

achieving our vision



Chemtura Corporation



SECOND QUARTER 2014 EARNINGS CALL PRESENTATION

July 30, 2014

❖ Caution concerning forward-looking statements

This document includes forward-looking statements within the meaning of Section 27(a) of the Securities Act of 1933, as amended and Section 21(e) of the Exchange Act of 1934, as amended. These forward-looking statements are identified by terms and phrases such as “anticipate,” “believe,” “intend,” “estimate,” “expect,” “continue,” “should,” “could,” “may,” “plan,” “project,” “predict,” “will” and similar expressions and include references to assumptions and relate to our future prospects, developments and business strategies.

Factors that could cause our actual results to differ materially from those expressed or implied in such forward-looking statements include, but are not limited to:

- ◆ The cyclical nature of the global chemicals industry;
- ◆ Increases in the price of raw materials or energy and our ability to recover cost increases through increased selling prices for our products;
- ◆ Disruptions in the availability of raw materials or energy;
- ◆ Our ability to implement our growth strategies in rapidly growing markets and faster growing regions;
- ◆ Our ability to execute timely upon our portfolio management strategies and mid and long range business plans;
- ◆ The receipt of governmental and other approvals associated with the sale of the Chemtura AgroSolutions business and the successful fulfillment of all other closing conditions for such a transaction without unexpected delays or conditions;
- ◆ The successful closing of the sale of the Chemtura AgroSolutions business and the separation of that business from the rest of our businesses;
- ◆ Declines in general economic conditions;
- ◆ The ability to comply with product registration requirements of regulatory authorities, including the U.S. Food and Drug Administration (the “FDA”) and European Union REACh legislation;
- ◆ The effect of adverse weather conditions;
- ◆ Demand for Chemtura AgroSolutions segment products being affected by governmental policies;
- ◆ Current and future litigation, governmental investigations, prosecutions and administrative claims;
- ◆ Environmental, health and safety regulation matters;
- ◆ Federal regulations aimed at increasing security at certain chemical production plants;
- ◆ Significant international operations and interests;
- ◆ Our ability to maintain adequate internal controls over financial reporting;
- ◆ Exchange rate and other currency risks;
- ◆ Our dependence upon a trained, dedicated sales force;
- ◆ Operating risks at our production facilities;
- ◆ Our ability to protect our patents or other intellectual property rights;
- ◆ Whether our patents may provide full protection against competing manufacturers;
- ◆ Our ability to remain technologically innovative and to offer improved products and services in a cost-effective manner;
- ◆ Our ability to reduce the risks of cyber incidents and protect our information technology;
- ◆ The risks to our joint venture investments resulting from lack of sole decision making authority;
- ◆ Our unfunded and underfunded defined benefit pension plans and post-retirement welfare benefit plans;
- ◆ Risks associated with strategic acquisitions and divestitures;
- ◆ Risks associated with possible climate change legislation, regulation and international accords;
- ◆ The ability to support the carrying value of the goodwill and long-lived assets related to our businesses;
- ◆ Whether we repurchase any additional shares of our common stock that our Board of Directors has authorized us to purchase and the terms on which any such repurchases are made; and
- ◆ Other risks and uncertainties described in our filings with the Securities and Exchange Commission, including Item 1A, Risk Factors, in our Annual Report on Form 10-K.

These statements are based on our estimates and assumptions and on currently available information. Our forward-looking statements include information concerning possible or assumed future results of operations, and our actual results may differ significantly from the results discussed. Forward-looking information is intended to reflect opinions as of the date this press release was issued. We undertake no duty to update any forward-looking statements to conform the statements to actual results or changes in our operations.

