



Credit Suisse Basic Materials Conference

The Dow Chemical Company

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SEC Disclosure Rules

Some of our comments today include statements about our expectations for the future. Those expectations involve risks and uncertainties. Dow cannot guarantee the accuracy of any forecasts or estimates, and we do not plan to update any forward-looking statements if our expectations change. If you would like more information on the risks involved in forward-looking statements, please see our Annual Report and our SEC filings.

In addition, some of our comments reference non-GAAP financial measures. Where available, presentation of and reconciliation to the most directly comparable GAAP financial measures and other associated disclosures are provided on the Internet at www.dow.com/investors.

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"EBITDA" is defined as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization.

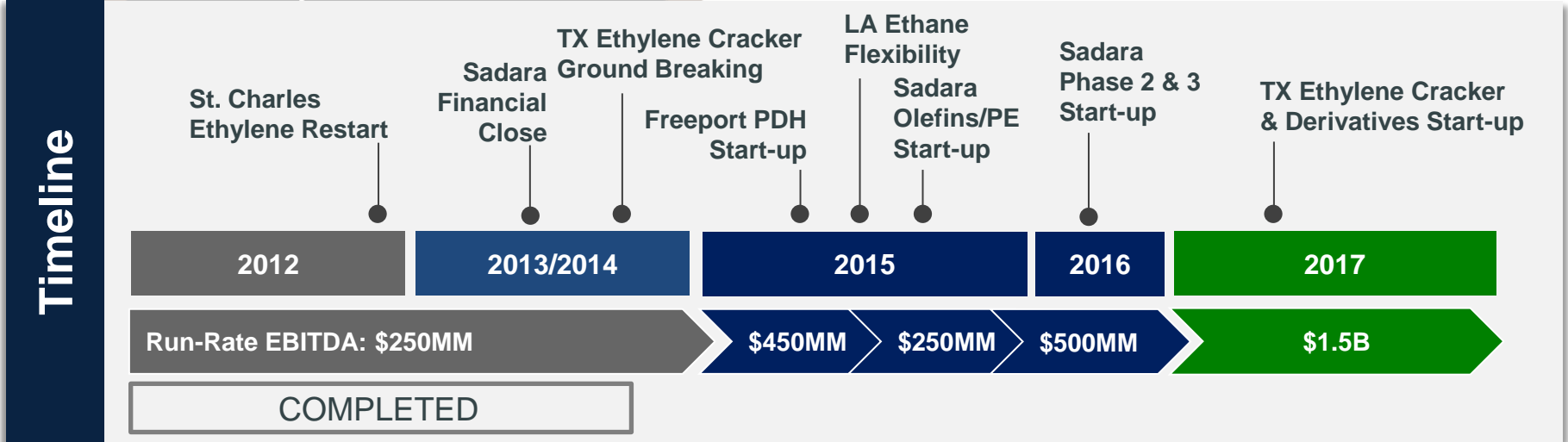
"Adjusted EBITDA" is defined as EBITDA excluding the impact of "Certain Items."

"Adjusted EBITDA margin" is defined as "Adjusted EBITDA" as a percentage of reported net sales.

■ Near-Term Strategic Priorities (2014/2015)

1. Invest in key integrated and feedstock driven value chains and successfully start up these projects in 2015 (USGC and Sadara)
2. Launch new products in Dow Packaging & Specialty Plastics, Dow AgroSciences, Dow Electronic Materials and Dow Coating Materials, and deliver new margins in these businesses in 2014/2015
3. Drive productivity and reduce costs – manage cash and capital tightly
4. Divest or JV chlorine chain and Epoxy business in 2014/2015
5. Release hidden value businesses and ventures, drive better transparency on ROC and value creation in each segment
6. Drive returns that exceed the cost of capital, increase financial flexibility with cash generated and reward shareholders

