



# 3Q 2025 Results

*October 23, 2025*



# Agenda

- 3Q25 Highlights
- Operating Segment Performance
- Actions to Provide Greater Financial Flexibility and Improved Profitability
- Outlook
- Industry Opportunities

# 3Q 2025 Highlights

## Delivered Solid Results, Cost Savings Actions, and Near-Term Cash Support

- Operating EBITDA was \$868MM, up \$165MM QoQ
- Total CapEx for the quarter was \$564MM
- Cash Flow from Continuing Operations was \$1.1B, up \$1.6B QoQ
- Expect ~\$400MM cost savings in 2025, supported by strong 3Q delivery; \$1B by YE26
- Reducing 2025 CapEx by ~\$1B, driven by our decision to delay our Alberta project
- Received ~\$3B for our strategic infrastructure-focused partnership
- Completed DowAkxa share divestiture for ~\$125MM
- Executed \$1.4B net debt-neutral bond issuance at historically low spreads

**\$10.0B**  
Net Sales

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**\$868MM**  
Operating EBITDA

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**\$249MM**  
Returned to Shareholders

# Packaging & Specialty Plastics

## REVENUE

	YoY		QoQ
Sales	11% 	Sales	3% 
Volume	1% 	Volume	2% 
Price	10% 	Price	2% 

## OP. EBIT & OP. EBIT MARGIN

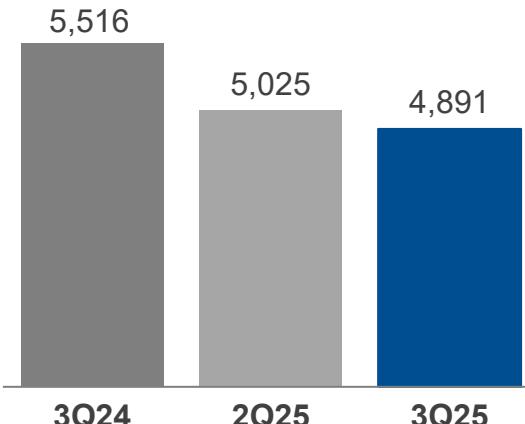
	YoY		QoQ
Op. EBIT	\$419MM 	Op. EBIT	\$128MM 
Margins	710 bps 	Margins	270 bps 

## Op. EBIT Drivers

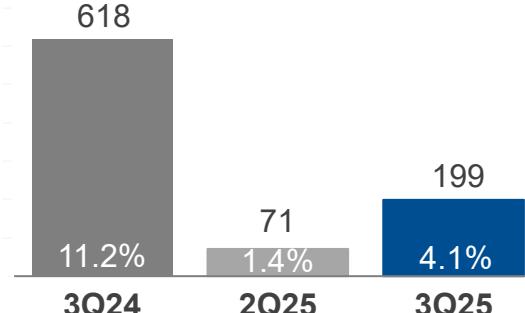
YoY  
Lower integrated margins

QoQ  
Higher integrated margins and operating rates, enhanced mix supported by our new polyethylene unit in Freeport, TX, and lower fixed costs

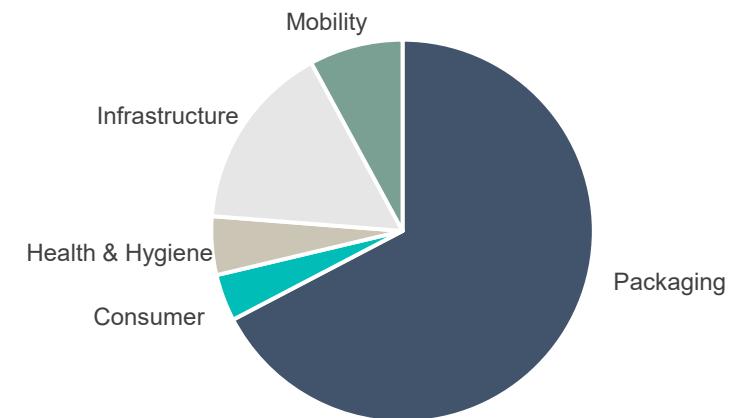
## REVENUE (\$MM)<sup>1</sup>



## OP. EBIT (\$MM) & OP. EBIT MARGIN



## End Market Participation<sup>2</sup>



Non-GAAP measures are defined in the appendix

1. Net sales for 3Q25 includes a 1% unfavorable impact from the sale of the flexible packaging laminating adhesives business in the fourth quarter of 2024

