



The Dow Chemical Company

2Q 2017 Earnings Conference Call

July 27, 2017

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.

TMTrademark of The Dow Chemical Company or an affiliated company of Dow.

Operating earnings per share is defined as earnings per share excluding the impact of "Certain Items." See Supplemental Information at the end of the earnings release for a description of these items, as well as a reconciliation of "Earnings per common share – diluted" to operating earnings per share.

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

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

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

"Sales ex. M&A" excludes prior period sales of recent divestitures and current period sales of recent acquisitions.

SQLY is defined as "Same Quarter Last Year"; PQ is defined as "Prior Quarter"; YoY is defined as "Year over Year"; TTM is defined as "Trailing Twelve Months."

"Operating Return on Capital" is on a trailing twelve month basis and defined as Adjusted Net Operating Profit After Tax divided by Average Total Capital. "Adjusted Net Operating Profit After Tax" is defined as Adjusted Net Income plus Preferred Stock Dividends plus Net Income Attributable to Noncontrolling Interests plus gross interest expense less tax on gross interest expense. "Adjusted Net Income" is defined as Net Income excluding the impact of "Certain Items." "Total Capital" is defined as Total Debt plus The Dow Chemical Company's Stockholders' Equity plus Redeemable Noncontrolling Interest plus Non-redeemable Noncontrolling Interests

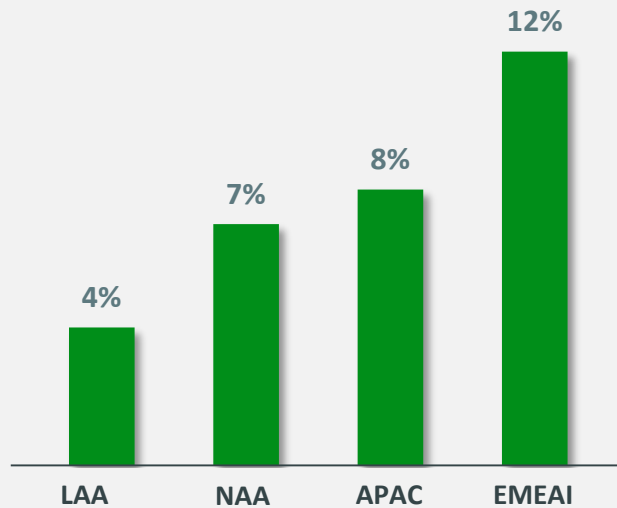
"EMEA" is defined as Europe, Middle East, Africa and India. "LA" is defined as Latin America. "NA" is defined as North America. "EU" is defined as Europe. "APAC" is defined as Asia Pacific.

2Q17 Results – Unparalleled Track Record of Performance

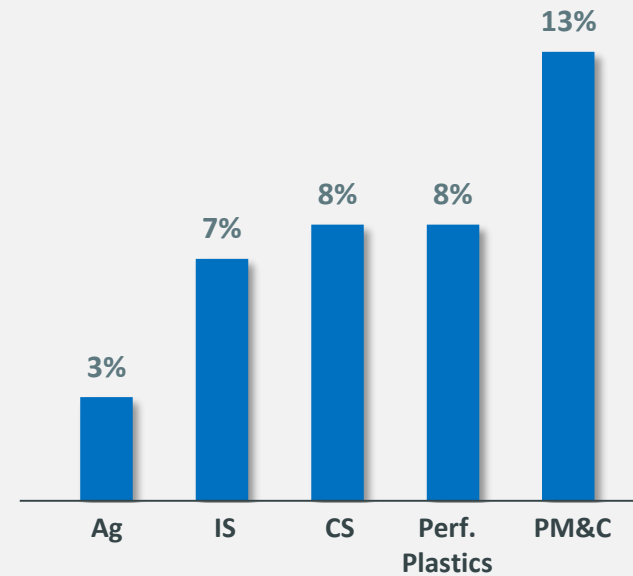
- **3rd consecutive quarter of all-time record Op. EBITDA**
 - Up 12% YoY, reaching \$2.8B
- **19th consecutive quarter of YoY Op. EPS growth**
 - Up 14%, rising to \$1.08; highest 2Q EPS since 2005
- **15th consecutive quarter of YoY volume growth, ex. M&A**
 - Broad-based consumer-driven demand; gains in all segments and geographies
- **Broad-based sales gains**
 - Up 8% ex. M&A, with increases in all segments and geographies
- **Key milestones achieved in growth investments**
 - **Sadara**: 25 of 26 production units now in commercial operations
 - **USGC**: ELITE™ enhanced PE construction complete; startups for ELITE™ and TX-9 both imminent
- **Progressed pending merger with DuPont**
 - Received key conditional regulatory approvals in nearly all jurisdictions
 - Named Board of Directors
 - Reaffirmed expected merger close in August

Broad-Based Top-Line Growth in All Segments and Geographies

2Q Sales Growth by Geography



2Q Sales Growth by Segment



Portfolio Shift Continues to Enable Consumer-Driven Demand Capture



Data reflects organic growth and excludes the impacts of acquisitions

Agenda

- **2Q Financial Highlights**
- 2Q Business Highlights
- Dow's Strategic Value Drivers
- Business Model Delivers Sustainable Earnings

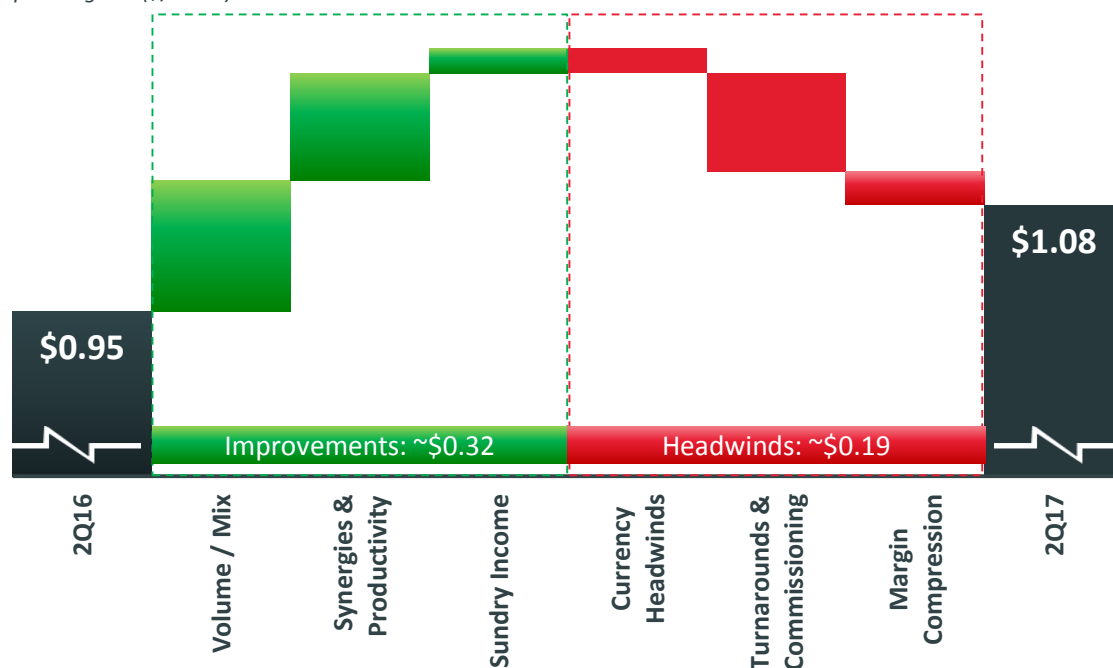
2Q17: Broad-Based Sales, Op. EBITDA and Op. EPS Growth

Financial Performance Snapshot	2Q16	2Q17	B/(W)
Net Sales (\$MM)	\$11,952	\$13,834	+\$1,882
Sales ex. Acquisitions (\$MM)	\$11,952	\$12,964	+\$1,012
Operating EBITDA (\$MM)	\$2,464	\$2,759	+\$295
Operating EPS (\$/share)	\$0.95	\$1.08	+\$0.13

Price: +5%
Volume: +3%

Improved Volume/Mix, Synergies & Productivity Drive Record Op. EPS

Operating EPS (\$/share)



Improvements:

- Broad-based volume growth
- New product introductions
- Pricing momentum
- Synergies, cost controls & productivity

Headwinds:

- Feedstock / raw material costs
- Commissioning / start-up costs and turnaround activity
- Forex headwinds

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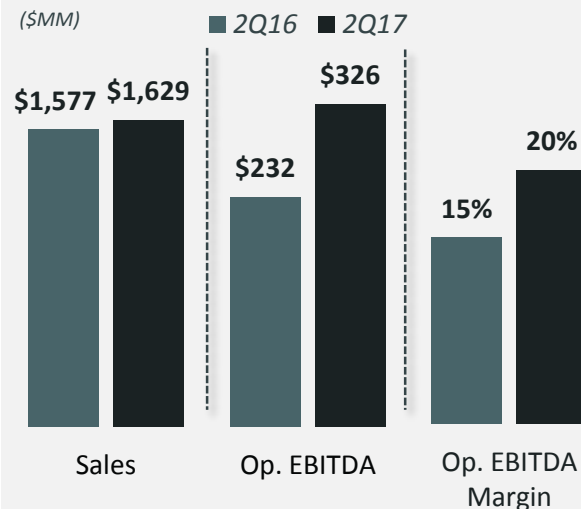
Ag. Sciences: *Differentiated Technology Drives Op. EBITDA Increase*

