

“On the Road to Becoming the World’s Best Specialty Chemical Company”

Perspective & Progress

November 2005

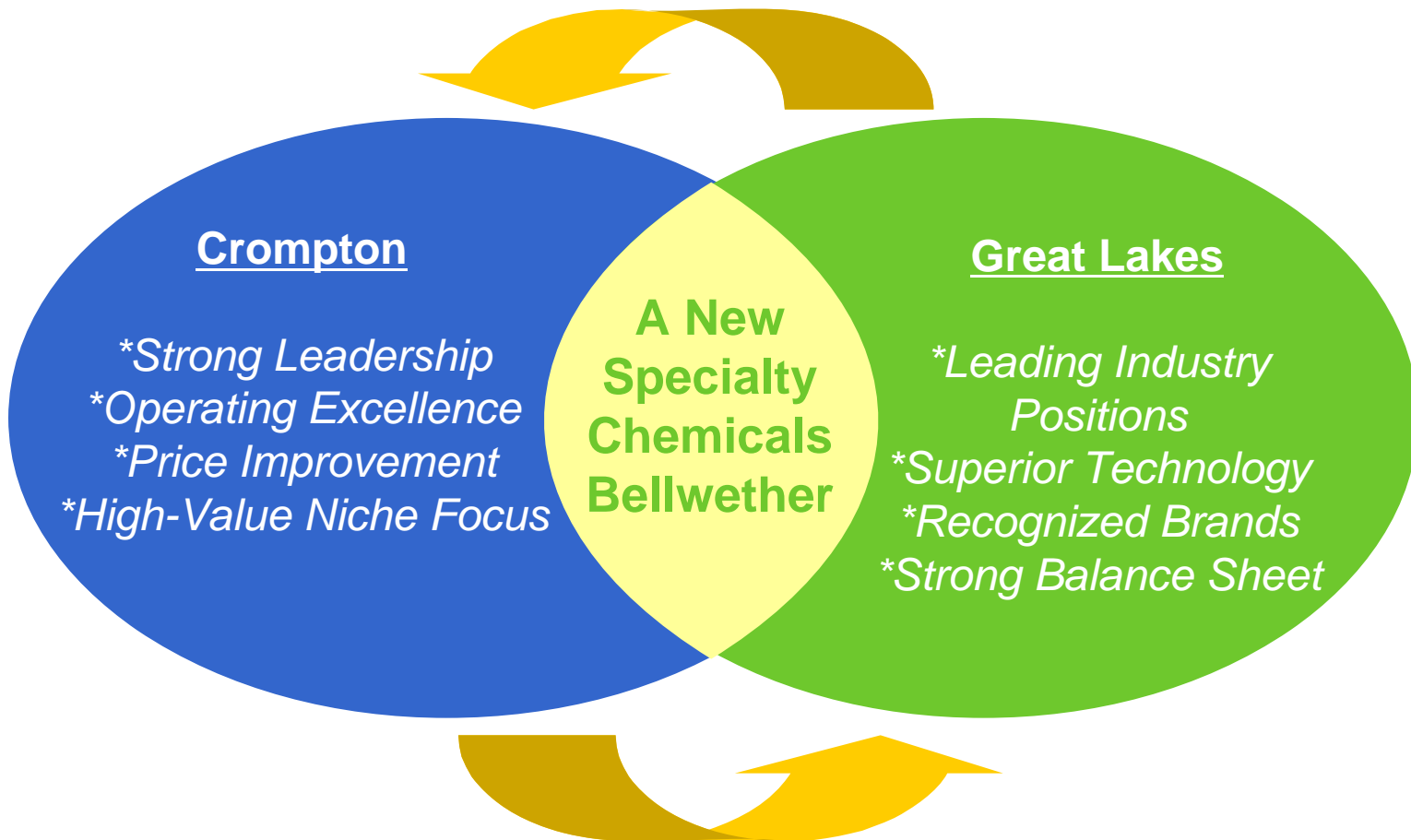
Chemtura Key Facts

- **Pro forma 2004 sales of \$3.9B**
- **6,700 employees**
- **Products & services in more than 100 countries**
- **Worldwide manufacturing, research facilities, global sales offices**



Headquarters
Middlebury, Connecticut, USA

Constructing Opportunity Combines Strength with Strength



We Are a Global Producer and Marketer of

- **Plastics Additives**
- **Flame Retardants & Fire Protection Products**
- **Petroleum & Lubricant Additives**
- **Urethane Polymers & Chemicals**
- **Optical Monomers**
- **Fluorine Chemicals**
- **Clear Brine Fluids**
- **Crop Protection Products**
- **EPDM and Rubber Chemicals**
- **Industrial Water Treatment Products**
- **Swimming Pool & Spa Products**
- **Household Cleaners**

Pro Forma 2004 Annual Sales: \$3.9 Billion

Major End Markets Served

- Agriculture
- Automotive
- Construction
- Consumer
- Industrial



Agriculture

Chemtura's Crop Protection products enhance crop quality and increase yield.

- **Focus on high-value crops such as nuts, citrus, grapes and cotton**
- **Global distribution channels**
- **World-class seed treatment expertise**



Automotive Market

Chemtura's products are an integral part of many automotive components.

- High-performance tires
- Lubricants that extend engine life
- Plastics additives that strengthen and improve durability



Construction

Our products help create construction materials that are tougher, lighter, more flexible and fire resistant.

- **Decking and piping**
- **Vinyl siding and flooring**
- **Wire and cable coatings**
- **Commercial roofing and insulation**



Consumer

We make a variety of products that enhance the quality of many consumer applications.

- **Pool and spa treatment products**
- **Household cleaners**
- **Our additives improve the safety and durability of:**
 - Recreational products
 - Clothing, furniture & carpeting
 - Personal care products



Industrial

Our products are used in many industrial applications, including:

- Manufacturing
- Industrial water treatment
- Drilling/Extraction



Responsible Care®

Chemtura is dedicated to Responsible Care®, the chemical industry's initiative to protect the environment; ensure the safety and security of its operations; and safeguard the health and safety of employees and neighboring communities.

