

Edgar Filing: Huntsman CORP - Form 425

Huntsman CORP  
Form 425  
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Securities Act of 1933, as amended

Filer: Clariant Ltd

Subject Company: Huntsman Corporation

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## **A good complement**

### **Preparations for HuntsmanClariant merger are showing remarkable progress**

The preparations to create HuntsmanClariant, a leading global specialty chemicals company, are showing continued strong progress and are proceeding as planned with an unchanged closing targeted for December 2017 / January 2018.

Clariant and Huntsman have agreed on a joint strategic direction for near- and long-term value creation based on continued focus on higher growth and higher margin businesses, expansion of existing strong downstream presence, reaping benefits of complementary product portfolios and breadth of reach to deliver an additional organic sales revenue growth of around 2% p.a. at approx. 20% EBITDA margin and delivering synergies in excess of \$400m as well as the \$25m tax savings.

### **Similar margins**

The merger brings together two strong specialty chemicals businesses with similar EBITDA margins at 17.2% (including synergies). It will reap complementarity benefits between Performance Products, Care Chemicals and Natural Resources, which represent approx. 35% of HuntsmanClariant combined sales and hold a comprehensive surfactants portfolio in high-end niche markets globally. It will have meaningful opportunities for growth including cross-selling potential and new product applications. The complementary assets and geographic fit provide significant commercial opportunities and more global reach within established routes to market. HuntsmanClariant's position as a leading global specialty chemicals company will further benefit from complementary R&D and technological expertise as well as shared knowledge in sustainability and cross-fertilization in innovation and technology capabilities.

The project team is progressing very well in terms of joint synergy implementation and has high confidence in meeting the synergy target in excess of \$400m as well as the \$25m tax saving target. Key regulatory filings are submitted, including in the US, EU and China. No regulatory roadblocks are expected to closing the deal. A preliminary CFIUS filing has also been submitted.

### **The best of two cultures**

The joint senior management team is committed to making HuntsmanClariant a success from day 1. It is a unique opportunity to combine the best of two cultures - Huntsman's entrepreneurship and efficiency and Clariant's innovation and business excellence. Both CEOs and executive teams are fully involved in post-merger integration planning and the great working spirit confirms the cultural fit between both organizations.

### **Creating value**

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All in all, the merger will create value for all stakeholders via a stronger balance sheet, higher cash flow, increased stakeholder returns and lower financing costs and will allocate capital for organic growth and value creating portfolio management.

**Highly complementary product portfolios creating production set-up and supply chain benefit opportunities**

**Both CEOs and executive teams confirm great working spirit**

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**Additional organic sales revenues of around 2% p.a. at approx. 20% EBITDA margin have been identified**

## **FREQUENTLY ASKED QUESTIONS**

### **FAQ about HuntsmanClariant Plans**

#### **Where we are standing right now with the intended merger with Huntsman?**

The merger management teams led by Bernd Hoegemann of Clariant and Huntsman's CFO Sean Douglas kicked off work in July in the various workstreams. Focus groups comprising equal numbers of representatives from both Huntsman and Clariant are now advancing the preparations for the merger. Peter Huntsman and Hariolf Kottmann, together with Kimo Esplin, Huntsman's Executive Vice President, Strategy and Investments and our CFO Patrick Jany, will steer this process and meet with the merger leadership on a regular basis.

#### **Two activist shareholders working together have increased their investments in Clariant and have criticized the proposed merger. What does this mean for the planned deal?**

Clariant is maintaining an open and trustful dialogue with all shareholders. Our strategy and the intended merger with Huntsman is supported by many of the Clariant shareholders that we have heard from. Our Senior Management is convinced that the merger will create not only significant value for the shareholders of both companies, but for all stakeholders, including employees and customers. Various financial analysts have expressed similar sentiments in conversation with Clariant.

#### **What does the Venator IPO mean for the merger?**

The initial public offering of Venator Materials Plc was completed on August 8, 2017. Huntsman expects to use the proceeds from the initial public offering to reduce its debt and strengthen its balance sheet and HuntsmanClariant's balance sheet after the merger.

#### **Where do I find updated information on the planned merger?**

Clariant installed a page on Insite, where all available information on the next steps are stored. There is also on the homepage clariant.com a merger blog with further material.