2. Average end market representation (% of sales) for 2022-2024



# Industrial Intermediates & Infrastructure

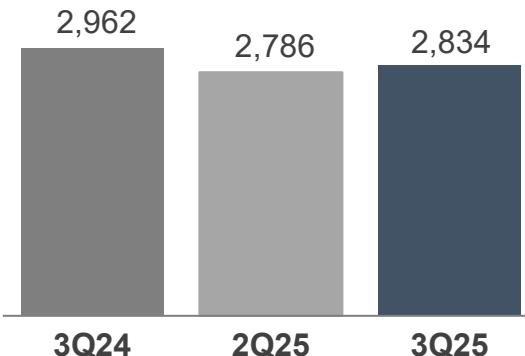
## REVENUE

	YoY		QoQ
Sales	4%	4%	2%
Volume	2%	2%	5%
Price	8%	8%	4%

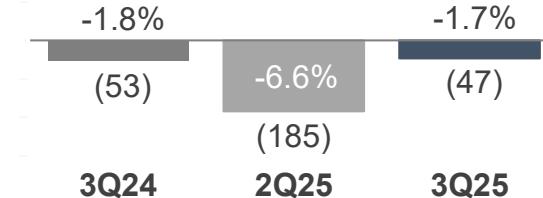
## OP. EBIT & OP. EBIT MARGIN

	YoY		QoQ
Op. EBIT	\$6MM	\$138MM	10 bps
Margins	10 bps	490 bps	490 bps

## REVENUE (\$MM)



## OP. EBIT (\$MM) & OP. EBIT MARGIN



## Op. EBIT Drivers

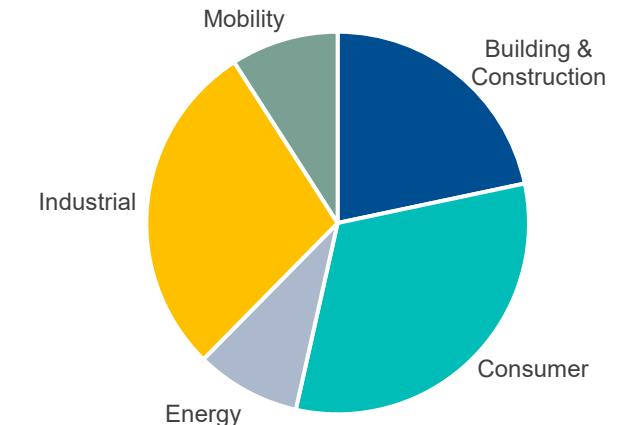
### YoY

Higher operating rates and lower fixed costs, partly offset by lower prices

### QoQ

Lower planned maintenance activity and higher volumes in both businesses, supported by the startup of our new alkoxylation unit in Seadrift, TX

## End Market Participation<sup>1</sup>



# Performance Materials & Coatings

## REVENUE

	YoY		QoQ
Sales	6%	6%	2%
Volume	2%	Flat	2%
Price	5%	3%	3%

## OP. EBIT & OP. EBIT MARGIN

	YoY		QoQ
Op. EBIT	\$60MM	\$72MM	\$72MM
Margins	250 bps	330 bps	330 bps

## Op. EBIT Drivers

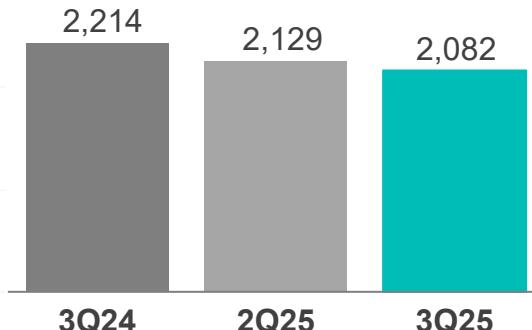
### YoY

Lower prices, partly offset by lower fixed costs

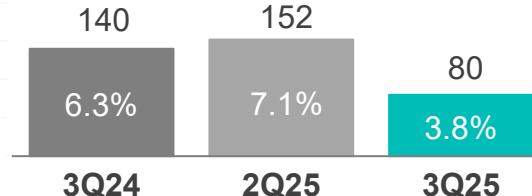
### QoQ

Margin compression led by upstream siloxanes and seasonally lower volumes, partly offset by lower fixed costs