Our goal is to make continuous progress toward the vision of no accidents, injuries or harm to the environment. As active and responsible members of the communities in which we operate, Chemtura is committed to open communication with our employees and neighbors.



Being “The Best” Means We Strive to Be:

- A great place to work and have a successful career
- Our customers’ first choice for providing solutions
- Our shareholders’ best investment through consistent growth and increasing returns
- An enterprise that continuously improves its safety record and environmental stewardship

Clear Specialty Vision

Business Model Attributes/Characteristics

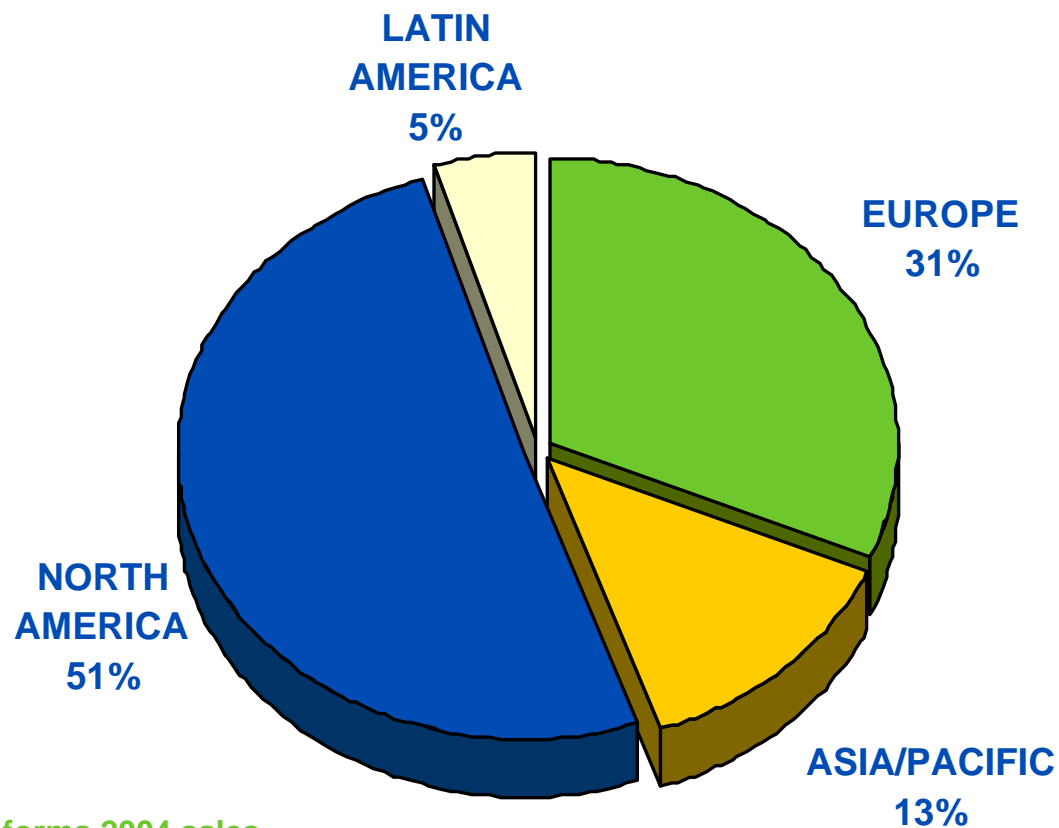
- Serve high-value niches
- Differentiated product offerings
- Unique value in customer end use
- Small part of final product cost
- Pursue high-potential growth opportunities
- Favorable industry dynamics
- Modest capital intensity

Clear Financial Goals

- Gross margins —————> Greater than 30%
- SGA&R —————> Less than 11%
- Operating profit margins —————> At least 15%
- Revenue Growth —————> 10% per year