Priority 1: Successful start-up of Sadara and USGC investments



Planned Projects on Track within Budget



Priority 2: Launch new products and deliver new margins

R&D Magazine Award Winning Technologies

Dow Automotive Systems

BETAMATE™ 1630 structural adhesive

Dow Oil, Gas & Mining

NEPTUNE™ subsea insulation system

Polyurethanes

Dow TERAFORCE™ utilized in preferred
RCS Garnet 2.0 resin coated sand

Dow AgroSciences

Transform® WG Insecticide and Closer® SC
Insecticide with Isoclast™ Active

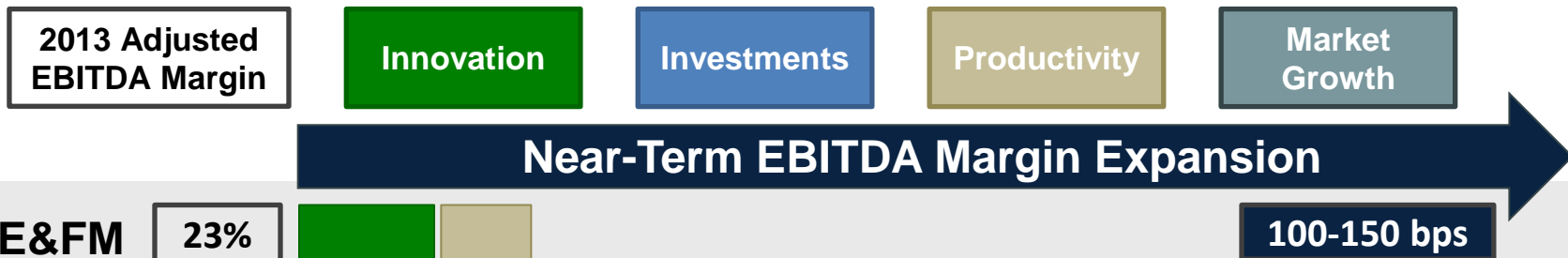
Dow Water and Process Solutions

TEQUATIC™ PLUS fine particle filter



- Targeted at corn, soybean and cotton markets for the Americas
- Resistant and hard-to-control weeds have more than doubled from 2009, and affect an estimated 70 million acres
- Significant regulatory milestones have been achieved with both USDA and EPA
- Pending regulatory approvals, Dow AgroSciences expects to launch Enlist™ corn and soybeans in 2015

Priority 3: Driving Near-Term Margin Expansion and Growth



Examples: Grow Display Technologies; Enter adjacent markets and technologies; Brand-owner relationships

Examples: Coatings and Water innovations; PDH integration; Operating rate leverage; Construction market recovery

Examples: Commercialize R&D pipeline (Seeds, Crop Protection); Achieve scale efficiencies in Seeds

Examples: Innovations in Oil and Gas, Auto, others; PDH integration to reduce raw material cost; Operating rate leverage

Examples: Customer relationships drive innovation; USGC investments, market improvement in Europe

Strategic Decisions in Performance Plastics Maximize Returns

Investments in these capabilities deliver superior ROC across the cycle

Advantaged Cost Position



Premium Technology



Strong Customer Relationships



Industry Leading Brands



Strength in High Margin Markets

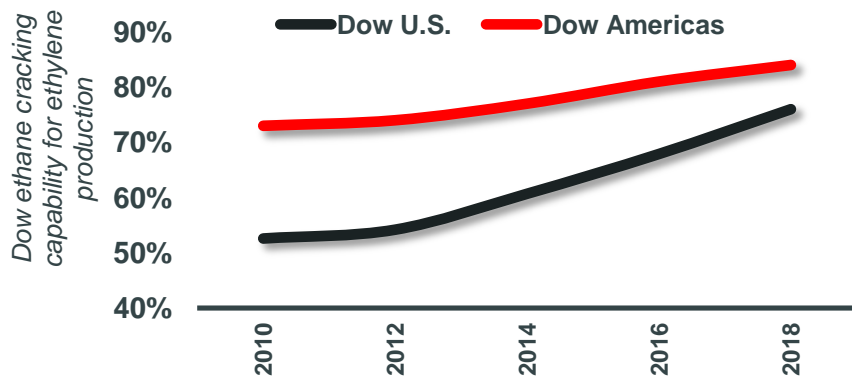


Select attractive, high-margin growth markets

Dow's investments enable industry-leading low-cost positions and differentiated technologies that drive higher returns