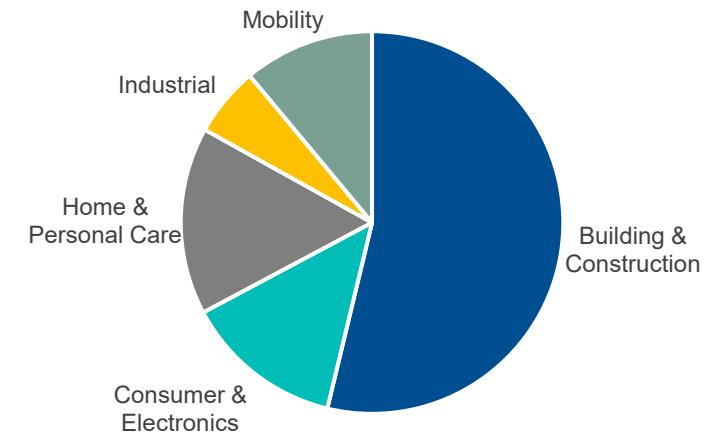
## REVENUE (\$MM)



## OP. EBIT (\$MM) & OP. EBIT MARGIN



## End Market Participation<sup>1</sup>



Non-GAAP measures are defined in the appendix

1. Average end market representation (% of sales) for 2022-2024



# Strategic Actions Generating >\$6.5B in Near-Term Cash Support

## Providing Near-Term Financial Flexibility While Positioning Dow for Profitable Growth

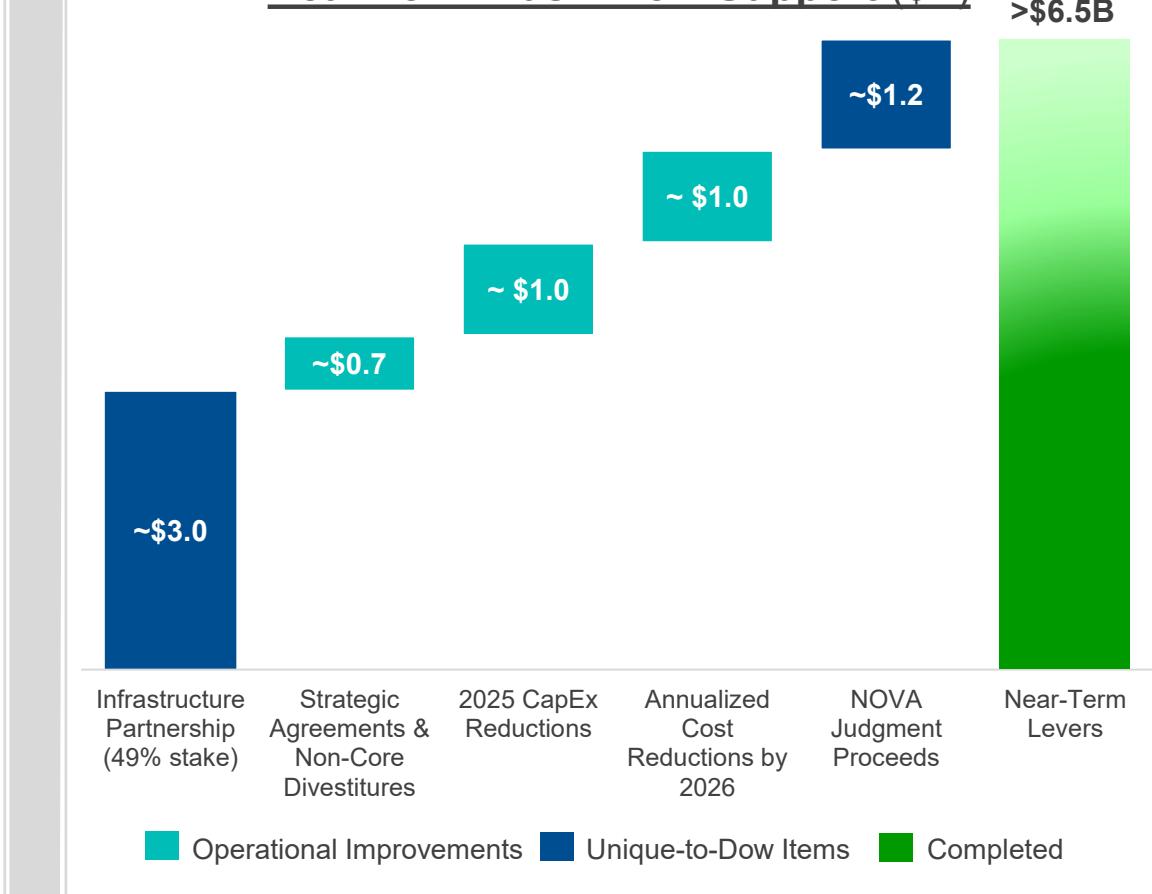
### Operational Improvements

- ✓ Reduced 2025 CapEx to ~\$2.5B, ~\$1B lower than original plan; will provide an update on our Alberta project at 4Q25 earnings
- ✓ Closed 2 non-core divestitures for ~\$250MM at attractive multiples
