership interests. All of Huntsman International LLC’s units of membership interests are held by Huntsman Corporation.

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This Quarterly Report on Form 10 Q 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 Quarterly Report on Form 10 Q 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 H(1)(a) and (b) of Form 10 Q and, to the extent applicable, is therefore filing this form with a reduced disclosure format.



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ENDED SEPTEMBER 30, 2018

FORWARD LOOKING STATEMENTS

Certain information set forth in this report contains “forward looking statements” within the meaning of 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, business separations, 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 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 any projections derived from 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 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 II. Item 1A. Risk Factors” below and “Part I. Item 1A. Risk Factors” in our Annual Report on Form 10 K for the year ended December 31, 2017.



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## PART I. FINANCIAL INFORMATION

## ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

## HUNTSMAN CORPORATION AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

(In Millions, Except Share and Per Share Amounts)

|                                                                                                                                                                 | September 30,<br>2018 | December 31,<br>2017 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|
| <b>ASSETS</b>                                                                                                                                                   |                       |                      |
| Current assets:                                                                                                                                                 |                       |                      |
| Cash and cash equivalents(a)                                                                                                                                    | \$ 446                | \$ 470               |
| Restricted cash(a)                                                                                                                                              | —                     | 11                   |
| Accounts and notes receivable (net of allowance for doubtful accounts of \$24 and \$25, respectively), (\$402 and \$334 pledged as collateral, respectively)(a) | 1,379                 | 1,256                |
| Accounts receivable from affiliates                                                                                                                             | 15                    | 27                   |
| Inventories(a)                                                                                                                                                  | 1,231                 | 1,073                |
| Prepaid expenses                                                                                                                                                | 50                    | 60                   |
| Other current assets(a)                                                                                                                                         | 180                   | 202                  |
| Current assets held for sale                                                                                                                                    | 2,916                 | 2,880                |
| Total current assets                                                                                                                                            | 6,217                 | 5,979                |
| Property, plant and equipment, net(a)                                                                                                                           | 3,004                 | 3,098                |
| Investment in unconsolidated affiliates                                                                                                                         | 303                   | 266                  |
| Intangible assets, net(a)                                                                                                                                       | 119                   | 56                   |
| Goodwill                                                                                                                                                        |                       |                      |