Investments in Operations Aligned to Advantaged Cost Positions

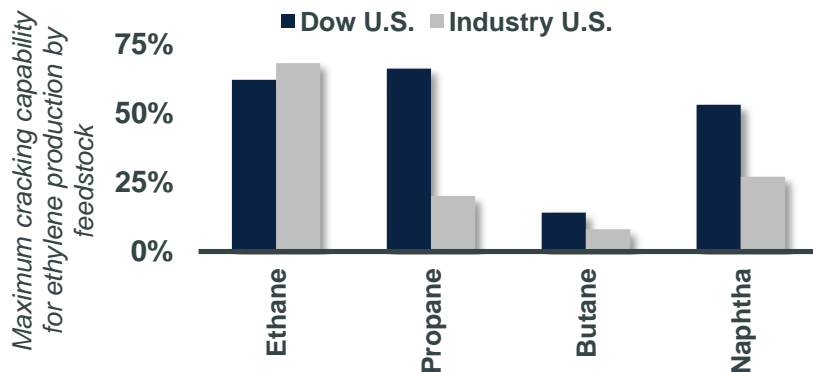
Increasing U.S. Ethane Capability



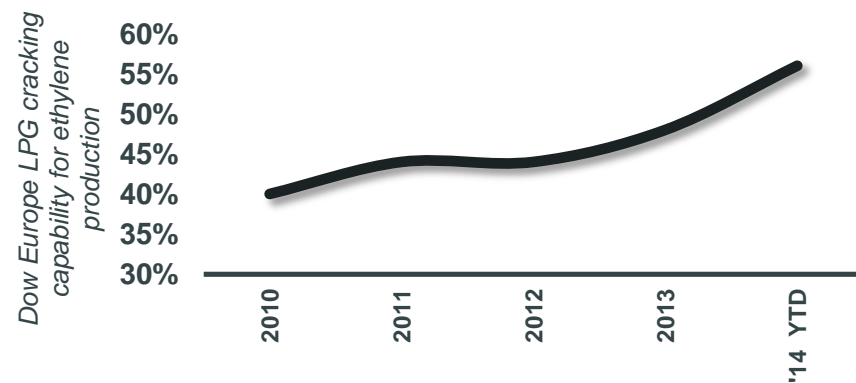
Operational Strategy

- Feedslate decisions minimize cost of ethylene and **maximize profit**
- **Feedstock flexibility** inclusive of propane remains a key strategic differentiator
- USGC and Sadara growth projects further strengthen Dow's use of **cost-advantaged feedstocks**

Industry Leading Flexibility



Increasing Europe LPG Capability



Expand margins through increased use of low-cost feedstocks



Source: Dow, IHS

Performance Plastics Competitive Advantage

Packaging

Hygiene & Medical

Infrastructure & Construction

Consumer Durables

Transportation



Attractive Markets



Strong Technology Portfolio



Industry Leading Brands



Strategic Advantage

Growth Markets Value Technology-driven Solutions

Brand Recognition for High Performance from Differentiated Technology:

LLDPE, HDPE, LDPE, Elastomers, EVA, Acrylic Binders, Adhesives, Barrier Films, Fibers, Sealants, Tie Layers, Formulated Products