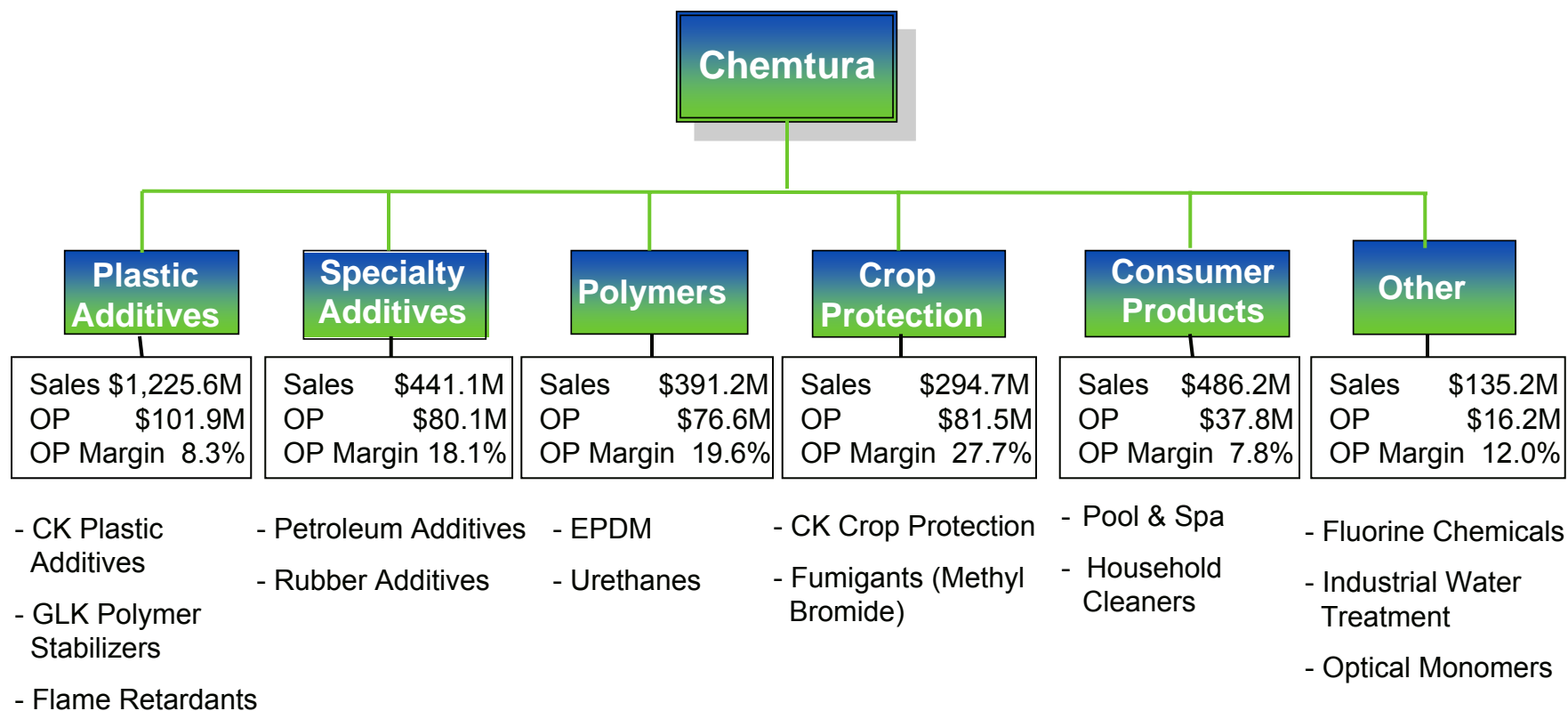
Global Balance

Sales by Geography



Based on pro forma 2004 sales

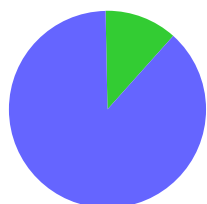
Diverse Business Platform



Leadership in High Potential Niches

Plastics Additives

Total Global Sales: \$10 bn

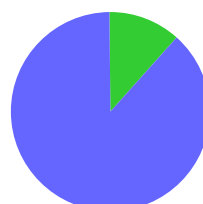


Chemtura
(#1)
12%

Largest global supplier of
plastic additives

Petroleum Additives (Components)