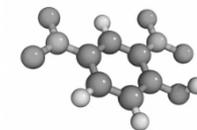
› Managed Basis Financial Measures



❖ See Appendix for reconciliation to GAAP computations

Managed Basis Financial Measures

The information presented in this Presentation includes financial measures that are not calculated or presented in accordance with Generally Accepted Accounting Principles in the United States ("GAAP"). Our managed basis financial measures consist of adjusted results of operations that exclude certain expenses, gains and losses that may not be indicative of our core operations. Excluded items include costs associated with the bankruptcy reorganization; facility closures, severance and related costs; gains and losses on sale of businesses and assets; increased depreciation due to the change in useful life of assets; unusual and non-recurring settlements; accelerated recognition of asset retirement obligations; impairment charges; changes in our pension plans as a result of dispositions, merger or significant plan amendments, and the release of cumulative translation adjustments upon the complete or substantial liquidation of any majority-owned entity. They also include the computation of Adjusted EBITDA. In addition to the managed basis financial measures discussed herein, we have applied a managed basis effective income tax rate to our managed basis income before taxes. Our managed basis tax rate of 31% in 2014 and 2013 represents refined estimated tax rates for our core operations to simplify comparison of underlying operating performance. Our projected managed basis tax rate for 2014 is lower than 31%. However, as we will need to subsequently revise our tax rate to reflect the sale of our Chemtura AgroSolutions business, we will defer revising the rate to avoid two potential changes in one year and to assist investors with the comparability of our reported managed basis results. Reconciliations of these managed basis financial measures to their most directly comparable GAAP financial measures are provided in the attached financial tables. We believe that such managed basis financial measures provide useful information to investors and may assist them in evaluating our underlying performance and identifying operating trends. In addition, management uses these managed basis financial measures internally to allocate resources and evaluate the performance of our operations. While we believe that such measures are useful in evaluating our performance, investors should not consider them to be a substitute for financial measures prepared in accordance with GAAP. In addition, these managed basis financial measures may differ from similarly titled managed basis financial measures used by other companies and may not provide a comparable view of our performance relative to other companies in similar industries.



Presenters:

▶ **Craig Rogerson**

Chairman, President and Chief Executive Officer

Performance overview commentary and outlook

▶ **Stephen Forsyth**

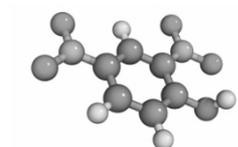
Executive Vice President and Chief Financial Officer

Financial performance, cash flow and tax commentary

▶ **Dalip Puri**

Vice President, Investor Relations and Treasurer

Opening and closing remarks



PORTFOLIO HIGHLIGHTS:

- ♦ The announced Chemtura AgroSolutions sale for approximately \$1 billion in gross proceeds is on track and we anticipate the transaction to close in the fourth quarter of 2014
- ♦ On July 9, we filed a Form 8-K outlining that the Chemtura AgroSolutions business did not qualify to be presented as a discontinued operation due to significant continuing cash flows, primarily related to supply agreements with the buyer for minimum terms of two to four years
- ♦ We incurred \$7 million and \$11 million of expense for the quarter and six months ended June 30, 2014, respectively (and a total of \$17 million process-to-date) in connection with the sale of the Chemtura AgroSolutions business. These costs are included in our managed basis reporting
- ♦ In the second quarter, we repurchased 5.5 million shares of our common stock for \$132 million under our existing share repurchase program. We anticipate expanding our share repurchase activities after the close of Chemtura AgroSolutions divestiture

SECOND QUARTER 2014 SEGMENT PERFORMANCE:

- ♦ The **Industrial Performance Products** business delivered higher revenues compared to the second quarter 2013 due to increased sales volumes and higher selling prices. Operating income was lower compared to the second quarter of 2013 primarily due to the timing of the recovery raw material input costs. The segment remains on track to deliver year-over-year sales and profitability improvement in 2014
- ♦ Our **Industrial Engineered Products** business delivered higher revenues and operating income compared to the second quarter of 2013 due to increased sales volume (including the benefit of our Emerald Innovation™ 3000 flame retardant product) and positive manufacturing variances due to improved capacity utilization. The rate of improvement was constrained by competitive pricing pressures in electronics and organometallic polymerization catalyst components
- ♦ The **Chemtura AgroSolutions** business delivered year-over-year improvement in the quarter led by strong demand in Latin America. The business also benefitted from favorable weather conditions in Europe compared to the prior year's growing season