Dowlex[™]
POLYETHYLENE RESINS

Elite[™]
ENHANCED POLYETHYLENE

Sealution[™]
PEEL POLYMERS

Mor-Free[™]
SOLVENTLESS ADHESIVES

ENGAGE[™]
POLYOLEFIN ELASTOMERS

INFUSE[™]
OLEFIN BLOCK COPOLYMERS

NORDEL
E · P · D · M

Advantaged Business Model

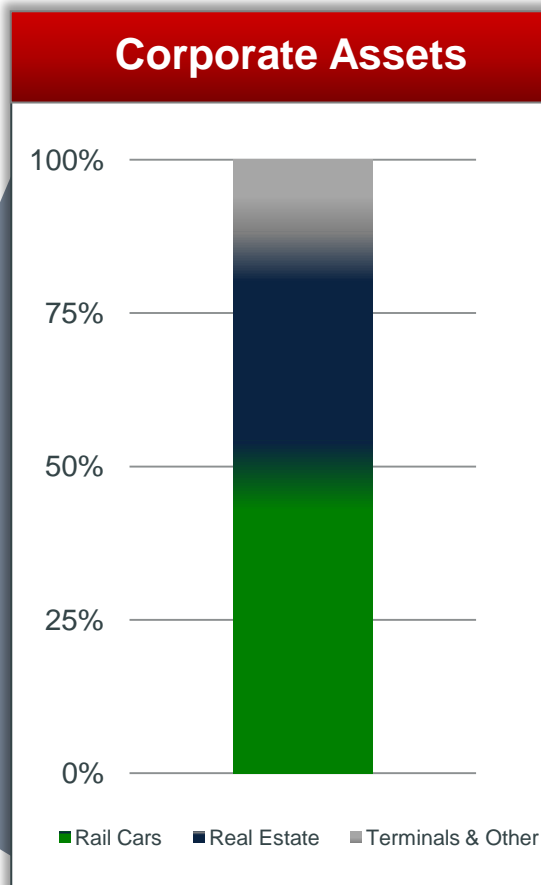


Priority 4: Divest or JV chlorine chain and Epoxy business in 2014/2015

- Divesting non-strategic assets, representing \$4 billion of revenue
- Assessing all market options
- Fine tuning scope to maximize integration benefits and minimize stranded costs
- Ensuring long-term value creation

Transaction Close Remains on Schedule for Year-End 2015

Priority 5: Release hidden value businesses and ventures, drive better transparency on ROC and value creation in each segment