- ✓ Executed 2 net debt-neutral bond issuances at historically low spreads, shifting material debt towers to 2029; renewed ~\$5B revolver until 2030
- ✓ Delivered 3Q deferred revenue from advance payments for low-carbon solutions and other long-term supply agreements
  - Progressing at least \$1B in annualized cost reductions by YE26, including ~\$400MM this year
  - Expect continued 2H cash flow improvements from a ~\$200-300MM release of working capital

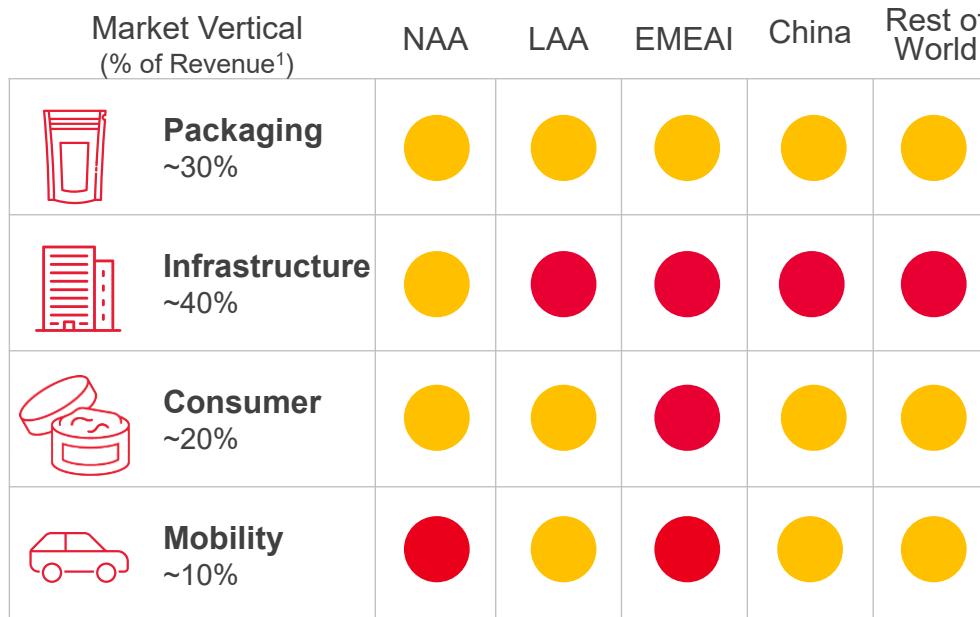
### Unique-to-Dow Items

- ✓ Received ~\$3B from strategic infrastructure partnership with Macquarie Asset Management for a total 49% equity stake; entity is delivering new growth opportunities
- Judgment ruling issued, awarding Dow additional compensation of ~\$1.2B from NOVA litigation