2014 OUTLOOK:

- ♦ Taking the challenges of the first half of 2014 into account, we expect year-on-year Adjusted EBITDA growth for 2014 to be 15% - 20% compared to the 20% - 30% we anticipated at the start of the year

› Second Quarter 2014 Earnings Summary



❖ Managed Basis – Continuing Operations (dollars in millions)

	2Q 2014	2Q 2013	YoY	Adjusted for Costs Incurred for the Sale of Chemtura AgroSolutions		
				2Q 2014	2Q 2013	YoY
Net Sales	\$609	\$590	▲ 3%	\$609	\$590	▲ 3%
Operating Income	\$57	\$54	▲ 6%	\$64	\$54	▲ 19%
<i>Operating Income as a % of Sales</i>	9%	9%		11%	9%	
Net Income	\$30	\$25	▲ 20%	\$35	\$25	▲ 40%
Adjusted EBITDA⁽¹⁾	\$84	\$83	▲ 1%	\$91	\$83	▲ 10%
<i>Adjusted EBITDA as a % for Sales</i>	14%	14%		15%	14%	

Commentary

- Second quarter 2014 net sales increased by \$19 million or 3% compared to same period last year, primarily due to higher sales volume and favorable foreign currency translation, partially offset by lower selling prices
- Second quarter 2014 Adjusted EBITDA increased by \$1 million to \$84 million and includes \$7 million of costs incurred in the process to sell Chemtura AgroSolutions. Excluding those costs, Adjusted EBITDA and Net Income would have been \$91 million and \$35 million, respectively

(1) Adjusted EBITDA = Managed Basis Operating Income + Depreciation + Amortization + Stock-based compensation expense
Managed Basis Tax Rate of 31% for second quarter 2014 and 31% for second quarter of 2013

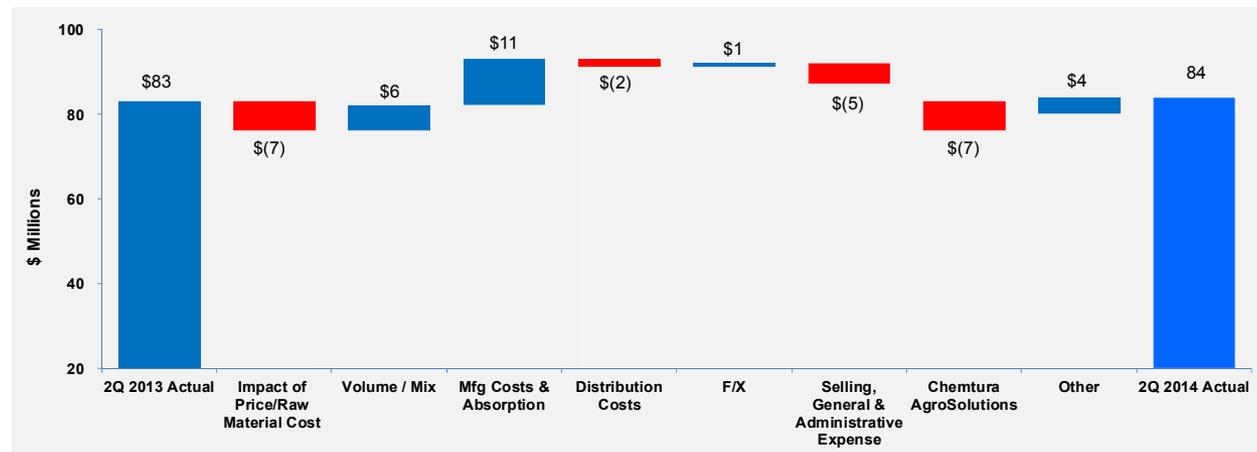
> Second Quarter 2014 Bridges



❖ Managed Basis – Continuing Operations (Dollars in Millions)