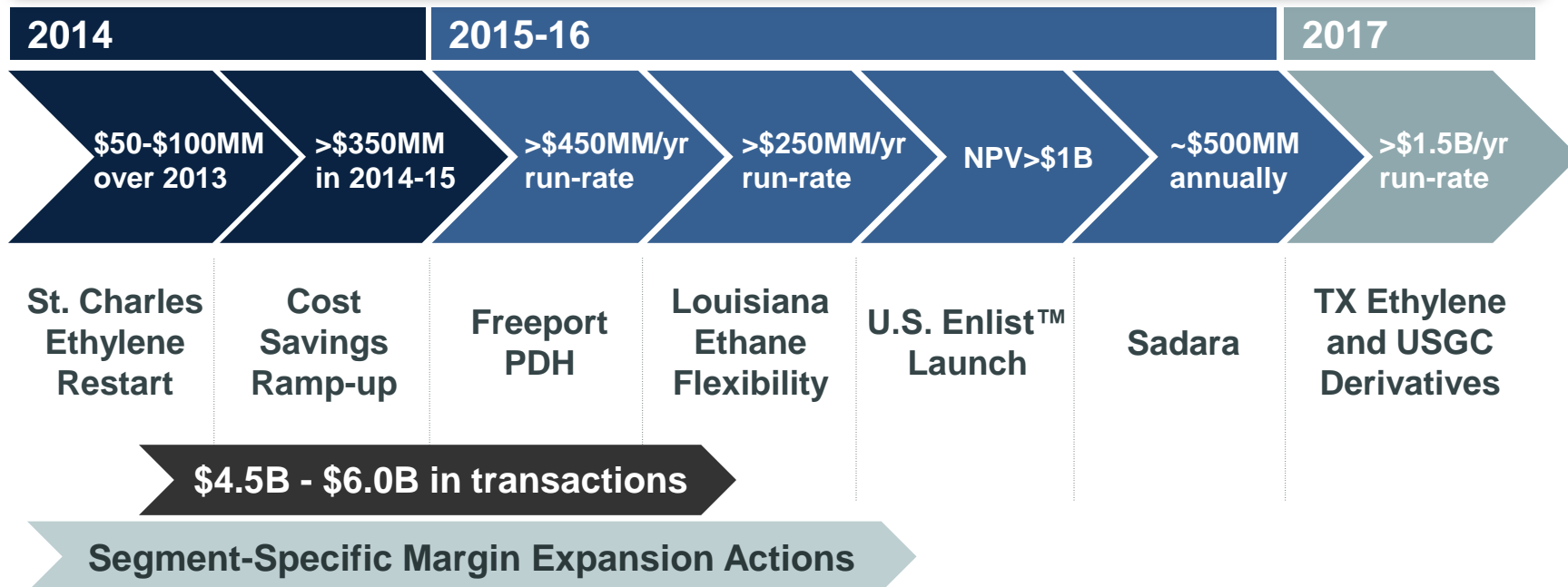


- Nearly \$1B in proceeds expected
- 12 corporate teams reviewing all JVs and all structural costs
- Reviewing large JVs to release new value and increase transparency
- Release value in rail car fleet over next six months

Remain Committed to \$4.5B - \$6B Target

On the Path to \$10B+ EBITDA Near Term

Near-Term Controllable Growth Catalysts

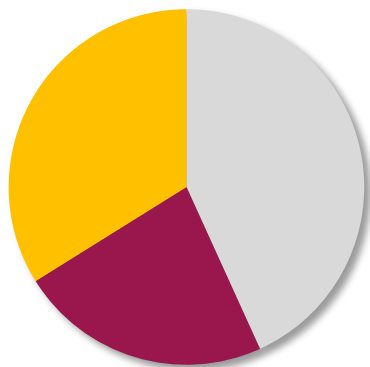


Potential Sources of Additional EBITDA Upside

| Lower Pension Expense | Operating Leverage | Tightening Global Ethylene | Productivity |
|---|---|--|---|
| <ul style="list-style-type: none"> 100 bps increase in the discount rate translates to >\$250MM lower pension expense | <ul style="list-style-type: none"> 100 bps increase in annual operating rate translates to >\$200MM | <ul style="list-style-type: none"> \$0.01/lb margin improvement translates to >\$200MM | <ul style="list-style-type: none"> Additional actions to drive earnings growth |

Priority 6: Drive returns that exceed the cost of capital, increase financial flexibility with cash generated and reward shareholders

Key Uses of Cash (2011-2013)



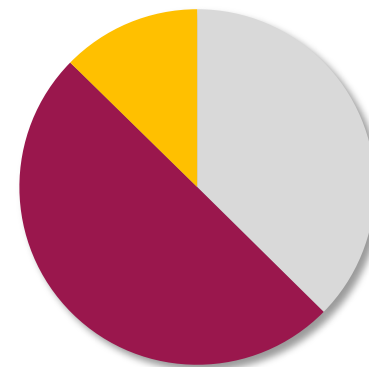
- CapEx
- Dividends and Repurchases
- Debt Reduction

Operational Focus Delivers Higher Levels of Cash

- Strong cash from operations growth
- Financial flexibility afforded by previous debt actions enables focus on shareholders and organic growth in 2014
- CapEx increase: ~\$1B
- Share buybacks: ~\$4B*
- Common Dividends Declared: ~\$1.8B

**Part of the announced \$4.5B share repurchase program*

Key Uses of Cash Last four quarters



- CapEx
- Dividends and Repurchases
- Debt Reduction

An Unrelenting Focus on Cash Flow and Shareholder Remuneration