Strong Grower Demand for Novel Seeds & Crop Protection Technologies









- Seeds volume rose primarily due to robust demand for POWERCORE® corn seeds in Latin America
- Higher demand for cotton seeds in NA, including the highly successful launch of ENLIST™ cotton; launch also benefited Crop Protection through accompanying sales of ENLIST DUO® herbicide
- Crop Protection demand gains driven by new products: Isoclast™ insecticide, Arylex™ broadleaf herbicide and new corn herbicide formulations more than offset softness for rice herbicides
- Continued benefits from lower operating costs driven by productivity actions
- Achieved China import approval for Enlist™ corn, enabling full commercial launch in U.S. and Canada for 2018

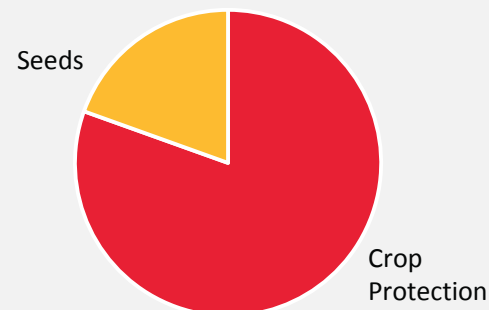
Quarterly Segment Performance



ENLIST™ Traits and Herbicide Technology: *A Winning System for Farmers*

Product	Current Status	Acres*
  Cotton	2017 Full System Launch in US Sold-out with >500k acres	<10MM
  Corn	Full System Launch in US/Canada in 2018	>40MM
 Duo	Launched in 2016 Expect >400k gallons sold in 2017	
 Soybeans	Awaiting China/EU Import Approval	>50MM

2Q17 Sales Split by Business



*Estimated global acres at maturity, excludes additional upside potential from DuPont merger

Consumer Solutions: *Sales and Op. EBITDA Growth in All Businesses*

Dow Automotive Systems: 10th Consecutive Qtr. of YoY Op. EBITDA Growth



- Highest quarterly sales in over five years driven by double-digit volume gains in Asia Pacific and Latin America
- Record 2Q Op. EBITDA on continued adoption of innovative solutions in the business's adhesives platform

Consumer Care: Broad-Based Volume Growth Drives Higher Op. EBITDA



- Volume gains in all geographic areas; double-digit volume growth in pharma and food market segments
- Op. EBITDA growth on new business wins and share gains

Con. Solutions – Silicones: Robust Demand, Share Gains & Cost Synergies



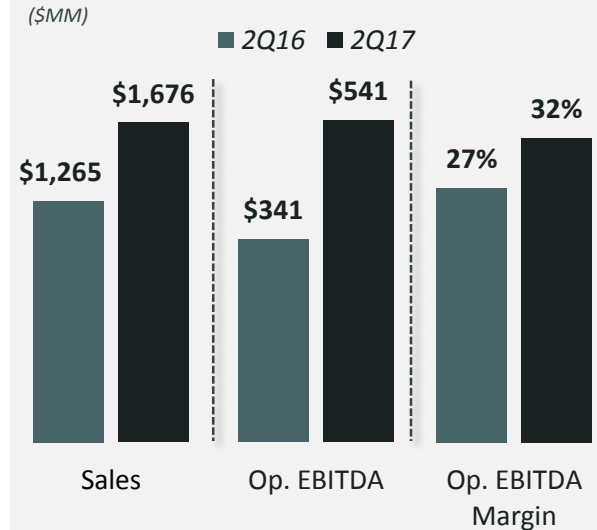
- EMEA and Asia Pacific lead volume increase; growth synergies accelerate globally
- Earnings growth driven by volume gains and sustained cost synergy realization

Dow Electronic Materials: 8th Consecutive Qtr. of YoY Op. EBITDA Growth

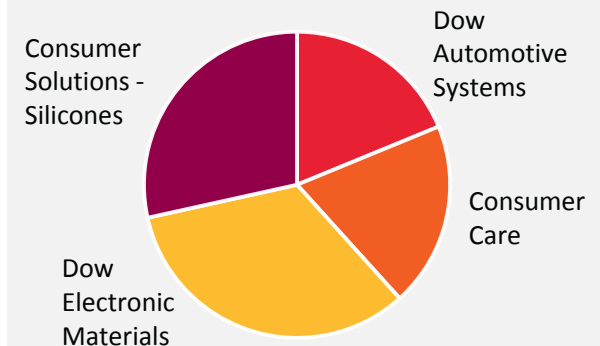


- Double-digit volume gains in most geographic areas led by semiconductor, printed circuit boards and OLED technologies
- Record Op. EBITDA driven by robust above-market growth, as well as new business wins across all technology platforms

Quarterly Segment Performance



2Q17 Sales Split by Business



Infrastructure Solutions: *Op. EBITDA Increases, Sales Grow in all Businesses*

Dow Bldg. & Construction: Volume Gains in Most Geographic Areas



- Demand growth in acrylics-based construction chemicals and methyl cellulosics
- Decline in Op. EBITDA from record 2Q16 as pricing initiatives lagged sharply higher raw material costs, particularly styrene

Energy & Water Solutions: Volume Gains Led by RO & Energy Sector



- Demand growth for RO membranes more than offset lower volumes for ion exchange resins
- Modest Op. EBITDA decline on planned maintenance, price decline and higher raw material costs

Infra. Sol'ns – Silicones: Volume Growth in Downstream End-Markets



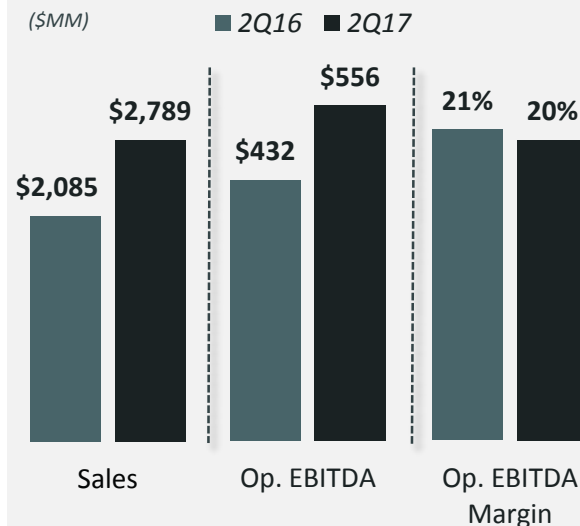
- Demand growth in EMEAI on building applications for innovative sealants and construction products offset by softness in NA
- Earnings growth driven by volume gains and sustained cost synergy realization

Perf. Monomers: Price and Volume Gains on Tighter Industry Conditions Dow Coating Materials: Pricing Gains in Most Geos; Delay in Peak Season

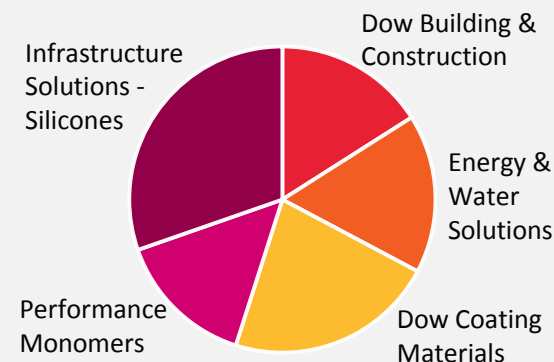


- Performance Monomers delivered robust volume growth on opportunistic merchant sales of acrylates and methacrylates
- Coatings price gains, modest volume decline on seasonal delay

Quarterly Segment Performance



2Q17 Sales Split by Business



Perf. Materials & Chemicals: *Double-digit Op. EBITDA Gains Led by PU*

Polyurethanes: Robust Demand for Systems; Tight MDI Fundamentals



- Strong demand for systems, particularly in consumer and infrastructure applications
- Higher opportunistic merchant MDI sales as supply/demand fundamentals remained tight
- Op. EBITDA rose on pricing gains and broad-based volume growth