### Near-Term Cash Flow Support (\$B)



# Global Demand Backdrop Remains Largely Unchanged



Source: Based on internal and third-party markers

● Strong    ● Moderate/Mixed    ● Weak     Changes vs. Prior Update

## Packaging

- + U.S. & Canada industry PE sales were up QoQ, supported by record domestic and export sales in September
- + China manufacturing PMI modestly improved in September
- Eurozone manufacturing PMI in contractionary territory in September

## Infrastructure

- U.S. building permits down 11% YoY in August to lowest level since May 2020
- Eurozone construction PMI in contractionary territory since April 2022
- China new home prices declined YoY for the 26<sup>th</sup> consecutive month in August

## Consumer

- U.S. consumer confidence declined in September to lowest level since April 2025
- + Eurozone consumer confidence up in September; remains below historical average
- + China retail sales up 3% YoY in August, slowest growth rate since November 2024

## Mobility

- + U.S. auto sales up YoY in August ahead of expiration of EV incentives
- EU new car registrations down YTD through August; EV growth offset by ICE declines
- + China auto sales and production up YTD through September, supported by strong EV demand driven by government incentives

1. Average 2022 – 2024 % of Total Dow Revenue excluding Corporate and Hydrocarbons & Energy



# 4Q25 Modeling Guidance

## *Disciplined Cost Actions Partly Offset Typical Seasonality*

Net Sales	~\$9.4B	Depreciation & Amortization	~\$700MM
Full-Year Operational Tax Rate	~(80) to (120)%	Net Interest Expense (Net of Int. Income)	~\$175MM
Net Income Attrib. to Non-Controlling Int.	~\$70MM	Average Share Count	~720MM

	Top-Line Ranges (4Q25 vs. 3Q25)		Base Case Op. EBITDA Drivers (4Q25 vs. 3Q25)	
	<u>Sales % Δ QoQ</u>			
	<u>Low</u>	<u>High</u>		
Packaging & Specialty Plastics	-2%	FLAT	<ul style="list-style-type: none"> <li>Lower integrated margins, including the unplanned event at a polyethylene unit in Freeport, TX (~\$60MM headwind)</li> <li>Lower planned maintenance activity (~\$25MM tailwind)</li> <li>Cost reduction actions (~\$25MM tailwind)</li> </ul>	
Industrial Intermediates & Infrastructure	-8%	-4%	<ul style="list-style-type: none"> <li>Typical seasonality in building &amp; construction end markets (~\$50MM headwind)</li> <li>Lower planned maintenance activity (~\$15MM tailwind)</li> <li>Cost reduction actions (~\$15MM tailwind)</li> </ul>	
Performance Materials & Coatings	-13%	-9%	<ul style="list-style-type: none"> <li>Typical seasonality for architectural coatings applications (~\$100MM headwind)</li> <li>Higher planned maintenance activity at our methacrylates facility in Deer Park, TX (~\$10MM headwind)</li> <li>Cost reduction actions (~\$15MM tailwind)</li> </ul>	
Corporate	Sales of ~\$150MM		<ul style="list-style-type: none"> <li>Op. EBIT of \$(75)MM and Op. EBITDA of \$(65)MM</li> </ul>	

# Well-Positioned to Capitalize on Industry Opportunities

## Industry Actions Gaining Momentum

### Accelerating Capacity Rationalization and Project Cancellations

- S. Korea and **Japan** rationalization initiatives and **Chinese** anti-involution
- **European** ethylene closure plans currently reflect ~20%<sup>1</sup> of regional capacity



### Significant Industry Capacity Rationalization to Positively Impact Supply Dynamics

- ~10% of **Ethylene** capacity globally<sup>1</sup>
- ~20% of **Propylene Oxide** capacity in Europe and North America<sup>1</sup>
- >25% of European **Siloxane** capacity<sup>1</sup>