Total Global Sales: \$1.8 bn

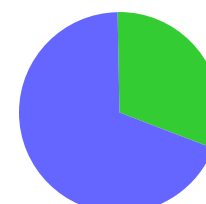


Chemtura
(#1)
12%

Largest component supplier to
the lubricants industry

Castable Urethane Pre-Polymers

Total Global Sales: 160 mm lbs

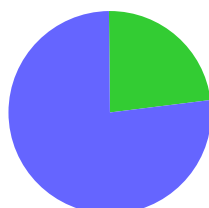


Chemtura
(#1)
31%

Global leader in urethane
specialties

Flame Retardants

Total Global Sales: \$2.1 bn

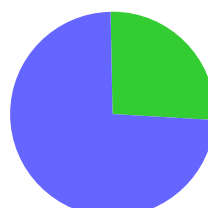


Chemtura
(#1)
23%

Global leader in flame
retardants

Pool Chemicals

Total Global Sales: \$2.2 bn

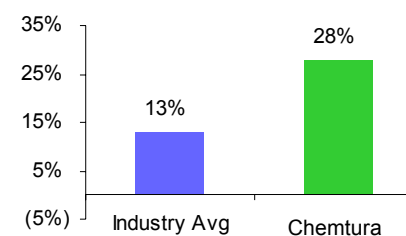


Chemtura
(#1)
26%

Leading full-line pool chemical
supplier

Crop Protection

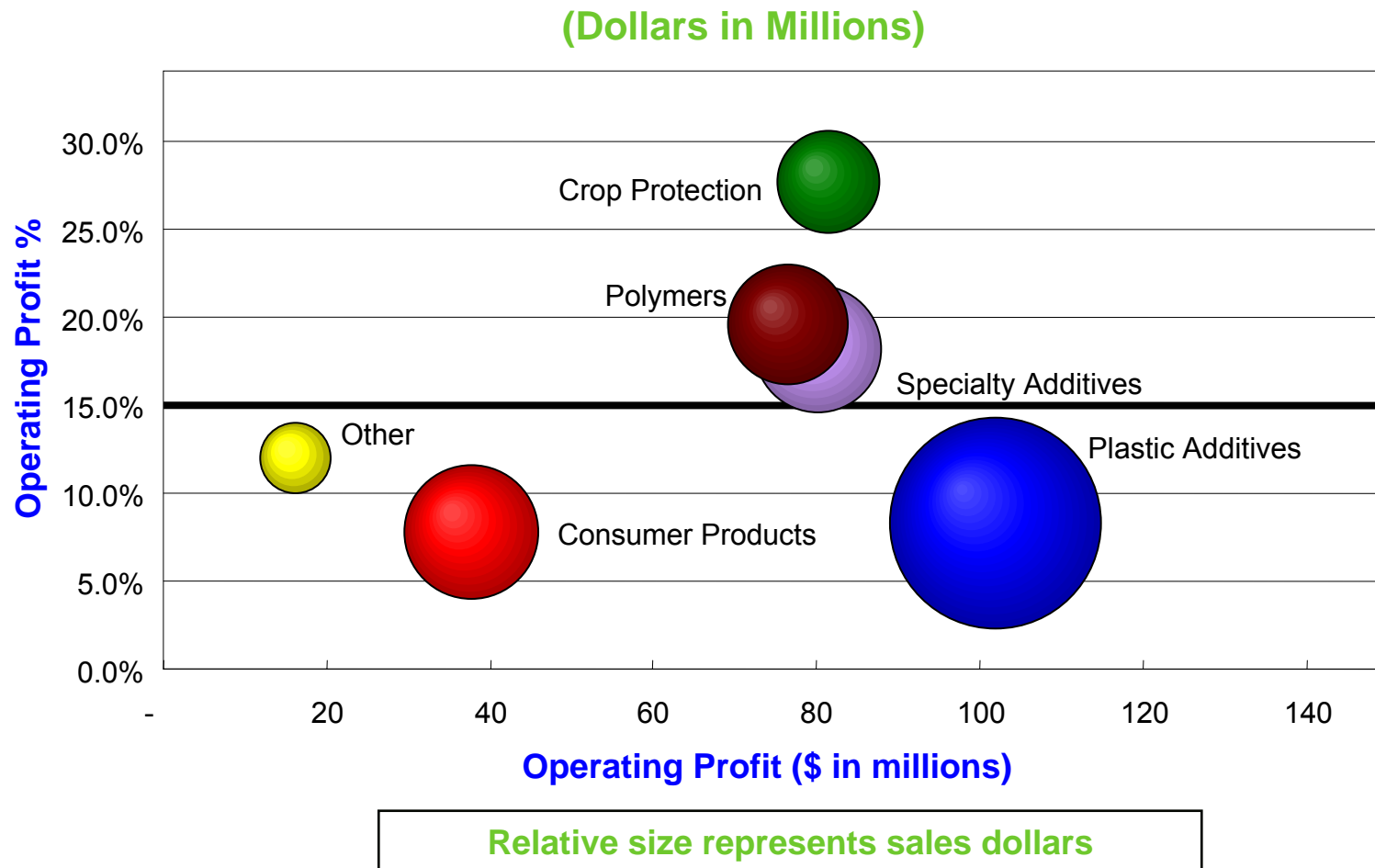
2004 Operating Margins



Most profitable ag chem
company in the world

Segment Profitability & Scale

Nine Months 2005, Pro Forma Adjusted Non-GAAP

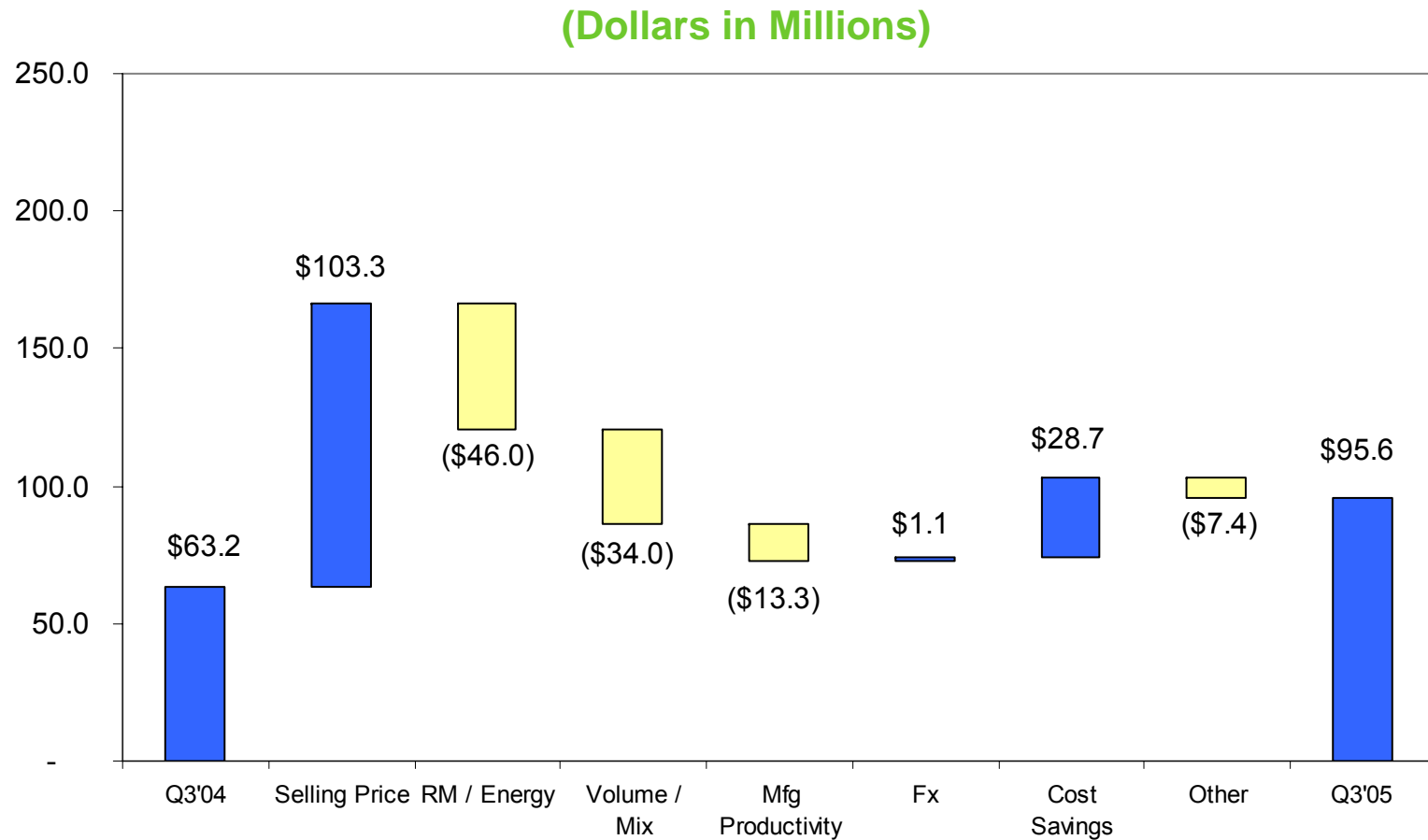


Optimizing the Combined Portfolio

Core – Invest to Grow	Improve Profitability	Run for Cash	Assess
<ul style="list-style-type: none">• Crop Protection• Petroleum Additives• Urethane Polymers	<ul style="list-style-type: none">• Pool Chemicals• Flame Retardants• Plastics Additives• Polymer Stabilizers	<ul style="list-style-type: none">• Rubber Chemicals• EPDM• Methyl Bromide	<ul style="list-style-type: none">• Industrial H₂O Treatment• Household Cleaners• Fluorine• Optical Monomers• Urethane Additives and Baxenden Joint Venture