Industrial Solutions: Price and Volume Growth; Improved Equity Earnings



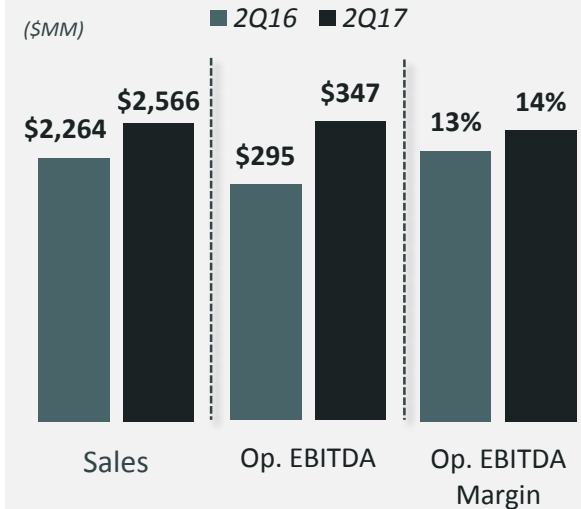
- Sales gains in all geographic areas, led by Asia Pacific, and double-digit gains in electronics processing, crop defense and lubricants end-markets
- Op. EBITDA down slightly as increased costs were mostly offset by higher pricing initiatives

Chlor-Alkali and Vinyl: Op. EBITDA Rises on Tight Caustic Fundamentals

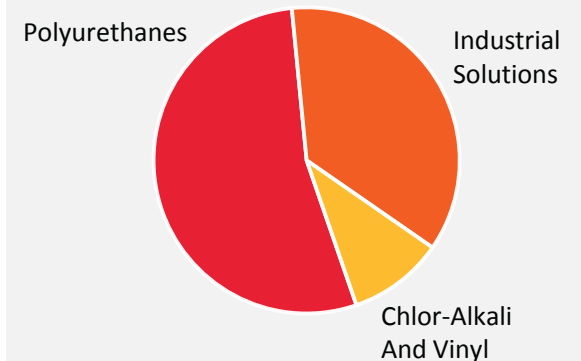


- Sales growth supported by higher operating rates in Europe
- Double-digit sales gains in EDC on higher demand and in caustic soda on tight industry fundamentals in EMEA

Quarterly Segment Performance



2Q17 Sales Split by Business



Performance Plastics: *Price and Volume Growth Offset by Start-Up Costs*

Dow Packaging and Specialty Plastics: Double-Digit Vol. Growth in EMEAI & APAC



- Demand growth led by strength in food and specialty packaging and industrial and consumer packaging end-markets
- Sadara JV volumes supplemented Dow production to meet demand growth in emerging geographies
- Op. EBITDA declined as price gains were more than offset by cost increases from USGC and Sadara commissioning and higher feedstocks

Dow Elastomers: Volume Growth Led by Double-Digit Increase in EMEAI



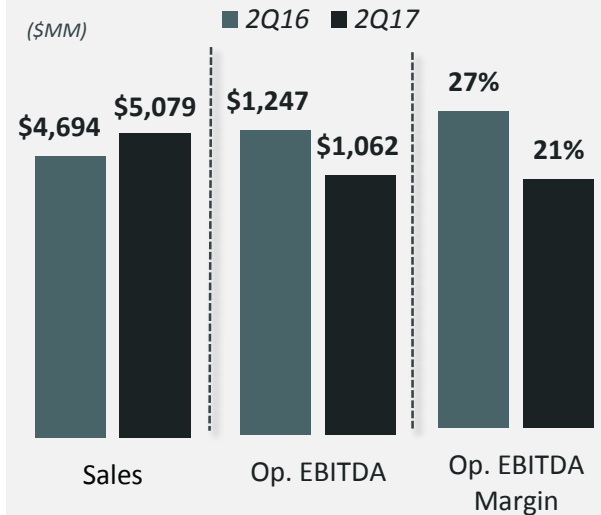
- EMEAI growth driven by automotive and infrastructure applications; hot melt adhesives demand rose in all geos
- Op. EBITDA declined on USGC commissioning costs and planned turnaround activity

Dow Electrical and Telecom: Price Increases More Than Offset By Reduced Volume

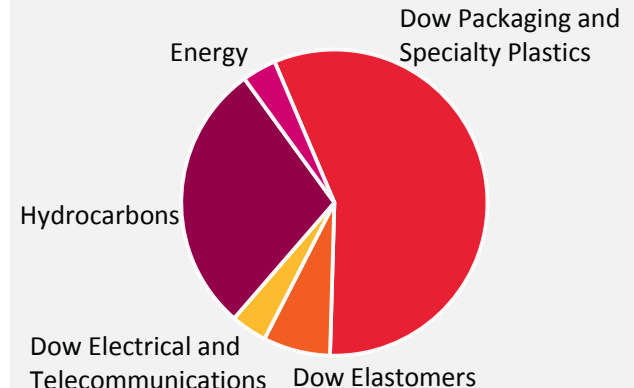


- Price increases across most geographic areas, largely kept pace with raw material cost inflation
- Op. EBITDA declined, primarily due to volume constraints as a result of turnaround activity