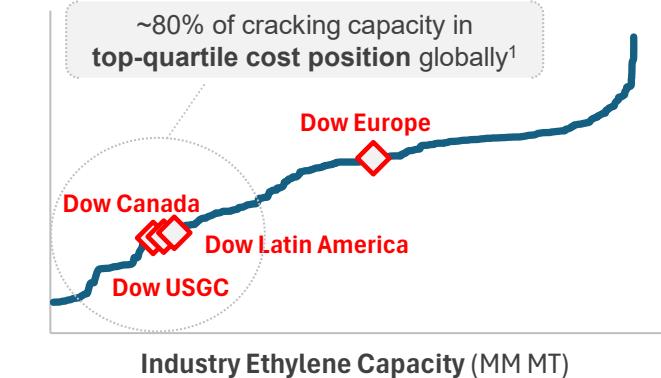
### Positive Global Trade Developments Unfolding

- Continued progress on select U.S. trade deals beginning to provide improving **certainty and clarity** across value chains
- Implementation of several trade protections now in place to **address non-competitive practices**, influenced by Dow and industry peer actions

## Portfolio Advantages Position Dow to Win

### Cost-Advantaged Asset Footprint

- Adding **cost-advantaged Americas** capacity, capitalizing on light cracking feedstock exposure, while reducing higher-cost assets, primarily in Europe



### Optimized Product Portfolio & Delivering Growth

- Dow's **R&D and innovation capabilities** enable stronger earnings versus peers<sup>2</sup> in the recovery
- Shifting mix towards **higher-value downstream** product portfolio aligned to attractive, growing end markets
- Prioritizing profitable volume growth in attractive end markets growing well above GDP

1. Dow analysis based on internal and 3rd party 2025 data

2. As reported on slide 8 of Dow's Annual Benchmarking



# A Compelling Investment

## Maintaining Operational & Financial Discipline



- Closed the final phase of our strategic infrastructure asset partnership with Macquarie, generating ~\$3B in total proceeds
- Delivering at least \$1B in annualized cost reductions, with ~\$400MM this year; reduced 2025 CapEx by ~\$1B
- Expect to receive cash inflow of ~\$1.2B from NOVA judgment in 4Q25

## Driving Higher Returns



- Focused on price management to restore margins by leveraging recently completed investments
- Addressing regional challenges with European shutdowns; will result in Op. EBITDA uplift of ~\$200MM beginning in mid-2026
- Aggressively fighting anti-competitive behaviors amid global trade rebalancing; early wins are encouraging

## Better Positioned for Profitable Growth



- Purpose-built global capacity with ~65% in the cost-advantaged Americas
- Unmatched feedstock flexibility with >80% light cracking feed slate
- Prioritizing profitable volume growth in attractive end markets growing well above GDP

Seek



Together™

# Principal Joint Venture Detail

## Dow's Proportional Share of Principal JV Financial Results

\$ millions (unaudited)	3Q 2025			2Q 2025			3Q 2024		
	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs	Sadara	Kuwait JVs	Thai JVs
EBITDA	\$(15)	\$128	\$(13)	\$18	\$115	\$(11)	\$36	\$147	\$(5)
EBIT	\$(97)	\$85	\$(18)	\$(63)	\$72	\$(15)	\$(43)	\$104	\$(10)
<b>Net Income Equity Earnings to Dow</b>	<b>\$(125)</b>	<b>\$60</b>	<b>\$(20)</b>	<b>\$(77)</b>	<b>\$52</b>	<b>\$(19)</b>	<b>\$(85)</b>	<b>\$85</b>	<b>\$(14)</b>
EBITDA in Excess of Eq. Earnings	\$110	\$68	\$7	\$95	\$63	\$8	\$121	\$62	\$9
Net Debt	\$4,372	\$1,607	\$356	\$4,264	\$1,423	\$343	\$4,331	\$1,613	\$342

## Drivers of JV Performance

- **Sadara:** YoY and QoQ primarily driven by an unplanned outage in July of this year
- **Kuwait JVs:** YoY driven by margin compression, partly offset by higher volumes; QoQ driven by higher volumes in PE and MEG
- **Thai JVs:** YoY and QoQ driven by lower prices for elastomers applications, partly offset by higher polyethylene volumes



# Share Issuance and Repurchase Activity

Share Issuances & Repurchases					
Shares in millions	3Q25	2Q25	3Q24	YTD25	YTD24
Stock Incentive Plans (LTI)	0.1	-	0.1	1.5	3.5
Contributions to U.S. Defined Contribution Plans (401(k))	1.9	2.0	0.9	5.7	3.2
Employee Stock Purchase Plan (ESPP) <sup>1</sup>	-	-	-	-	-
<b>Total Shares Issued</b>	<b>2.0</b>	<b>2.0</b>	<b>1.0</b>	<b>7.2</b>	<b>6.7</b>
<b>Total Shares Repurchased</b>	<b>-</b>	<b>-</b>	<b>1.8</b>	<b>-</b>	<b>8.9</b>

Cash inflows and outflows related to shares issued and repurchased are presented in the Consolidated Statements of Cash Flows.

