

News

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Huntsman to Cut Workforce by 9% and Announces Plans to Close Pigments Plant

Annualized Operating Cost Savings from all Cuts Projected to be \$150 million

Additional \$190 million to be trimmed from company's 2009 capital expenditures

The Woodlands, TX - Huntsman Corporation (NYSE: HUN) today announced a company-wide initiative to reduce costs across its divisions and functions. Including steps begun during the fourth quarter of 2008, the company will reduce its full-time employment by approximately 1175 positions by year-end 2009 - more than 9% of Huntsman's 12,770 employees. Full-time contractors working in the company's divisions and functions will be reduced by an additional 490 positions. Together, these reductions will result in operating cost savings to the company of approximately \$150 million.

Huntsman also announced that its Pigments Division plans to close its titanium dioxide plant located in Grimsby, U.K. The Grimsby plant, the division's oldest and least efficient manufacturing facility, has an annual production capacity of 40,000 tonnes of titanium dioxide. Pigment production at the plant would cease during the first quarter of 2009. Approximately 200 full time employees and contractors work at the site. Annual operating cost savings resulting from the plant's closure would be approximately \$28 million.

Peter R. Huntsman, President and CEO, said, "This restructuring will allow us to improve our business where we most acutely feel the effects of the present global economic slowdown, mainly in our Pigments and Textile divisions. While we are scrutinizing each of our business divisions, we remain optimistic in our current positions in Polyurethanes, Advanced Materials and Performance Products."

He added, "We will also reduce our 2009 capital expenditures to \$230 million - a reduction of \$190 million from the \$420 million spent on capital projects during 2008. The steps announced today should take approximately \$340 million out of our cost structure in 2009. These savings, combined with the \$1 billion in payments we received during December from Apollo Management, L.P. provide our company with a strong balance sheet and significant liquidity. Huntsman is well positioned to generate shareholder value and to prosper in these times of economic uncertainty."

About Huntsman:

Huntsman is a global manufacturer and marketer of differentiated chemicals. Its operating companies manufacture products for a variety of global industries, including chemicals, plastics, automotive, aviation, textiles, footwear, paints and coatings, construction, technology, agriculture, health care, detergent, personal care, furniture, appliances and packaging. Originally known for pioneering innovations in packaging and, later, for rapid and integrated growth in petrochemicals, Huntsman today has 13,000 employees and operates from multiple locations worldwide. The Company had 2007 revenues of approximately \$10 billion. For more information about Huntsman, please visit the company's website at www.huntsman.com.

Forward-Looking Statements:

Statements in this release that are not historical are forward-looking statements. These statements are based on management's current beliefs and expectations. The forward-looking statements in this release are subject to uncertainty and changes in circumstances and involve risks and uncertainties

that may affect the company's operations, markets, products, services, prices and other factors as discussed in the Huntsman companies' filings with the U.S. Securities and Exchange Commission. Significant risks and uncertainties may relate to, but are not limited to, financial, economic, competitive, environmental, political, legal, regulatory and technological factors. In addition, the completion of any transactions described in this release is subject to a number of uncertainties and closing will be subject to approvals and other customary conditions. Accordingly, there can be no assurance that such transactions will be completed or that the company's expectations will be realized. The company assumes no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by applicable laws.

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URL: http://www.huntsman.com/Index.cfm?PageID=7379&News_ID=7240&style=328&PrintPage=1&Showtitle=1