Quarterly Segment Performance



2Q17 Sales Split by Business

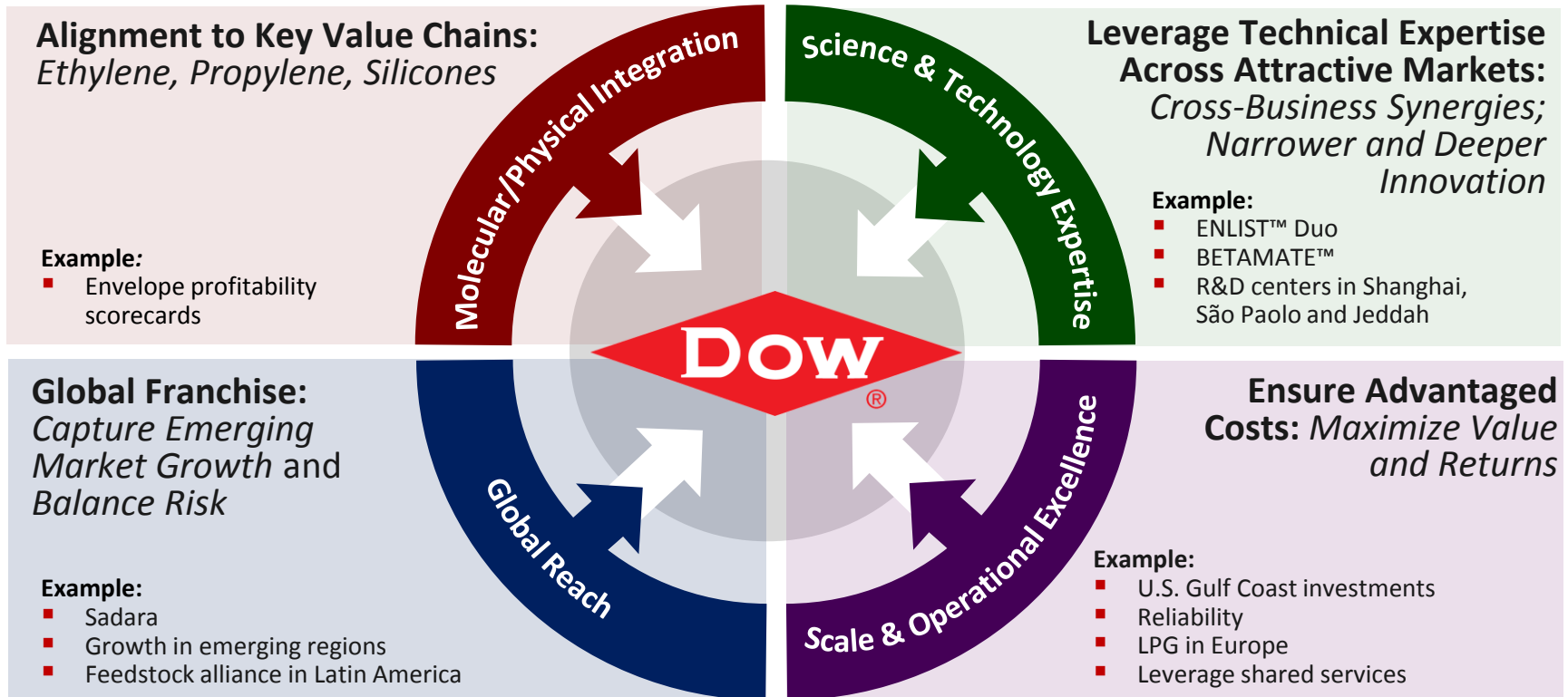


Agenda

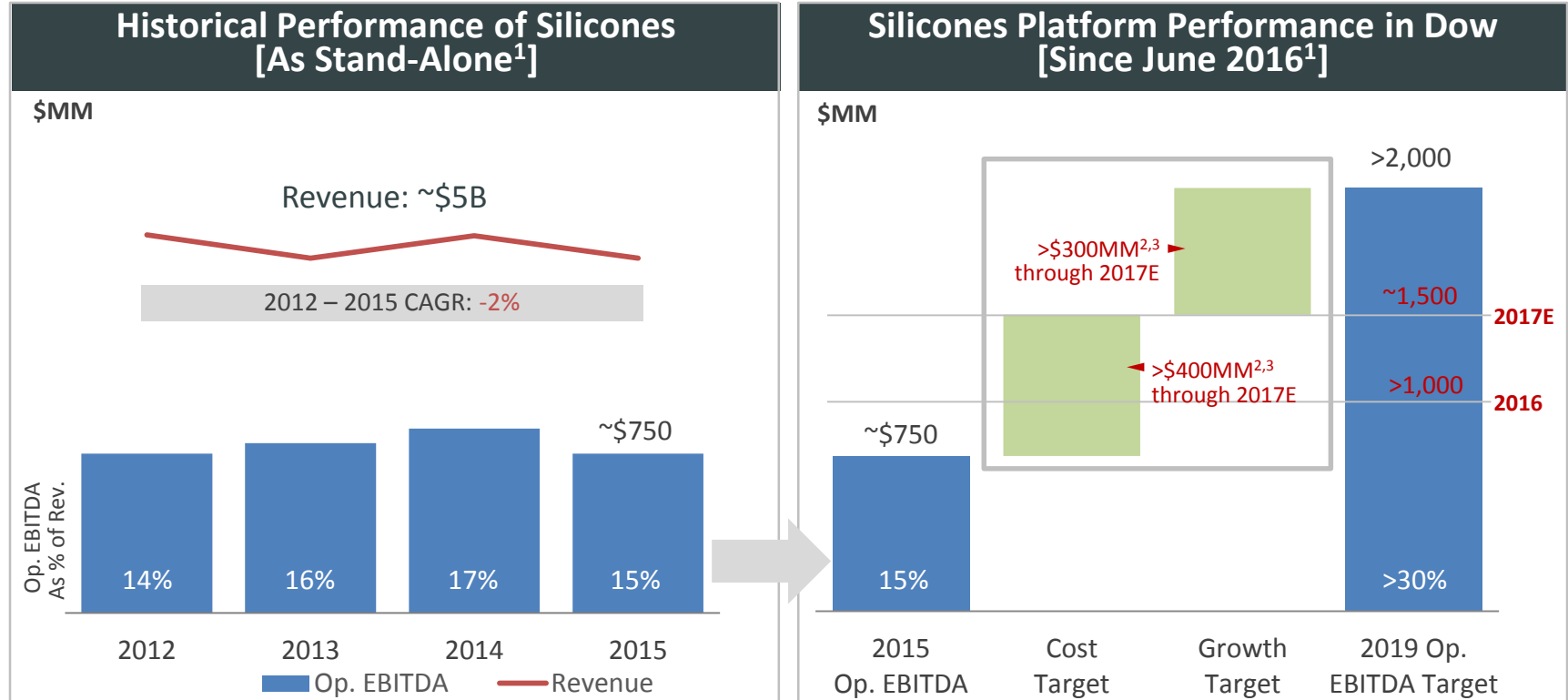
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- **Dow's Strategic Value Drivers**
- Business Model Delivers Sustainable Earnings

Dow's Strategic Value Drivers

Maximize Value Through Market Participation and Targeted Innovation



Silicones – Step-Change Performance in Dow vs. Standalone

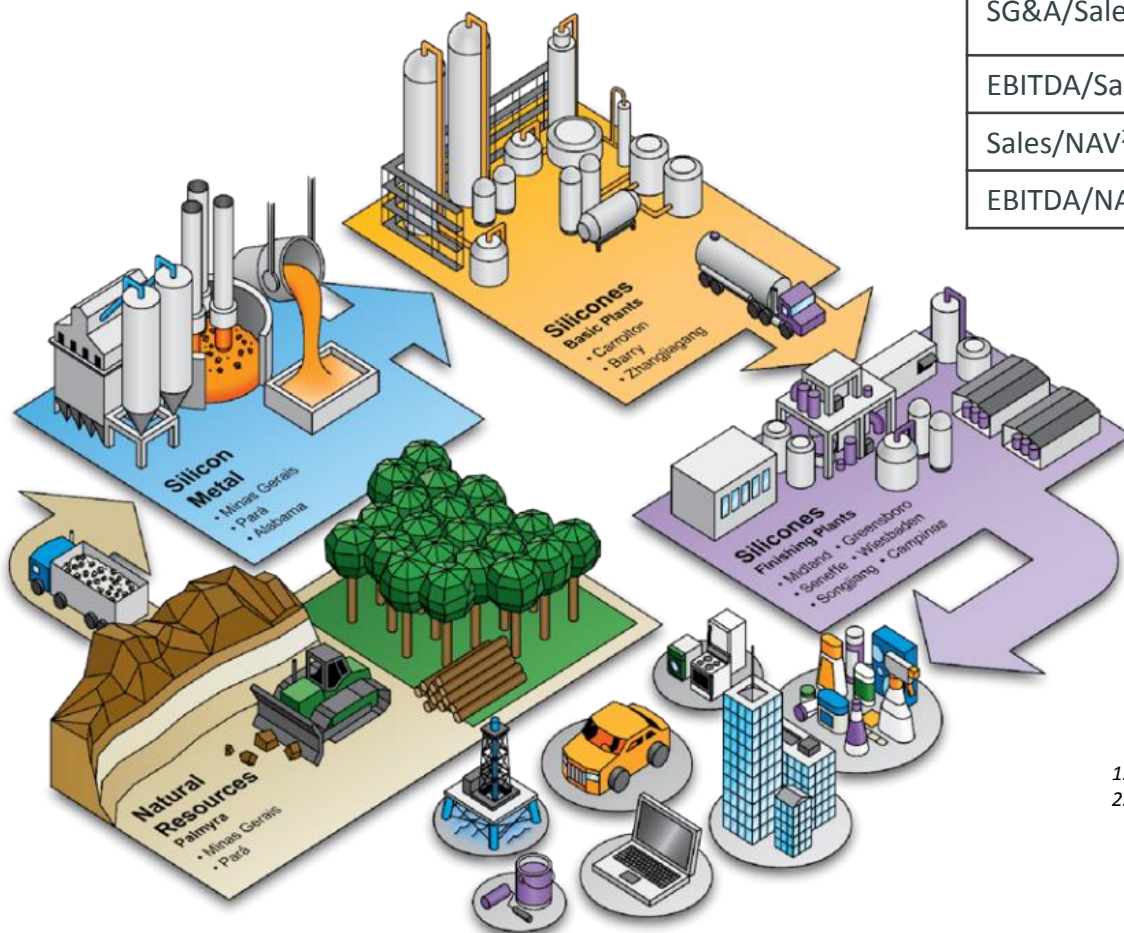


Dow Business Model Unlocks Value, Reinvigorates Earnings and Revenue Growth



(1) Excludes the impact of HSC; Based on internal management reporting
 (2) Estimated P&L impact in FY17
 (3) Synergies across the enterprise

Silicones Integration



Metrics	Dow Corning ¹ (2015)	Dow (2015)
COGS/Sales	70%	72%
SG&A/Sales	12% (pre-synergies) (2Q17 at ~5%)	6%
EBITDA/Sales	15%	20%
Sales/NAV ²	71%	68%
EBITDA/NAV ²	15%	13%

1. Based on internal management reporting
2. Net Asset Value (NAV) defined as: Gross PP&E + Gross Goodwill & Intangibles + Operating Working Capital (Inventory, AR, AP) + Deferred Revenue +/- Other Net Assets (Liabilities). Estimated at \$7,966MM for Dow Corning and \$71,534MM for Dow.

Dow Enables Faster-than-Market Expansion, Profitable Growth

New Solutions, Larger Scale, Enhanced Value Chain Participation

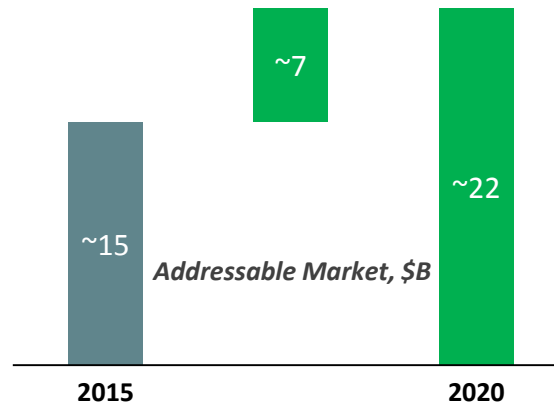
*Leverage Strengths to
Grow >2X GDP*



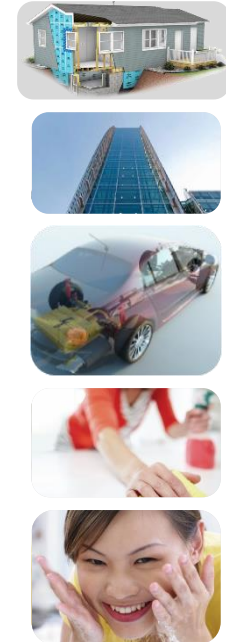
- ✓ Deliver new-to-world solutions
 - Value, differentiated, breadth
- ✓ Leverage scale
 - Channel, capabilities
- ✓ Establish new & expanded applications
- ✓ Geographic outreach
- ✓ Increase in addressable market
- ✓ Seat at customers' design tables
- ✓ Multiple touch points in value chain

