

Huntsman CORP  
Form 10-Q  
April 30, 2015

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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 March 31, 2015

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 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

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 <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Huntsman International LLC	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

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

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submit and post such files).

Huntsman Corporation	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Huntsman International LLC	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

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. (Check one):

Huntsman Corporation	Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
			(Do not check if a smaller reporting company)	
Huntsman International LLC	Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input checked="" type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
			(Do not check if a smaller reporting company)	

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

Huntsman Corporation	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Huntsman International LLC	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>

On April 22, 2015, 245,381,582 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.

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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HUNTSMAN INTERNATIONAL LLC AND SUBSIDIARIES  
QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD  
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**HUNTSMAN CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

(In Millions, Except Share and Per Share Amounts)

	March 31, 2015	December 31, 2014
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents(a)	\$ 994	\$ 860
Restricted cash(a)	9	10
Accounts and notes receivable (net of allowance for doubtful accounts of \$32 and \$34, respectively), (\$454 and \$472 pledged as collateral, respectively)(a)	1,633	1,665
Accounts receivable from affiliates	35	42
Inventories(a)	1,869	2,025
Prepaid expenses	58	62
Deferred income taxes	58	62
Other current assets(a)	231	313
<b>Total current assets</b>	<b>4,887</b>	<b>5,039</b>
Property, plant and equipment, net(a)	4,250	4,423
Investment in unconsolidated affiliates	350	350
Intangible assets, net(a)	94	95
Goodwill	119	122
Deferred income taxes	410	435
Other noncurrent assets(a)	641	538
<b>Total assets</b>	<b>\$ 10,751</b>	<b>\$ 11,002</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable(a)	\$ 1,162	\$ 1,218
Accounts payable to affiliates	29	57
Accrued liabilities(a)	705	739
Deferred income taxes	49	51
Current portion of debt(a)	529	267
<b>Total current liabilities</b>	<b>2,474</b>	<b>2,332</b>
Long-term debt(a)	4,829	4,933
Notes payable to affiliates	6	6
Deferred income taxes	327	333
Other noncurrent liabilities(a)	1,342	1,447
<b>Total liabilities</b>	<b>8,978</b>	<b>9,051</b>
<b>Commitments and contingencies (Notes 13 and 14)</b>		
<b>Equity</b>		
<b>Huntsman Corporation stockholders' equity:</b>		
Common stock \$0.01 par value, 1,200,000,000 shares authorized, 249,425,108 and 248,893,036 issued and 244,126,924 and 243,416,979 outstanding in 2015 and 2014, respectively	3	3
Additional paid-in capital	3,414	3,385

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Treasury stock, 4,043,526 shares at both March 31, 2015 and December 31, 2014	(50)	(50)
Unearned stock-based compensation	(28)	(14)
Accumulated deficit	(526)	(493)
Accumulated other comprehensive loss	(1,216)	(1,053)
<b>Total Huntsman Corporation stockholders' equity</b>	<b>1,597</b>	<b>1,778</b>
Noncontrolling interests in subsidiaries	176	173
<b>Total equity</b>	<b>1,773</b>	<b>1,951</b>
<b>Total liabilities and equity</b>	<b>\$ 10,751</b>	<b>\$ 11,002</b>

(a)

At March 31, 2015 and December 31, 2014, respectively, \$54 and \$46 of cash and cash equivalents, \$9 and \$10 of restricted cash, \$41 each of accounts and notes receivable (net), \$41 and \$68 of inventories, \$5 and \$6 of other current assets, \$326 and \$339 of property, plant and equipment (net), \$38 and \$40 of intangible assets (net), \$27 each of other noncurrent assets, \$88 and \$92 of accounts payable, \$33 and \$37 of accrued liabilities, \$168 and \$172 of current portion of debt, \$30 and \$36 of long-term debt, and \$95 and \$97 of other noncurrent liabilities from consolidated variable interest entities are included in the respective Balance Sheet captions above. See "Note 5. Variable Interest Entities."

See accompanying notes to condensed consolidated financial statements (unaudited).

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**HUNTSMAN CORPORATION AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**

(In Millions, Except Per Share Amounts)

	Three months ended March 31,	
	2015	2014
<b>Revenues:</b>		
Trade sales, services and fees, net	\$ 2,560	\$ 2,693
Related party sales	29	62
<b>Total revenues</b>	2,589	2,755
<b>Cost of goods sold</b>	2,139	2,305
<b>Gross profit</b>	450	450
<b>Operating expenses:</b>		
Selling, general and administrative	246	229
Research and development	42	36
Other operating income	(8)	(4)
Restructuring, impairment and plant closing costs	93	39
Total expenses	373	300
<b>Operating income</b>	77	150
Interest expense	(56)	(48)
Equity in income of investment in unconsolidated affiliates	2	2
Loss on early extinguishment of debt	(3)	
Other (loss) income	(1)	1
<b>Income from continuing operations before income taxes</b>	19	105
Income tax expense	(2)	(36)
<b>Income from continuing operations</b>	17	69
Loss from discontinued operations	(2)	(7)
<b>Net income</b>	15	62
Net income attributable to noncontrolling interests	(10)	(8)
<b>Net income attributable to Huntsman Corporation</b>	\$ 5	\$ 54