Second Quarter 2014
Net Sales Bridge



Second Quarter 2014
Adjusted EBITDA Bridge



(\$ Millions)	2Q 2014	2Q 2013	YoY
Net Sales	\$259	\$254	▲ 2%
Operating Income	\$27	\$31	▼ -13%
<i>Operating Income as a % of Sales</i>	10%	12%	
Adjusted EBITDA⁽¹⁾	\$35	\$38	▼ -8%
<i>Adjusted EBITDA as a % for Sales</i>	14%	15%	
Year-Over-Year			
Adjusted EBITDA	(\$3)		
Gross Margin Impact of Price / Raw Material Cost	(6)		
Volume/Mix	5		
Mfg Costs & Absorption	(3)		
FX	3		
SGA&R/Other	(2)		

Performance Commentary

- ◆ Net sales increased by \$5 million or 2% in the second quarter of 2014, compared to the same quarter of 2013, due to increased sales volume and higher selling prices
- ◆ Second quarter 2014 Adjusted EBITDA declined slightly by \$3 million, compared to the same quarter last year, due to timing differences in the recovery of raw material costs and unfavorable manufacturing variances and higher selling, general & administrative expenses
- ◆ We continue to make investments that will strengthen our commercial practices to improve effectiveness of execution on revenue growth and margin expansion

(1) See GAAP reconciliation in Appendix for computation of Adjusted EBITDA

(\$ Millions)	2Q 2014	2Q 2013	YoY
Net Sales	\$210	\$201	▲ 4%
Operating Income	\$16	\$13	▲ 23%
<i>Operating Income as a % of Sales</i>	8%	6%	
Adjusted EBITDA⁽¹⁾	\$28	\$26	▲ 8%
<i>Adjusted EBITDA as a % for Sales</i>	13%	13%	

Year-Over-Year

Adjusted EBITDA	\$2
Gross Margin Impact of Price / Raw Material Cost	(5)
Volume/Mix	(1)
Mfg Costs & Absorption	11
Distribution costs	(1)
SGA&R/Other	(2)

Performance Commentary

- ◆ Net sales increased \$9 million or 4% in the second quarter 2014, compared to the same quarter in 2013. The increase in net sales was primarily driven by higher volumes of our Emerald Innovation™ 3000 product which is a replacement for traditional HBCD flame retardant used in styrene based insulation foam applications
- ◆ Adjusted EBITDA increased by \$2 million or 8% compared to the second quarter of 2013 primarily due to improved manufacturing capacity utilization and increasing sales of our Emerald Innovation™ 3000 product, offset by lower selling prices for electronic applications and organometallic polymerization catalysts components

(1) See GAAP reconciliation in Appendix for computation of Adjusted EBITDA

(\$ Millions)	2Q 2014	2Q 2013	YoY
Net Sales	\$140	\$135	▲ 4%
Operating Income	\$36	\$32	▲ 13%
<i>Operating Income as a % of Sales</i>	26%	24%	
Adjusted EBITDA⁽¹⁾	\$38	\$35	▲ 9%
<i>Adjusted EBITDA as a % for Sales</i>	27%	26%	

Year-Over-Year	
Adjusted EBITDA	\$3
Gross Margin Impact of Price / Raw Material Cost	4
Volume/Mix	2
Mfg Costs & Absorption	3
FX	(2)
SGA&R/Other	(4)

Performance Commentary

- ◆ Net sales increased \$5 million or 4% in the second quarter of 2014 compared to the second quarter of 2013, primarily due to higher sales volume and selling prices, partially offset by unfavorable foreign currency translation
- ◆ Adjusted EBITDA increased \$3 million for the current quarter compared to the second quarter of 2013. The increase was primarily related to the increase in net sales and lower manufacturing costs, partially offset by higher SGA&R and unfavorable foreign exchange
- ◆ Chemtura AgroSolutions product launch and portfolio development processes are on target. During the current quarter, the business launched 26 new products, bringing year-to-date product launches to 45