*Expanded Market
Opportunity*

Demand growth thru 2020 driven by:
Markets: Transportation, Personal Care, Building & Construction and Packaging
Trends: Urbanization, Sustainability



Narrower & Deeper Focus



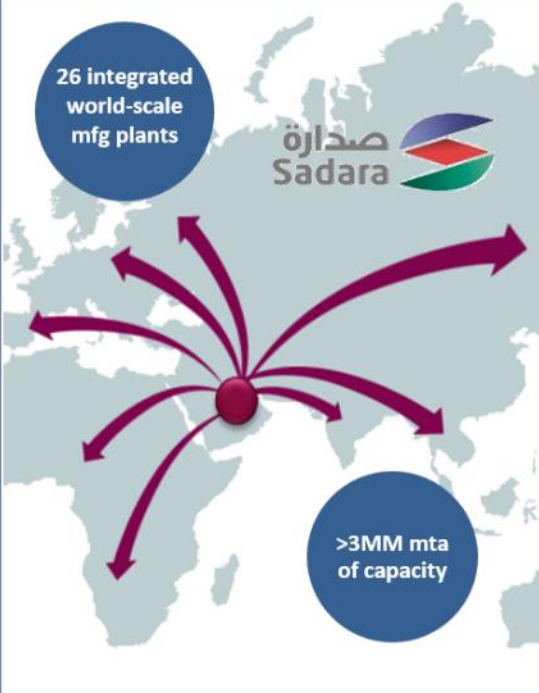
Operational Improvements Driven by Integration with Dow Business Model

- Double-digit EBITDA growth versus 2015
- Exceeded original cost synergy run-rate only 10 months after closing; \$250MM additional savings identified
- Optimized inventory – reduced by >20%
- Optimized capital spending – reduced by 25%



Sadara Advances 9 Additional Units into Operations

Sadara
Meeting Consumer-Driven
Demand in Emerging Geographies



26 integrated world-scale mfg plants

صدارة
Sadara

>3MM mta of capacity

Strong Relationship With Partner
Seeking Value-Add Growth

Status of Operations

- 25 of 26 production units have advanced into commercial operations
- Progressed PO/PG, Polyols, Amines, Glycol Ethers and PDMI
- Approximately 0.5 billion pounds of product sold in 2Q
- Enabling customer growth, extending Dow's market presence throughout Asia, Middle East & Africa and Eastern Europe

2017 Financial Performance vs. Guidance

- \$1.5B of Sadara-related sales in 2017 – *on track*
- Flat equity losses vs. 2016 – *on track*
 - ✓ Performance Plastics – headwind 1H17; tailwind 2H17
 - ✓ PM&C – headwind FY17; tailwind 2018

Earnings Growth as Project Expense Headwinds Turn to Tailwinds

Imminent Startup of Largest U.S. Gulf Coast Investments

U.S. Gulf Coast Investments
Capturing High-Value Growth Opportunities in the Americas



Industry's most differentiated derivatives slate

10 integrated feedstock advantaged plants

Offers Next-Gen Opportunities to Optimize Our Feedstock & Polymer Integration

Near Completion of First Wave Growth Investments

- SCO restart: Completed in 2012
- LA-3 debottleneck: Completed 4Q16; 2nd consecutive production record
- SEADRIFT: Gas-phase PE debottleneck completed 4Q16
- ELITE™: Startup imminent; earnings contributor in 4Q17
- TX-9 cracker: Startup imminent; will ramp to full rates through 3Q17
- LDPE: Startup expected in 4Q; earnings contributor in 1Q18
- 2018 startups: NORDEL™, bi-modal HDPE debottleneck, HMI elastomers

Announced Next Wave Growth Projects – starting in 2020

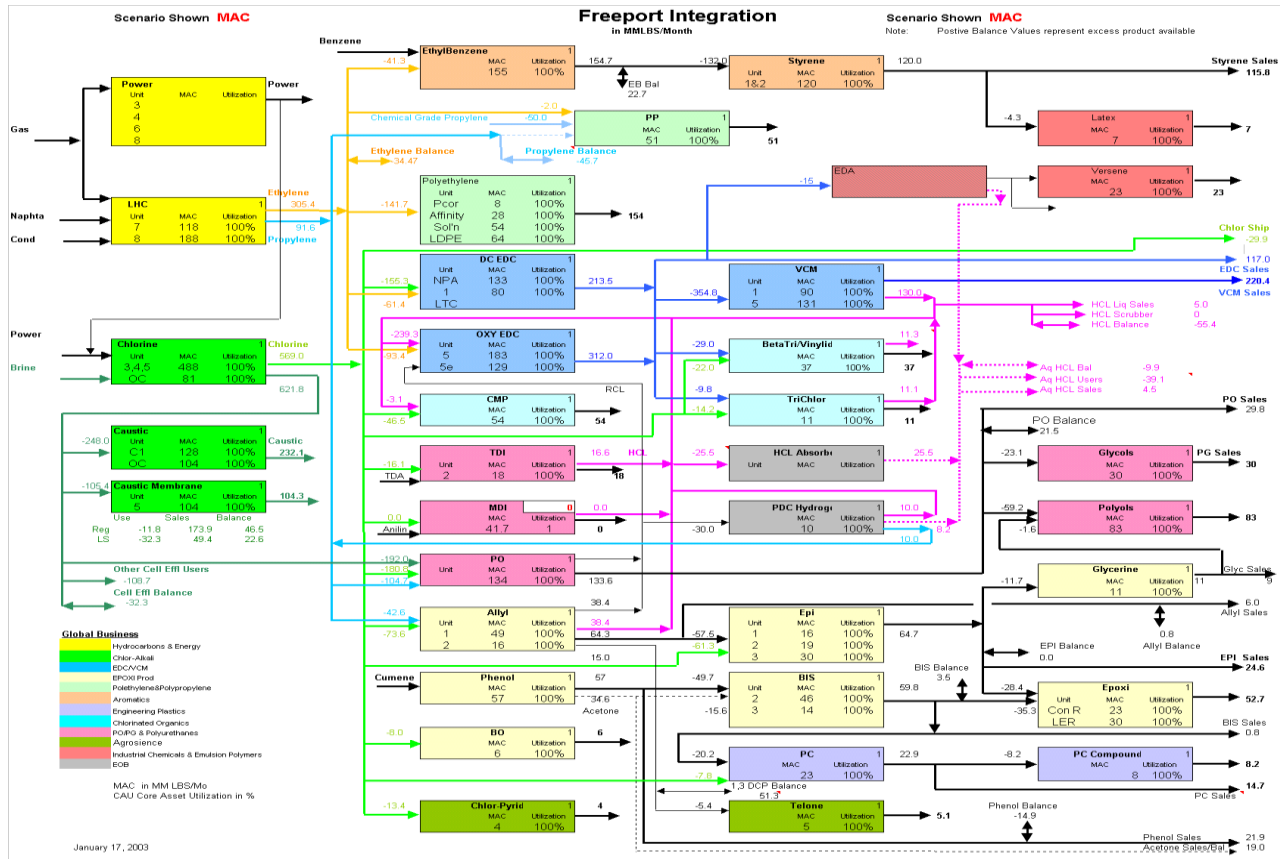
- TX-9 expansion by 500 KTA; will be world's largest ethylene facility
- 600 KTA PE unit on U.S. Gulf Coast
- 350 KTA of additional PE thru incremental debottlenecks
- Production unit for key catalysts licensed by Univation
- Additional investments to benefit from shale gas economics, further enhancing feedstock flexibility and reducing volatility

Industry's Most Comprehensive and Differentiated Derivatives Slate

Depth and Breadth of Integration Enables Competitive Advantage

Texas Operations Integration

Texas Operations has 65 manufacturing units working together to produce more than 20% of the company's products sold globally (before TX-9)



Dow Texas Operations

The Freepoint site serves:

- ~20 different business units across Dow's reporting segments
- Multiple US manufacturing sites
- A broad range of Industries:

- Agriculture
- Personal care
- Industrial
- Infrastructure
- Consumer goods
- Energy & Water
- Food storage
- Packaging
- Food
- Construction
- Automotive
- Cleaning

~85% of Dow's production is from 15 sites with similar multiple-step integration. Sadara is built with the same footprint.