3Q05 Results Reveal Progress / Challenges




Pro Forma Adjusted Non-GAAP Operating Profit Bridge Q304 v Q305



Chemtura Transformation Priorities

- Capture synergies and integration savings
- Rationalize portfolio: divest non-core businesses
- Continue business improvement across core portfolio
- Turnaround / profit improvement in Consumer Products and Plastic Additives
- Debt reduction

Synergy Savings Update

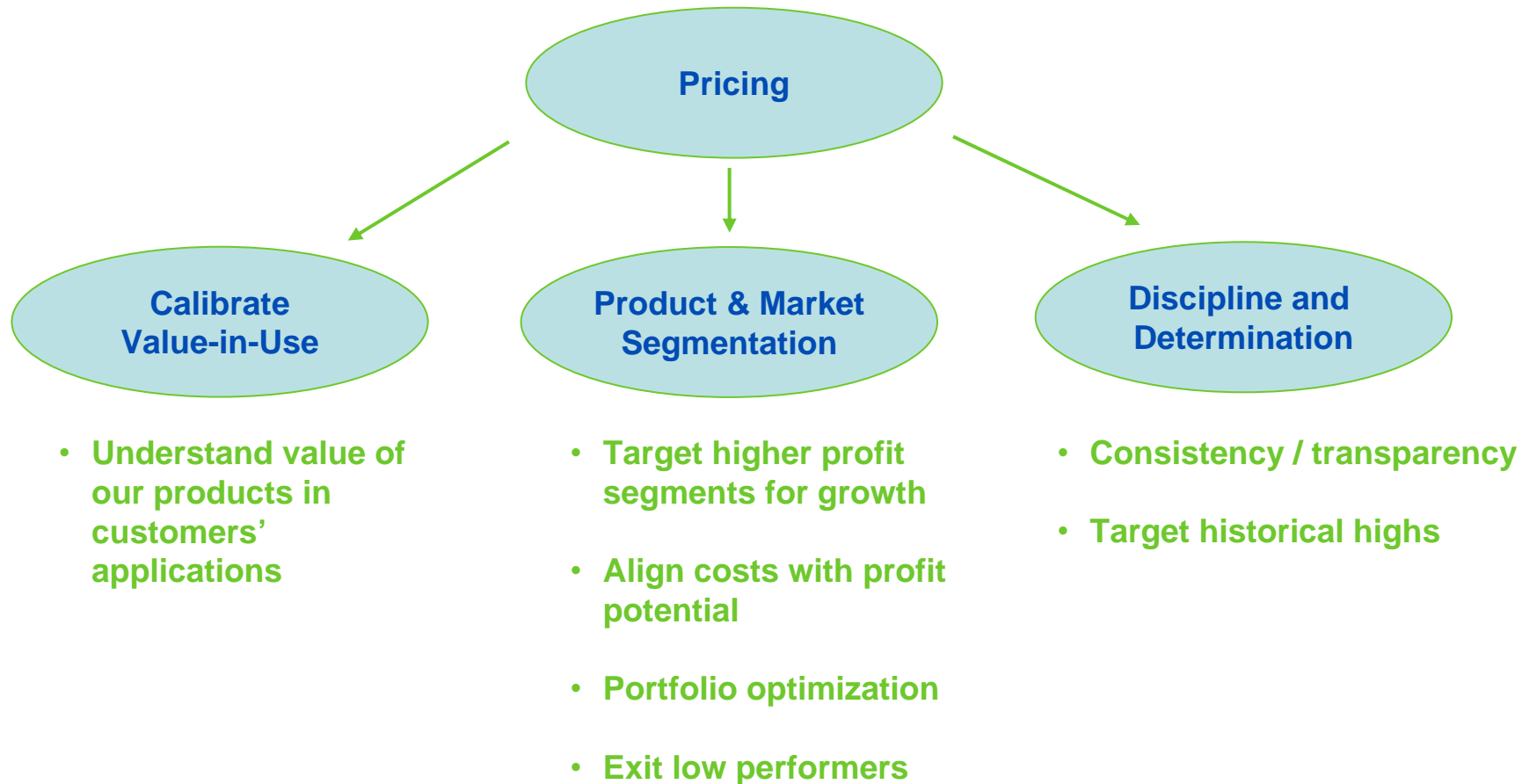
- **\$150 million total cost reduction**
 - 2005  \$10 million
 - 2006  Δ \$90 million
 - 2007  Δ \$50 million
- **Consists of organizational, procurement and numerous service cost reductions**
- **Ongoing Six Sigma and Lean manufacturing initiatives are largely incremental to these merger related synergy savings**