(1) See GAAP reconciliation in Appendix for computation of Adjusted EBITDA

(\$ in Millions)	June 30, 2014
Cash	\$235
\$450 Million 5.75% Senior Notes due 2021	\$450
Senior Secured Term Loan due 2016	\$207
7 7/8% Senior Notes due 2018	\$100
Other Debt	\$43
Total Debt	\$800
Credit Statistics	June 30, 2014
<i>(\$ in Millions)</i>	
2014 LTM Adjusted EBITDA ⁽¹⁾	\$265
2014 LTM Interest Expense	\$52
Debt/2014 LTM Adjusted EBITDA	3.0X
2014 LTM Adjusted EBITDA / Cash Interest Expense	5.1X
Total Net Leverage ⁽²⁾	2.13X

(1) See GAAP reconciliation in Appendix for computation of Adjusted EBITDA

(2) Total Net Leverage is defined as Net Debt/Adjusted EBITDA

Capitalization

- ➔ Q2 Cash balance of \$235 million compares to \$361 million in Q1 2014 and reflects the use of \$132 million for share repurchases during the quarter
- ➔ From January 1, 2014 through June 30, 2014 we have repurchased approximately 6.5 million shares of our common stock for \$157 million under our share repurchase program. There was \$139 million remaining under our authorized share repurchase program of \$391 million at the end of June 2014
- ➔ The agreement to sell Chemtura AgroSolutions for approximately \$1 billion is expected to close in the fourth quarter of 2014. We continue to expect to return the net after-tax sale proceeds to shareholders having first repaid enough debt to maintain our total debt to Adjusted EBITDA ratio at the level it was prior to the divestiture
- ➔ In 2014, we expect higher to deliver operating earnings (before the sale of Chemtura AgroSolutions), as well as reduced cash outflows related to capital expenditures, pension contributions and interest expense, improving the Company's free cash flow profile

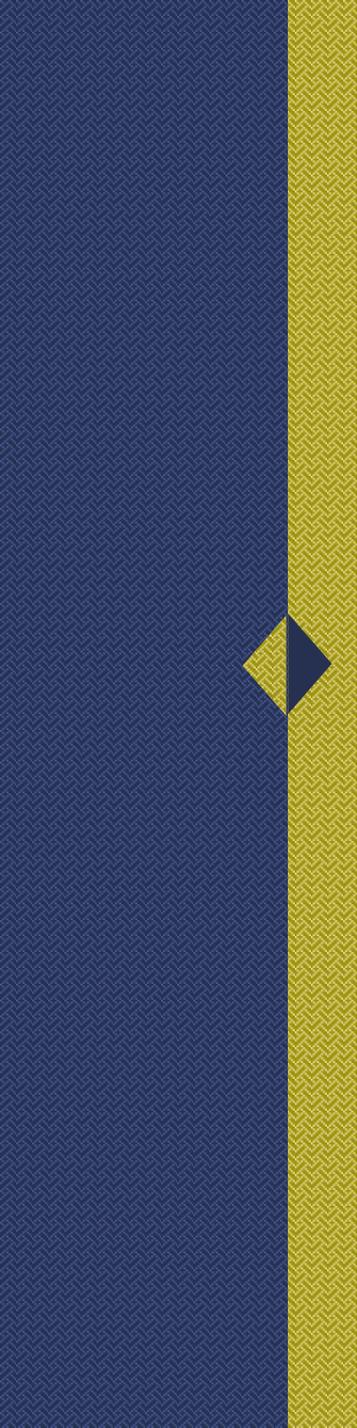
> 2014 Modeling Assumptions



❖ To Assist In Modeling – May Be Subject To Change

♦ Depreciation & Amortization	\$105-\$115 million (Managed Basis)
♦ Capital Expenditure	\$110-\$120 million
♦ Stock Based Compensation – (expense)	\$14 million
♦ Pension & OPEB – (income)	\$2 million
♦ Pension & OPEB – (cash)	\$40-\$60 million
♦ Interest – (expense and cash)	\$42-\$46 million
♦ Environmental Remediation – (cash)	\$20 million
♦ Taxes – (cash)	\$25-\$35 million
♦ Shares Outstanding (Diluted)	94 million ⁽¹⁾

(1) Amount represents estimated weighted average Diluted Shares Outstanding and does not include share repurchases made after Q2 2014.