Intrinsic Value Creation Enabled Through Highly Integrated System



Competitive Advantages from Dow's Integrated & Leveraged Approach



Advantages enabled by integrated systems, capabilities and processes

Procurement	~\$520 MM	Enhanced buying power and higher economies of scale
H&E/Feedstocks	~\$500 MM	Advantage associated with hydrocarbons, energy and feedstock cost management
Corp/Leveraged Services	~\$250 MM	Centralized key corporate functions and leveraged services
Site / Operations	~\$190 MM	Leveraged Manufacturing and Engineering services
Tax / Financing	~\$200 MM	Tax credits, lower financing costs and risk profile
Innovation	~\$200 MM	Growth and margin premiums
Total	~\$1.9B +/- 15%	Annual earnings from integrated operating model

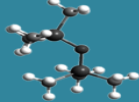
Scale and Leverage Deliver Competitive Advantage & Substantial Value









Integration & Innovation to Serve Core Materials Science Markets

Silicones Adds New-to-World Solutions

NEW CHEMISTRY IN THE TOOLKIT





Silicones









-  Weather Resistant
-  Water Repellant
-  Easy to Wet/Spread
-  Selectively Adhesive
-  Heat Resistance
-  UV Stability
-  Low Friction
-  Flexible / Durable

PROPRIETARY TOOLKIT WITH DEEP CAPABILITIES

Platforms









-  Acrylates
-  Urethanes
-  Polyolefins
-  Cellulosics

Capabilities

-  High Throughput Research, Formulation & Materials Sci.
-  Catalyst Discovery & Ligand synthesis
-  Process Engineering, High Perf Computer Modeling
-  Application Development
-  **pack** Customer Intimacy, Seat at Design Table
-  Deep channels in key industries

NEW & DIFFERENTIATED SOLUTIONS IN GROWTH INDUSTRIES

New Solutions

-  Flexible, crack-resistant coatings
-  Weather and flame-resistant barriers
-  Personal care products with exceptional skin feel
-  Durable foams for appliance insulation
-  Heat-resistant under-the-hood materials
-  High performance optical materials for lighting
-  Highly processable and sustainable film packaging
-  Easy release pressure sensitive adhesives

FOCUS AREAS FOR GROWTH

Industries

- Infrastructure**

- Consumer**

- Transportation**

- Packaging**

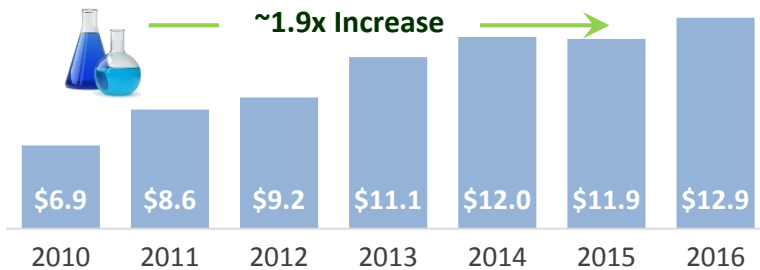

- New solutions driven by world-class capabilities and customer intimacy in key markets
- Scale of industry-leading innovation engine enables faster commercialization

Upgraded Returns with Investments in Value-Add Innovation

Innovation Sales and Returns

Innovation Sales

Sales from Innovation Products <=5 Years old - \$B



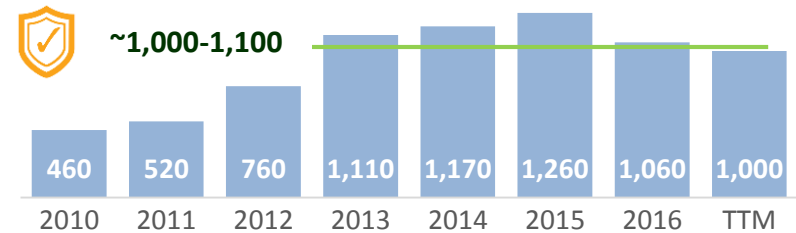
Continued traction in 1H17:

- Innovation Sales up >5% vs 1H16
- New Innovation EBITDA represents >1/3 of total Dow EBITDA

Innovation Advantage

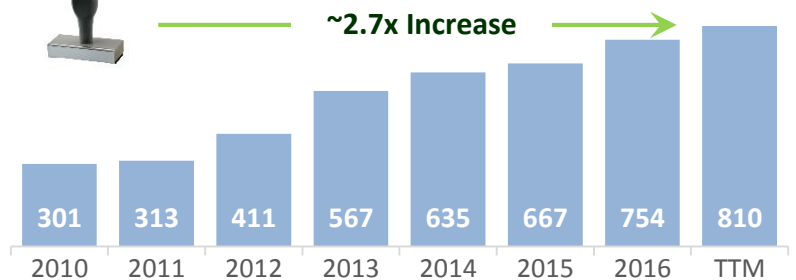
Innovation Margin Premium

Returns above non-innovative products - bps



U.S. Patent Grants

Accolades for Breakthrough Innovation



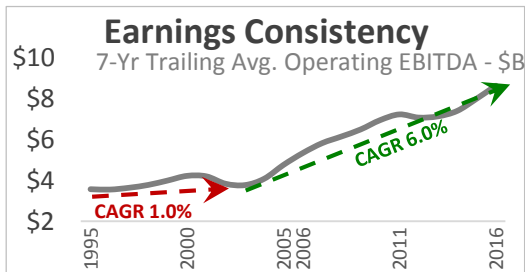
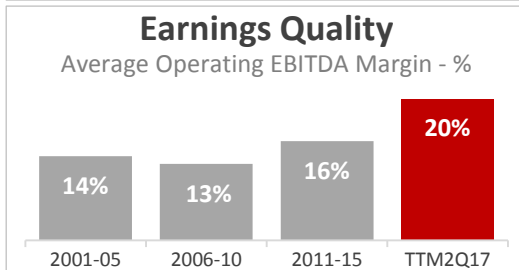
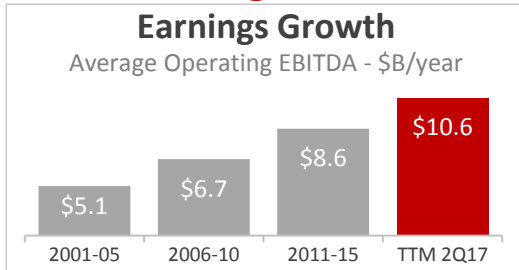
Dow Products & Solutions Have Received 21 R&D 100 Awards Since 2013

Agenda

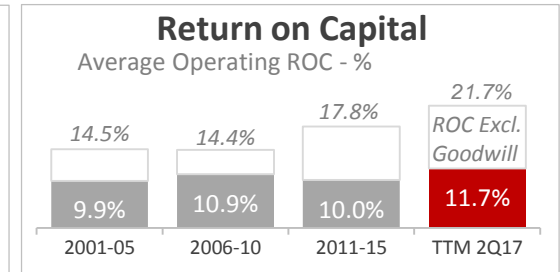
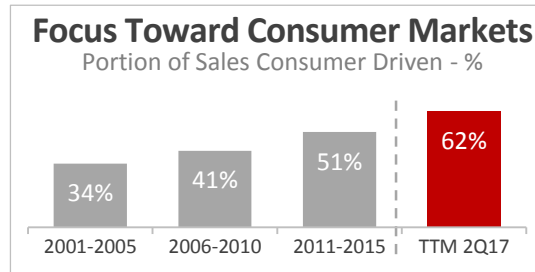
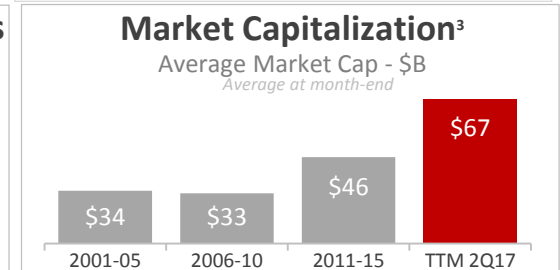
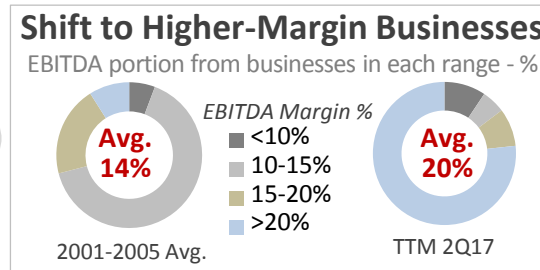
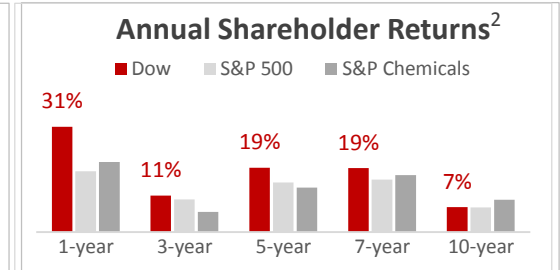
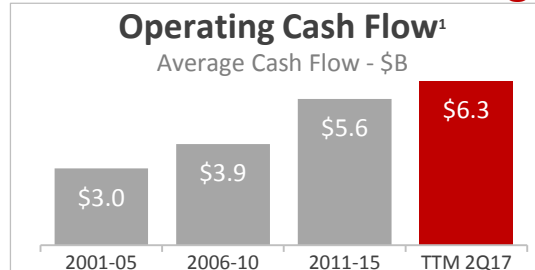
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Dow Business Model Delivers Sustainable Earnings