Supply Chain Management

Lean principles apply to all parts of the organization

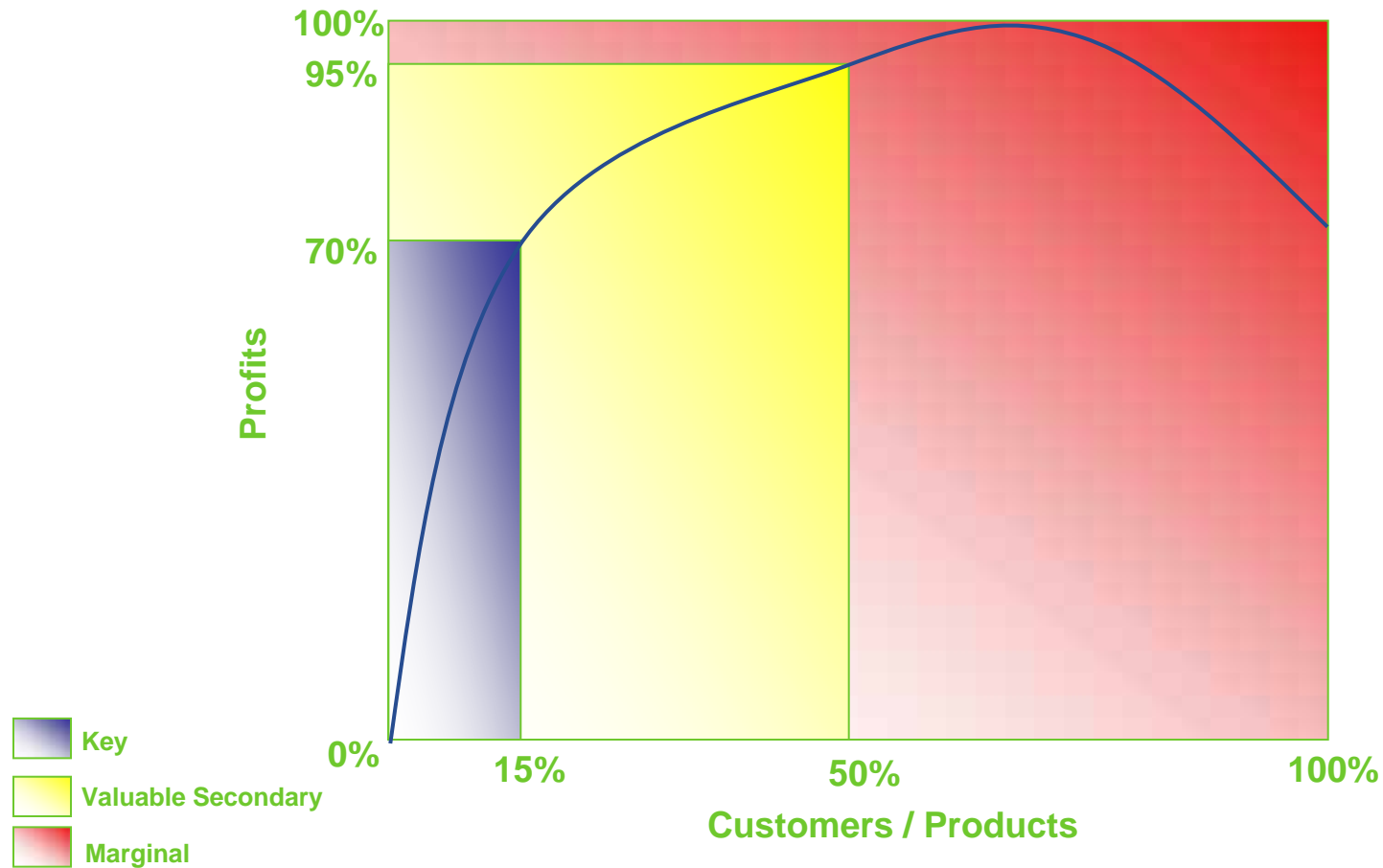


Restoring Specialty Margins

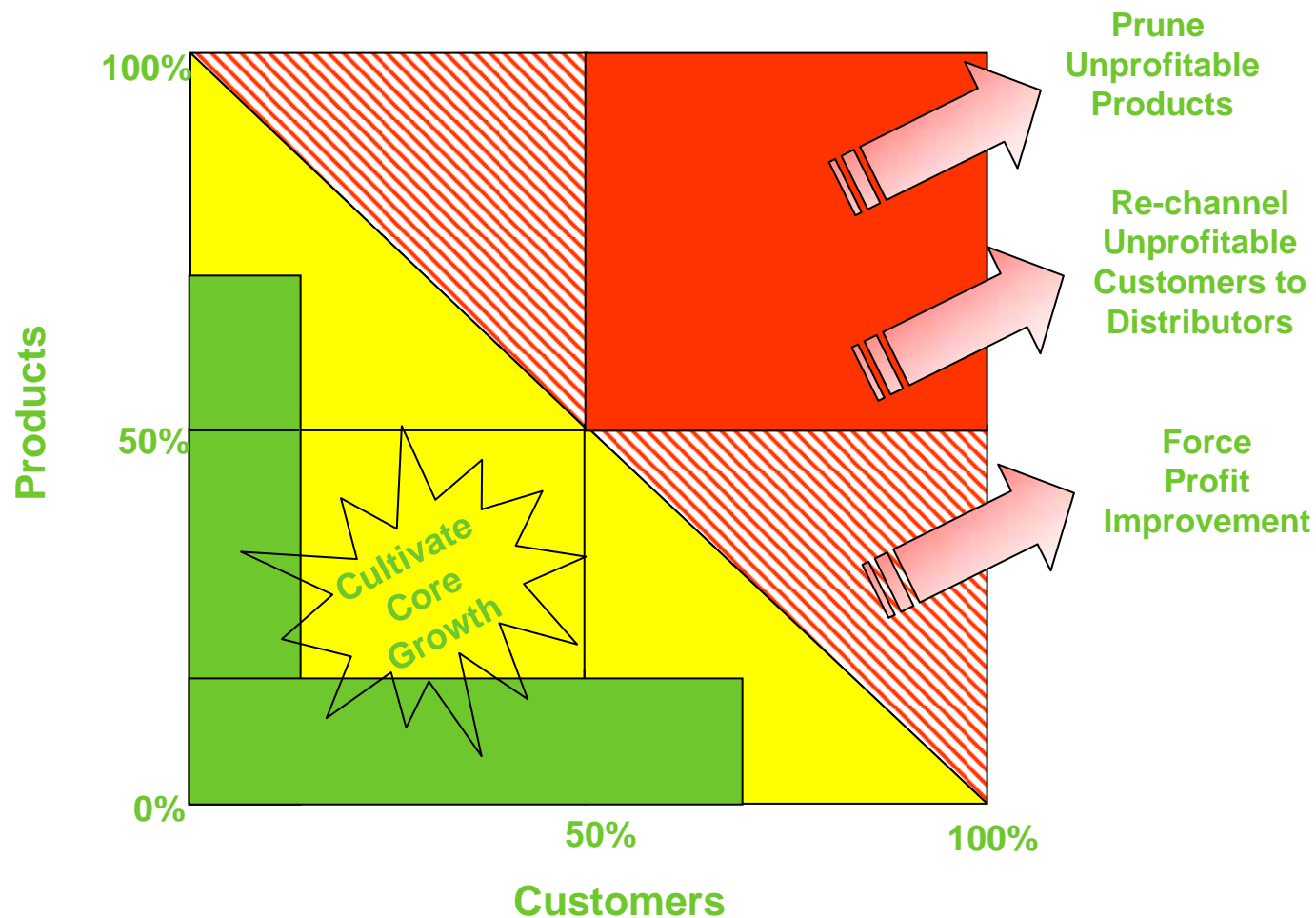


Revealing Self Examination

Customers Served and Product Portfolio



Conclusions and Actions



Addressing Our Plastic Additives Portfolio

- Analyzing our markets: customers, growth, competitive set, our costs
- Divesting low potential lines; growing high potential lines
- New merged platform has high potential

Fragmented Plastics Additives Business

Players ¹	Size (\$MM)	Plastics Additives											Regions		
		IM	OP	FR	HS	L/MR	SA	BI	PL	AS	AO	LS	US	EUR	A/P
Chemtura	1,180	✓	•	✓	✓	•	•		•	•	✓	✓	✓	✓	✓
Ciba	721 ²						✓			✓	✓	✓	✓	✓	✓
Crompton	600 ²	✓	•		✓	•	•		•	•	✓	•	✓	✓	✓
Arkema	600 ^{2,4}	✓	✓		✓	•			✓				✓	✓	✓
Great Lakes	580 ²			✓							✓	✓	✓	✓	✓