Refer to Dow's 10-Q and 10-K for additional details on Stock Incentive, Defined Contribution, and Employee Stock Purchase Plans.

Comments
▪ <b>Stock Incentive Plans (LTI):</b> Includes stock options, restricted stock units, performance stock units, stock appreciation rights and stock units
▪ <b>401(k) Contributions:</b> Beginning in 2024, all eligible U.S. employees receive an automatic non-elective contribution percent with the freezing of legacy defined benefit plans in addition to a company match up to preset contribution levels
▪ Stock Incentive Plans and Defined Contributions Plans are benchmarked against our proxy compensation peer set and 401(k) contributions are secondarily benchmarked against the chemical industry
▪ <b>ESPP:</b> All eligible employees can participate at a capped and defined level of eligible compensation

1. ESPP is funded by employees across 1Q-3Q with share issuance in 4Q





# Appendix



# General Comments and Safe Harbor

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## General Comments

Unless otherwise specified, all financial measures in this presentation, where applicable, exclude significant items.

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Forward-looking statements are based on current assumptions and expectations of future events that are subject to risks, uncertainties and other factors that are beyond Dow's control, which may cause actual results to differ materially from those projected, anticipated or implied in the forward-looking statements and speak only as of the date the statements were made. These factors include, but are not limited to: sales of Dow's products; Dow's expenses, future revenues and profitability; any sanctions, export restrictions, supply chain disruptions or increased economic uncertainty related to the ongoing conflicts between Russia and Ukraine and in the Middle East; capital requirements and need for and availability of financing; unexpected barriers in the development of technology, including with respect to Dow's contemplated capital and operating projects; Dow's ability to realize its commitment to carbon neutrality on the contemplated timeframe, including the completion and success of its integrated ethylene cracker and derivatives facility in Alberta, Canada; size of the markets for Dow's products and services and ability to compete in such markets; Dow's ability to develop and market new products and optimally manage product life cycles; the rate and degree of market acceptance of Dow's products; significant litigation and environmental matters and related contingencies and unexpected expenses; the success of competing technologies that are or may become available; the ability to protect Dow's intellectual property in the United States and abroad; developments related to contemplated restructuring activities and proposed divestitures or acquisitions such as workforce reduction, manufacturing facility and/or asset closure and related exit and disposal activities, and the benefits and costs associated with each of the foregoing; fluctuations in energy and raw material prices; management of process safety and product stewardship; changes in relationships with Dow's significant customers and suppliers; changes in public sentiment and political leadership; increased concerns about plastics in the environment and lack of a circular economy for plastics at scale; changes in consumer preferences and demand; changes in laws and regulations, political conditions, tariffs and trade policies, or industry development; global economic and capital markets conditions, such as inflation, market uncertainty, interest and currency exchange rates, and equity and commodity prices; business, logistics, and supply disruptions; security threats, such as acts of sabotage, terrorism or war, including the ongoing conflicts between Russia and Ukraine and in the Middle East; weather events and natural disasters; disruptions in Dow's information technology networks and systems, including the impact of cyberattacks; risks related to Dow's separation from DowDuPont Inc. such as Dow's obligation to indemnify DuPont de Nemours, Inc. and/or Corteva, Inc. for certain liabilities; and any global and regional economic impacts of a pandemic or other public health-related risks and events on Dow's business.