Earnings Focus



Strategic Metrics



Track Record of Outperformance Enabled by Integration and Innovation Strategy



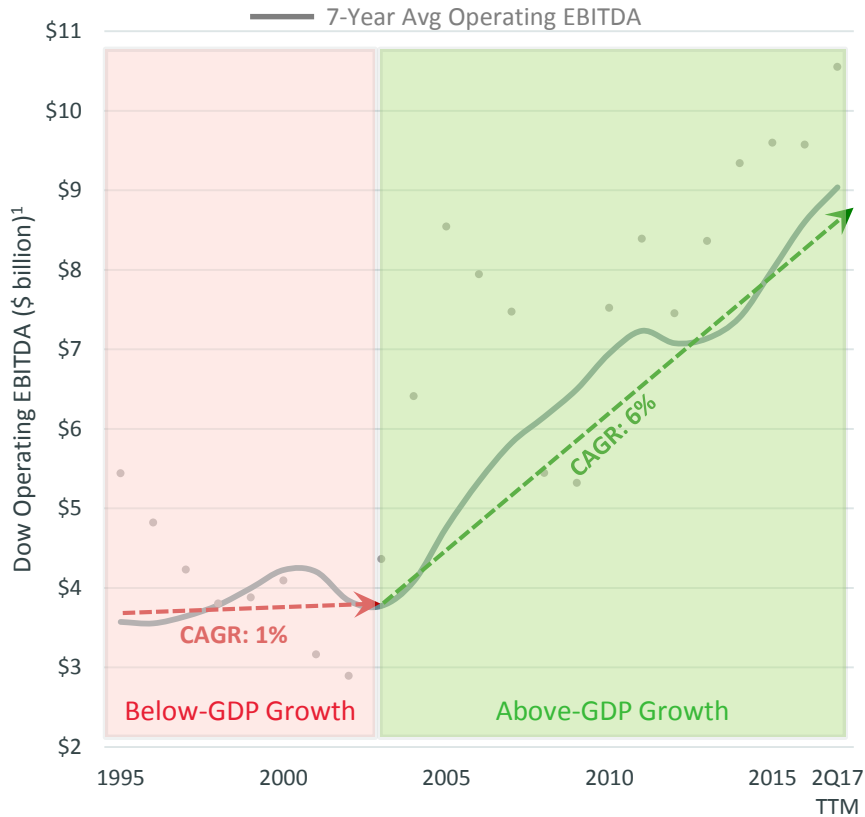
1. Cash flow from operations excluding the post-tax impacts of K-Dow arbitration award, Urethanes settlements, Bayer settlements and Costs Associated with Portfolio and Productivity Actions

2. Source: Bloomberg; annual equivalent rate at June 30, 2017

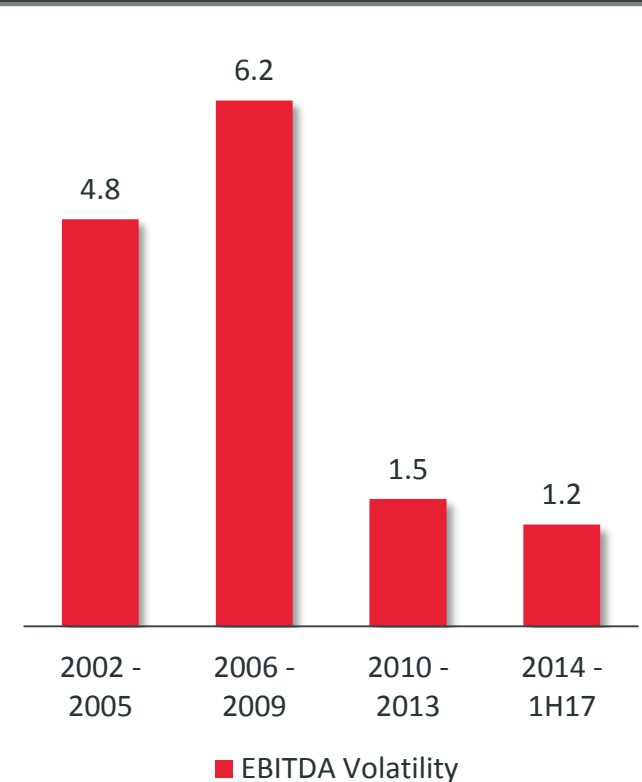
3. Source: CapitalIQ; based on Avg. Monthly Market Capitalization

Shift to Consumer-Driven Portfolio Drives Earnings Consistency

Innovation & Integration Shift Earnings Trajectory



Significant Reduction in Op. EBITDA Volatility⁽¹⁾



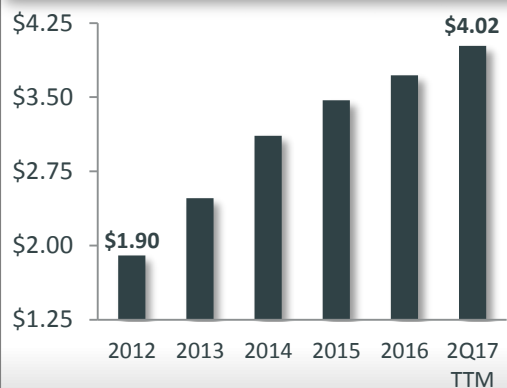
(1) Volatility defined as ratio of maximum and minimum Op. EBITDA during time period.

Consistent Track Record of Delivering on Financial Priorities

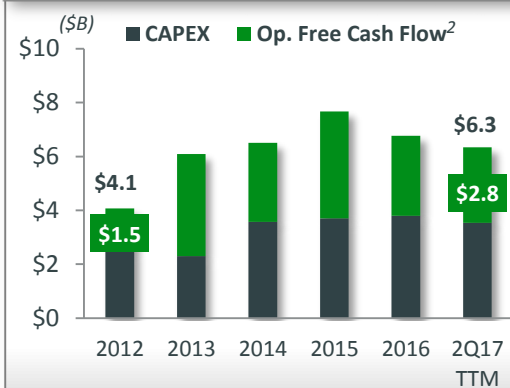
Progress on Key Financial Metrics (2012-2Q17)

- Operating EPS CAGR of 18%
- Operating ROC improved by >400 bps
- Maintained strong liquidity and financial position
 - Net debt to cap down from ~43% to ~34%
 - Net debt to EBITDA down from 2.2x to 1.4x
- Over \$17B remunerated to shareholders

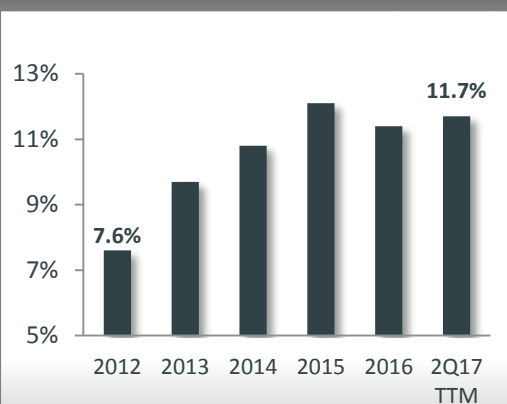
Operating EPS: >2x Increase



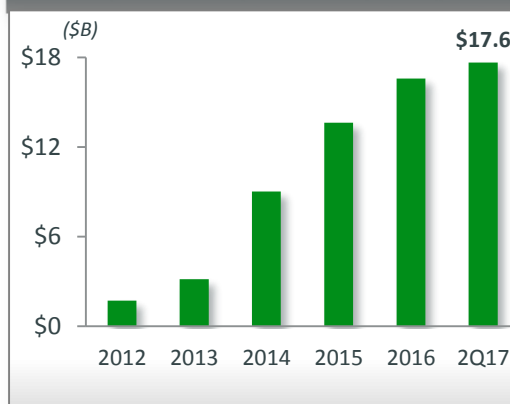
Operating Cash Flow¹: Nearly 2x



Operating ROC: Up 410 bps



Cum. Cash to Shareholders³: >\$17B



1. Cash flow from operations excluding the post-tax impacts of K-Dow arbitration award, Urethanes settlements, Bayer settlements and Costs Associated with Transactions and Productivity Actions
 2. Operating cash flow less CAPEX
 3. Common dividends paid + share re-purchases (includes \$1.5B in non-cash share repurchases related to the Dow Chlorine Products transaction)