Rohm & Haas	525 ²	✓			✓	•		✓					✓	✓	
Akzo	500 ^{2,3}		✓		✓	•	•	•	•	•	•		✓	✓	✓
Albemarle	395 ²			✓							•		✓	✓	✓
Kaneka	381 ⁵	✓											✓	✓	✓
Baerlocher	260 ⁵	•			✓	✓							✓	✓	•
Ferro	240 ⁵			•	✓	✓		✓					✓	•	
Asahi Denka	210 ⁵			•	✓	•		•	✓		✓	✓			✓
Clariant	160 ⁵			•		•					•	•	•	✓	•
Cytec	125 ⁵									•	•	✓	✓	•	•

Legend: ✓ Primary Participation • Niche (less than \$50 million)

Notes:

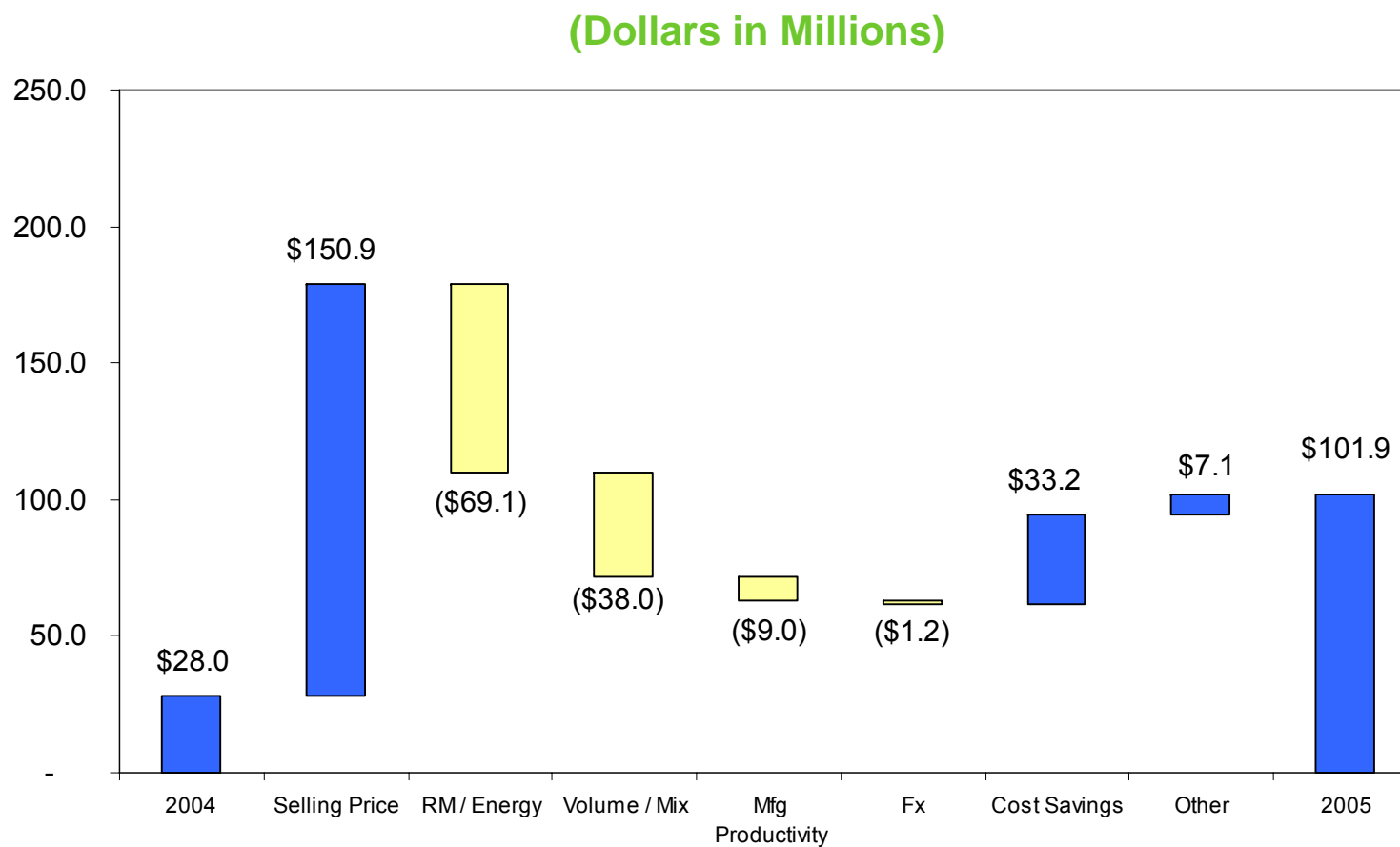
1. Excludes commodity plasticizer players, e.g. ExxonMobil Chemical, BASF and Eastman.
2. Source Townsend Polymer Services & Information Group 12/04.
3. Flame retardants business (\$166MM sales) sold to Ripplewood Holdings 8/04.
4. Arkema is new name for Atofina's Vinyl Products, Industrial Chemicals and Performance Products.
5. Source BRG Townsend Plastics Additives 2002 – 'A Global Study'.