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# Non-GAAP Financial Measures & Definitions

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## Non-GAAP Financial Measures

This presentation includes information that does not conform to GAAP and are considered non-GAAP measures. Management uses these measures internally for planning, forecasting and evaluating the performance of the Company's segments, including allocating resources. Dow's management believes that these non-GAAP measures best reflect the ongoing performance of the Company during the periods presented and provide more relevant and meaningful information to investors as they provide insight with respect to ongoing operating results of the Company and a more useful comparison of year-over-year results. These non-GAAP measures supplement the Company's GAAP disclosures and should not be viewed as alternatives to GAAP measures of performance. Furthermore, such non-GAAP measures may not be consistent with similar measures provided or used by other companies. Dow does not provide forward-looking GAAP financial measures or a reconciliation of forward-looking non-GAAP financial measures to the most comparable GAAP financial measures on a forward-looking basis because the Company is unable to predict with reasonable certainty the ultimate outcome of pending litigation, unusual gains and losses, foreign currency exchange gains or losses and potential future asset impairments, as well as discrete taxable events, without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP results for the guidance period.

See [investors.dow.com](http://investors.dow.com) for a reconciliation of the most directly comparable GAAP financial measure.

## Definitions

Operating EBIT is defined as earnings (i.e. "Income (loss) before income taxes") before interest, excluding the impact of significant items.

Operating EBITDA is defined as earnings (i.e. "Income (loss) before income taxes") before interest, depreciation and amortization, excluding the impact of significant items.

Operating EBIT Margin is defined as Operating EBIT as a percentage of net sales.

Operating EBITDA Margin is defined as Operating EBITDA as a percentage of net sales.

Adjusted Operating EBIT is defined as Operating EBIT less equity earnings (losses).

Adjusted Operating EBIT Margin is defined as Operating EBIT less equity earnings (losses), divided by net sales.

Adjusted Operating EBITDA is defined as Operating EBITDA less equity earnings (losses).

Adjusted Operating EBITDA Margin is defined as Adjusted Operating EBITDA divided by net sales., excluding certain transactions with nonconsolidated affiliates.

Operating Earnings Per Share is defined as "Earnings (loss) per common share - diluted", excluding the after-tax impact of significant items.

Operational Tax Rate is defined as the effective tax rate (i.e., GAAP "Provision (credit) for income taxes" divided by "Income (loss) before income taxes"), excluding the impact of significant items.

Free Cash Flow is defined as "Cash provided by (used for) operating activities - continuing operations," less capital expenditures. Under this definition, Free Cash Flow represents the cash generated by Dow from operations after investing in its asset base. Free Cash Flow, combined with cash balances and other sources of liquidity, represent the cash available to fund obligations and provide returns to shareholders. Free Cash Flow is an integral financial measure used in Dow's financial planning process.

Free Cash Flow Yield is defined as Free Cash Flow divided by market capitalization.

Shareholder Remuneration is defined as dividends paid to stockholders plus purchases of treasury stock.

Shareholder Yield is defined as Shareholder Remuneration divided by market capitalization.

Cash Flow Conversion is defined as "Cash provided by (used for) operating activities – continuing operations" divided by Operating EBITDA. Management believes Cash Flow Conversion is an important financial metric as it helps the Company determine how efficiently it is converting its earnings to cash flow.

Free Cash Conversion at an operating segment level is defined as Adjusted Operating EBITDA less capital expenditures divided by Adjusted Operating EBITDA.

Operating Net Income is defined as net income (loss), excluding the after-tax impact of significant items.

Operating Return on Capital (ROC) is defined as net operating profit after tax, excluding the impact of significant items, divided by total average capital, also referred to as ROIC. Net operating profit after tax (excluding significant items) is a net income measure the Company uses in presentations to investors that excludes net income attributable to noncontrolling interests, and interest expense, exclusive of the significant items.

Net Debt is defined as "Notes payable" plus "Long-term debt due within one year" plus "Long-term debt" less "Cash and cash equivalents" and "Marketable securities."

Kuwait Joint Ventures (JVs) refers to EQUATE Petrochemical Company K.S.C.C., The Kuwait Olefins Company K.S.C.C., and The Kuwait Styrene Company K.S.C.C.

Thai Joint Ventures (JVs) refers to Map Ta Phut Olefins Company Limited and The SCGC-Dow Group (Siam Polyethylene Company Limited, Siam Polystyrene Company Limited, Siam Styrene Monomer Co., Ltd., Siam Synthetic Latex Company Limited).