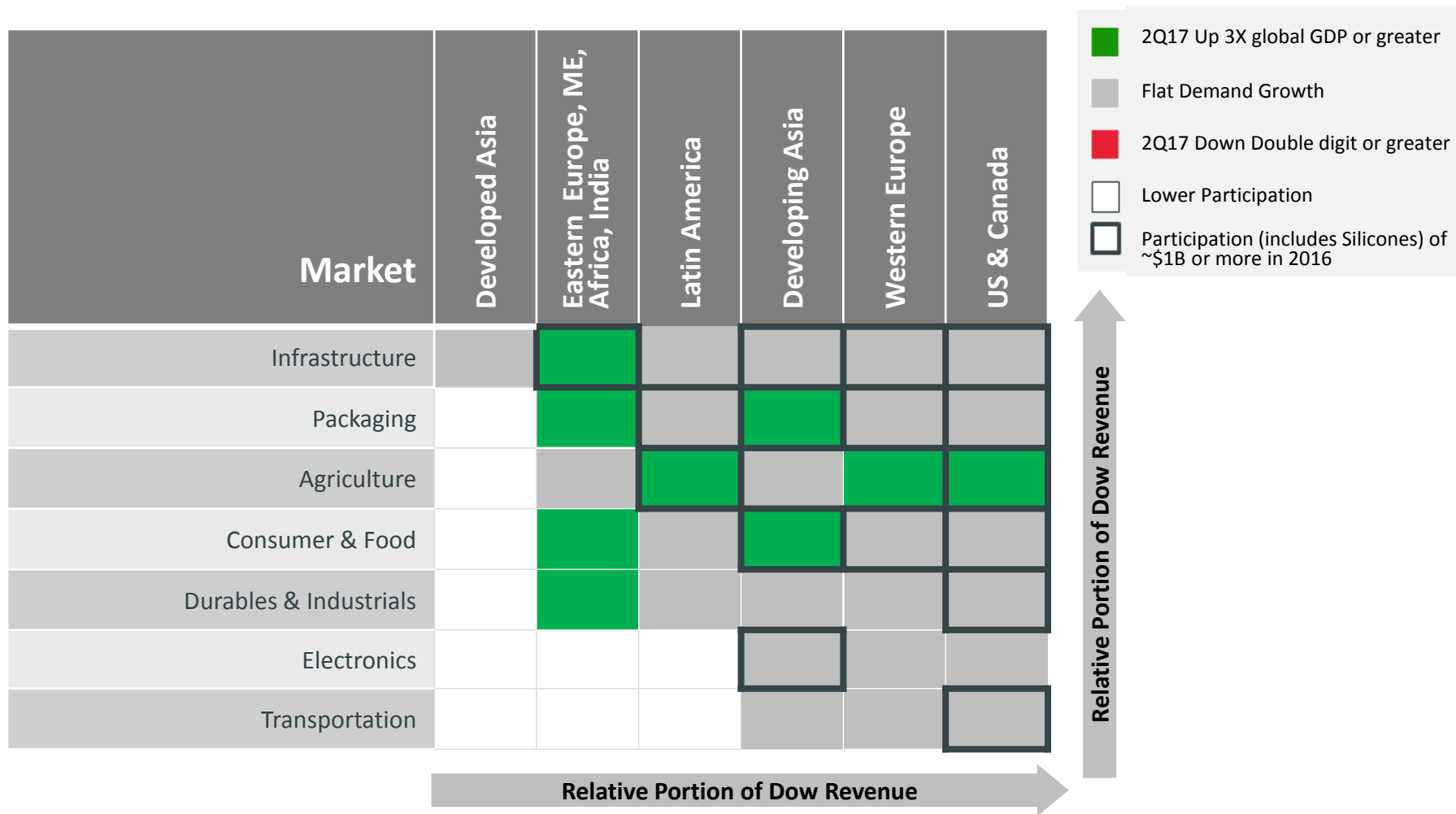


**Significant Earnings & Cash Flow Growth Drivers
in Place to Support Future Shareholder Returns**



Appendix

Market Pulse – 2Q17 Heat Map



Heat map based on sales volume growth excl. acquisitions
Relative Portion of Dow's 2016 Revenue

3Q17 Modeling Guidance

Corporate	<i>Dow Revenue</i>	\$13.0-13.5B	<i>Corp. Segment EBITDA</i>	\$(80)-(100)MM
	<i>Operational Tax Rate</i>	24-26%	<i>D&A</i>	\$750-800MM
	<i>Share Count</i>	~1,235MM	<i>Net Interest Expense</i>	\$240-280MM
	Y-o-Y Dow Op. EBITDA Margin Impact from Sadara: 25-50 bps decline on marketing arrangement		Increase in D&A and Net Interest Expense as USGC growth projects come online	

<i>Segments</i>	<i>Key EBITDA Drivers (3Q17 vs. 3Q16)</i>
Agricultural Sciences	Favorable currency translation in 3Q16 will not repeat in 3Q17, based on a relatively stable forex environment (~\$45MM headwind). Benefit from differentiated products continue to offset challenging industry macros.
Consumer Solutions	Silicones cost synergies (~\$80MM higher Y-o-Y, of which 40% in CS). Ramping of silicones growth (\$60-80MM, of which 40% in CS). HSC earnings flat (\$10-20MM pre-tax, of which 50% in CS). Softening in automotive end-markets offset by strength in electronics end-markets.
Infrastructure Solutions	Silicones cost synergies (~\$80MM higher Y-o-Y, of which 60% in IS). Ramping of silicones growth (\$60-80MM, of which 60% in IS). HSC earnings flat Y-o-Y (\$10-20MM pre-tax, of which 50% in IS). Benefit from improving energy end-markets and delayed peak season in construction end-markets. PDH a small tailwind (~\$10MM) offset by higher turnaround costs in Performance Monomers.
Perf. Materials & Chemicals	Modest improvement in business earnings on pockets of tight supply/demand fundamentals. ~\$10MM higher equity earnings, driven by reduced Sadara losses. PDH a small tailwind (~\$20MM).
Performance Plastics	TX-9 and derivatives start-up expense (~\$75MM). Margins impacted by higher feedstock costs. Higher volume from LA-3 and TX-PE debottlenecks adds ~\$20MM. Higher equity earnings as ramp-up of PE volumes at Sadara more than offset lower earnings from other joint ventures. Nominal contribution from our USGC capacity start-ups in 3Q17 as they ramp-up production throughout the quarter.



After Close of DWDP Merger, Additional Details Will be Provided to Assist in Modeling

2Q17 vs. 2Q16 Sales Trends by Business

Agricultural Sciences

	Sales	Price	Volume
Crop Protection	-	↓	↑
Seeds	↑	↓	↑

Consumer Solutions¹

	Sales	Price	Volume
Dow Automotive Systems	↑	-	↑
Consumer Care	↑	-	↑
Dow Electronic Materials	↑	↓	↑

Infrastructure Solutions¹

	Sales	Price	Volume
Dow Building & Construction	↑	↓	↑
Energy & Water Solutions	↑	↓	↑
Dow Coating Materials	↑	↑	↓
Performance Monomers	↑	↑	↑

Performance Materials & Chemicals

	Sales	Price	Volume
Polyurethanes	↑	↑	↑
Industrial Solutions	↑	↑	↑
Chlor-Alkali and Vinyl	↑	↑	↓

Performance Plastics

	Sales	Price	Volume
Dow Packaging and Specialty Plastics	↑	-	↑
Dow Elastomers	↓	↓	↑
Dow Electrical and Telecommunications	↓	↑	↓
Hydrocarbons	↑	↑	↑
Energy	↓	↑	↓



1. Excluding the impact of acquisitions

Quarterly Preliminary Results for Principal Joint Ventures

Principal Joint Ventures¹ – Total

Dollars in millions (unaudited)

	2Q17	2Q16
Sales	\$2,940	\$2,358
Adjusted Sales ²	\$1,885	\$1,617
Operating EBITDA ³	\$585	\$424
Depreciation & Amortization	\$331	\$210

Dow Proportionate Share

Dollars in millions (unaudited)

	2Q17	2Q16
Adjusted Sales ²	\$738	\$634
Operating EBITDA ³	\$240	\$179
Depreciation & Amortization	\$127	\$83
Equity Earnings	\$47	\$47
Operating EBITDA in Excess of Equity Earnings	\$193	\$132
Net Debt ⁴	\$6,299	\$6,302

1. Dow Corning Corporation (thru 5/31/16), EQUATE Petrochemical Company K.S.C., The Kuwait Olefins Company K.S.C., The Kuwait Styrene Company K.S.C., Sadara Chemical Company, The SCG-Dow Group, Map Ta Phut Olefins Company Limited, and HSC Group
2. Adjusted Sales defined as Sales for these joint ventures less sales to Dow and/or to other Dow joint ventures
3. Operating EBITDA is defined as EBITDA (which Dow defines as earnings (i.e., "Net Income") before interest, income taxes, depreciation and amortization) excluding the impact of certain items
4. Net Debt excludes debt owed to Dow and/or to other Dow joint ventures

Reconciliation of Non-GAAP Financial Measures

<i>In millions</i>	Three Months Ended		Six Months Ended	
	6/30/2017	6/30/2016	6/30/2017	6/30/2016
Net Income Available for The Dow Chemical Company Common Stockholders	\$1,321	\$3,123	\$2,209	\$3,292
+ Preferred stock dividends	–	85	–	170
+ Net income attributable to noncontrolling interests	38	19	65	40
+ Provision for income taxes	455	130	668	20
Income Before Income Taxes	\$1,841	\$3,357	\$2,942	\$3,522
+ Interest expense and amortization of debt discount	226	208	445	409
- Interest Income	22	18	47	38
+ Depreciation and amortization	739	680	1,517	1,287
EBITDA	\$2,757	\$4,227	\$4,857	\$5,180
- Certain Items	(2)	1,763	(606)	463
Operating EBITDA	\$2,759	\$2,464	\$5,463	\$4,717