<https://insite.clariant.com/huntsmanclariant>

**Disclaimer**

Cautionary Statement Regarding Forward-Looking Statements

This communication contains certain statements that are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act ), and Section 21E of the Securities Exchange Act of 1934, as amended. Clariant Ltd ( Clariant ) and Huntsman Corporation ( Huntsman ) have identified some of these forward-looking statements with words like believe, may, could, would, possible, will, should, expect, intend, plan, anticipate, estimate, potential, outlook or continue, the negative of these words, meaning or the use of future dates. Forward-looking statements in this communication include, without limitation, statements about the anticipated benefits of the contemplated transaction, including future financial and

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operating results and expected synergies and cost savings related to the contemplated transaction, the plans, objectives, expectations and intentions of Clariant, Huntsman or the combined company, the expected timing of the completion of the contemplated transaction. Such statements are based on the current expectations of the management of Clariant or Huntsman, as applicable, are qualified by the inherent risks and uncertainties surrounding future expectations generally, and actual results could differ materially from those currently anticipated due to a number of risks and uncertainties. Neither Clariant nor Huntsman, nor any of their respective directors, executive officers or advisors, provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements will actually occur. Risks and uncertainties that could cause results to differ from expectations include: uncertainties as to the timing of the contemplated transaction; uncertainties as to the approval of Huntsman's stockholders and Clariant's shareholders required in connection with the contemplated transaction; the possibility that a competing proposal will be made; the possibility that the closing conditions to the contemplated transaction may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant a necessary regulatory approval; the effects of disruption caused by the announcement of the contemplated transaction making it more difficult to maintain relationships with employees, customers, vendors and other business partners; the risk that stockholder litigation in connection with the contemplated transaction may affect the timing or occurrence of the contemplated transaction or result in significant costs of defense, indemnification and liability; ability to refinance existing indebtedness of Clariant or Huntsman in connection with the contemplated transaction; other business effects, including the effects of industry, economic or political conditions outside of the control of the parties to the contemplated transaction; transaction costs; actual or contingent liabilities; disruptions to the financial or capital markets, including with respect to the financing activities related to the contemplated transaction; and other risks and uncertainties discussed in Huntsman's filings with the U.S. Securities and Exchange Commission (the SEC), including the Risk Factors sections of Huntsman's annual report on Form 10-K for the fiscal year ended December 31, 2016 and the quarterly report on Form 10-Q for the six month period ended June 30, 2017. You can obtain copies of Huntsman's filings with the SEC for free at the SEC's website ([www.sec.gov](http://www.sec.gov)). Forward-looking statements included herein are made only as of the date hereof and neither Clariant nor Huntsman undertakes any obligation to update any forward-looking statements as a result of new information, future developments or otherwise, except as expressly required by law. All forward-looking statements in this communication are qualified in their entirety by this cautionary statement.

#### Important Additional Information and Where to Find It

#### NO OFFER OR SOLICITATION

This communication is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities will be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.

#### IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC

In connection with the contemplated transaction, Clariant intends to file a registration statement on Form F-4 with the SEC that will include the Proxy Statement/Prospectus of Huntsman. The Proxy Statement/Prospectus will also be sent or given to Huntsman stockholders and will contain important information about the contemplated transaction. **INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE THEY**

WILL CONTAIN IMPORTANT INFORMATION ABOUT CLARIANT, HUNTSMAN, THE CONTEMPLATED TRANSACTION AND RELATED MATTERS. Investors and shareholders will be able to obtain free copies of the Proxy Statement/Prospectus (when available) and other documents filed with the SEC by Clariant and Huntsman through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov).

PARTICIPANTS IN THE SOLICITATION

Huntsman and its directors and executive officers may be deemed to be participants in the solicitation of proxies from Huntsman investors and shareholders in connection with the contemplated transaction. Information about Huntsman's directors and executive officers is set forth in its proxy statement for its 2017 Annual Meeting of Stockholders and its annual report on Form 10-K for the fiscal year ended December 31, 2016. These documents may be obtained for free at the SEC's website at [www.sec.gov](http://www.sec.gov). Additional information regarding the interests of participants in the solicitation of proxies in connection with the contemplated transactions will be included in the Proxy Statement/ Prospectus that Huntsman intends to file with the SEC.

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