Appendix

GAAP Reconciliation

GAAP Reconciliation by Segments

<i>(\$ in millions)</i>	Operating Income/(Loss)	Net Income/(Loss)
GAAP	\$52	\$39
Managed Basis Adjustments:		
Accelerated depreciation of property, plant and equipment	1	1
Facility closures, severance and related costs	4	4
Reorganization items, net		1
Loss on sale of discontinued operations, net of tax		4
Adjustment to apply a Managed Basis effective tax rate		(19)
Managed Basis	\$57	\$30
Adjusted EBITDA⁽¹⁾ Reconciliation		
Managed Basis Operating Income	\$57	
Managed Basis Depreciation and Amortization	24	
Stock-based compensation for post-confirmation awards	3	
Adjusted EBITDA	\$84	

(1) See GAAP reconciliation in Appendix for computation of Adjusted EBITDA

NOTE: Adjusted EBITDA includes \$7 million and \$11 million of expense in the second quarter and six months ended June 30, 2014, respectively, related to the sale of Chemtura AgroSolutions

> GAAP Reconciliation



❖ Reconciliation of Net Earnings (Loss) to Adjusted EBITDA

(\$ in Millions)	LTM	Year Ended December 31,		
	2014	2013	2012	2011
Net Earnings (Loss) from continuing operations	\$22	(\$22)	\$103	\$68
Depreciation and amortization	102	101	100	103
Interest expense	52	60	64	63
Loss on extinguishment of debt	50	50	1	-
Income tax expense (benefit)	(5)	18	26	17
Facility closures, severance and related cost	23	42	11	3
Environmental reserves	-	21	-	-
Gain on sale of businesses	-	-	-	(27)
UK pension benefit matter	-	(2)	-	8
Changes in estimates related to expected allowable claims	-	-	1	3
Reorganization Items, net	1	1	5	19
Non cash stock-based compensation	12	13	22	24
Impairment charges	-	-	-	4
Other expense (income), net	5	(9)	(20)	(1)
Other Operating Adjustments	3	2	-	1
Adjusted EBITDA	\$265	\$275	\$313	\$285

NOTE: Adjusted LTM EBITDA includes \$17 million of expense related to the sale of Chemtura AgroSolutions

> GAAP Reconciliation - Segments



❖ Reconciliation of Segment Operating Income to Adjusted EBITDA

(\$ in Millions)	LTM	Year Ended		
	2014	2013	2012	2011
INDUSTRIAL PERFORMANCE PRODUCTS				
Segment Operating Income	\$102	\$109	\$102	\$116
Depreciation and amortization	34	28	25	26
Stock-based compensation expense	1	1	2	2
Other Operating Adjustments	2	2	-	1
Adjusted EBITDA	139	140	129	146
INDUSTRIAL ENGINEERED PRODUCTS				
Segment Operating Income	\$34	\$55	\$140	\$130
Depreciation and amortization	41	43	43	42
Stock-based compensation expense	1	1	2	2
Other Operating Adjustments	1	-	-	(1)
Adjusted EBITDA	77	99	185	173
CHEMTURA AGROSOLUTIONS				
Segment Operating Income	\$101	\$88	\$65	\$30
Depreciation and amortization	11	12	13	10
Stock-based compensation expense	1	1	1	2
Other Operating Adjustments	-	-	-	-
Adjusted EBITDA	113	101	79	42

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