Legend

IM = Impact Modifiers, OP = Organic Peroxides, FR = Flame Retardants, HS = Heat Stabilizers, L/MR = Lubricant/Mold Release, SA = Slip Agents, BI = Biocides, PL = Plasticisers, AS = Anti-Stats, AO = Anti-Oxidants, LS = Light Stabilizers

Plastic Additives

Pro Forma Adjusted Non-GAAP Operating Profit Bridge Nine Months 2004 v Nine Months 2005



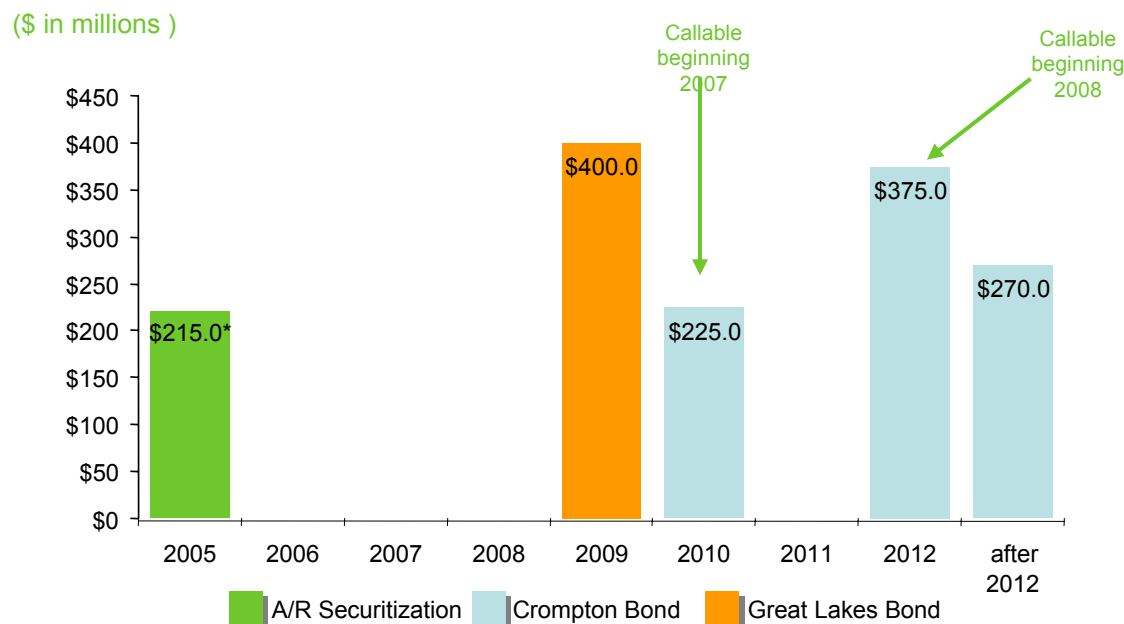
Restoring Specialty Margins

- **Portfolio Management**
 - Exit under performing / low potential businesses
 - Focus on growth strategies for businesses with potential for above GDP growth
 - ✓ Petroleum Additives
 - ✓ Urethane Prepolymers
 - ✓ Crop Protection
 - Enhance portfolio of products in attractive niches
- **Pursue organic growth by selective geographic expansion in Eastern Europe and Asia**
- **Restore Specialty margins through pricing and segmentation**

Major Debt Maturities

- \$600 million, 5-year unsecured revolving credit facility has been put in place
- Solid near-term liquidity and financial flexibility for debt repayment

Mandatory Debt Payment Schedule



Note: Excludes debt included in "Other" that may be due during this period

*Accounts receivable securitization balance at 6/30/05

Chemtura Outlook

- Synergy capture ahead of schedule: more than \$10 million of synergies in 2005; \$90 million in 2006
- Headcount reductions of 600 by year end
- Focus on improving business process: supply chain planning, logistics rationalization, robust commercial processes to price for material margin and achieve operating margin targets of 15%
- Addressing rising raw material and energy prices with continued focused and selective price increases – focus on margin over materials; address every element of the cost structure to identify savings

Chemtura Outlook

- On course to divest certain non-core assets, transactions expected in 2006
- Merger integration largely complete: all functional and business groups staffed and organization working as one company
- Priority on reducing debt and interest expense
- Disciplined capital spending: approximately \$150 million per year against depreciation and amortization of approximately \$185 million

The Path Ahead – Vision and Portfolio Optimization

