

# Media Release

## **Clariant and Huntsman jointly decided to abandon planned Merger of Equals**

- **Execution of merger at risk due to increased uncertainty of securing two-thirds majority by Clariant shareholders**
- **Termination in the best interest of all stakeholders**
- **Clariant will continue to focus on its successful strategy to further strengthen its market position**

Muttenz, October 27, 2017 – Clariant (SIX: CLN) and Huntsman Corporation (NYSE: HUN) today jointly announced that they have mutually terminated their proposed merger of equals. The decision was unanimously approved by the Boards of Directors of Clariant and Huntsman.

In a joint statement, Peter R. Huntsman, President and CEO of Huntsman, and Hariolf Kottmann, CEO of Clariant, stated: "We remain convinced that the proposed merger of equals as agreed to on May 21, 2017, would have been in the long-term best interests of all of our shareholders. However, given the continued accumulation of Clariant shares by activist investor White Tale Holdings and its opposition to the transaction, which is now supported by some other shareholders, we believe that there is simply too much uncertainty as to whether Clariant will be able to secure the two-thirds shareholder approval that is required to approve the transaction under Swiss law. Under these circumstances and in light of the high level of disruption and uncertainty that has been created for both companies, we have jointly decided to terminate the merger agreement. This will allow both companies to focus again fully on their respective stand-alone strategies in the best interests of the companies and their shareholders, associates, and other stakeholders. We maintain a great respect for one another, and we want to recognize and express our mutual and deep appreciation for the efforts and incredible commitment demonstrated by the associates of each company over the past several months."

The Termination Agreement foresees no payment of a break fee on either side. Clariant, therefore, avoids paying both the USD 210m deal breakage fee and the USD 60m EGM non-approval fee as foreseen in the Merger Agreement.

Following a thorough analysis of all strategic alternatives, Clariant's Board of Directors and Executive Committee unanimously considered the merger with Huntsman to be the best available option to further develop the company and increase the long-term value for all stakeholders. This view has been and is shared by the vast majority of our shareholders. Rudolf Wehrli, Chairman of the Board of Directors: "We regret the missed opportunity for value creation and thank our shareholders for their support. The Board of Directors, our Chief Executive Officer and our Executive Committee will now focus on our proven strategy to further strengthen the company's market position as a globally leading specialty chemicals company."

Clariant's CEO Hariolf Kottmann: "While White Tale's position on the merger has been different from ours, we share a common interest in increasing Clariant's value. We are committed to achieving this through a continuation of our existing and successful long-term growth strategy. That said, we will continue our dialogue with all our stakeholders."

While the merger would have enabled Clariant to speed up its strategy, the company has the utmost confidence in continuing its own path towards the goal of reaching a position in the top tier of the specialty chemicals industry. The success of its strategy is evidenced by a positive track record of increased profitability and enterprise value, a stronger portfolio which continues to grow, and leadership positions in innovation and sustainability. These elements will continue to be the foundation of Clariant's profitable growth, cash flow generation and value creation.

## DIAL-IN MEDIA CONFERENCE CALL

**DATE:** Friday, October 27, 2017  
**TIME:** 7.30 am – 8:00 am CEST

### ACCESS DATA PARTICIPANTS:

Conference ID: 4399748

LocalCall Germany:  
06922224918

LocalCall Switzerland:  
0565800007

LocalCall United Kingdom:  
08444933800

Standard International Dial-In Number:  
+44 (0) 1452 555566

## CORPORATE MEDIA RELATIONS

### JOCHEN DUBIEL

Phone +41 61 469 63 63  
jochen.dubiel@clariant.com

### CLAUDIA KAMENSKY

Phone +41 61 469 63 63  
claudia.kamensky@clariant.com

### THIJS BOUWENS

Phone +41 61 469 63 63  
Thijs.bouwens@clariant.com

## DIAL-IN ANALYST CONFERENCE CALL

**DATE:** Friday, October 27, 2017  
**TIME:** 11.00 am CEST / 10.00 BST / 5.00 am EDT / 2.00 am PDT

### ACCESS DATA PARTICIPANTS:

Please pre-register via  
<http://services3.choruscall.ch/DiamondPassRegistration/register?confirmationNumber=8638941&linkSecurityString=4c3553c4>

After registering you will receive dedicated Dial-in details to easily and quickly access the call.

## INVESTOR RELATIONS

### ANJA POMREHN

Phone +41 61 469 6745  
anja.pomrehn@clariant.com

### MARIA IVEK

Phone +41 61 469 63 73  
maria.ivek@clariant.com



[www.clariant.com](http://www.clariant.com)

Clariant is a globally leading specialty chemicals company, based in Muttenz near Basel/Switzerland. On 31 December 2016 the company employed a total workforce of 17 442. In the financial year 2016, Clariant recorded sales of CHF 5.847 billion for its continuing businesses. The company reports in four business areas: Care Chemicals, Catalysis, Natural Resources, and Plastics & Coatings. Clariant's corporate strategy is based on five pillars: focus on innovation through R&D, add value with sustainability, reposition portfolio, intensify growth, and increase profitability.

## 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,” “might,” “possible,” “will,” “should,” “expect,” “intend,” “plan,” “anticipate,” “estimate,” “potential,” “outlook” or “continue,” the negative of these words, other terms of similar 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 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.