



Living.
Improved daily.



Dow Chemical

- Diversified Chemical Manufacturer

\$ 46 Billion in Sales 2005

38% US

36% Europe

26% Rest of World

>50% of costs are from Energy & Feedstocks

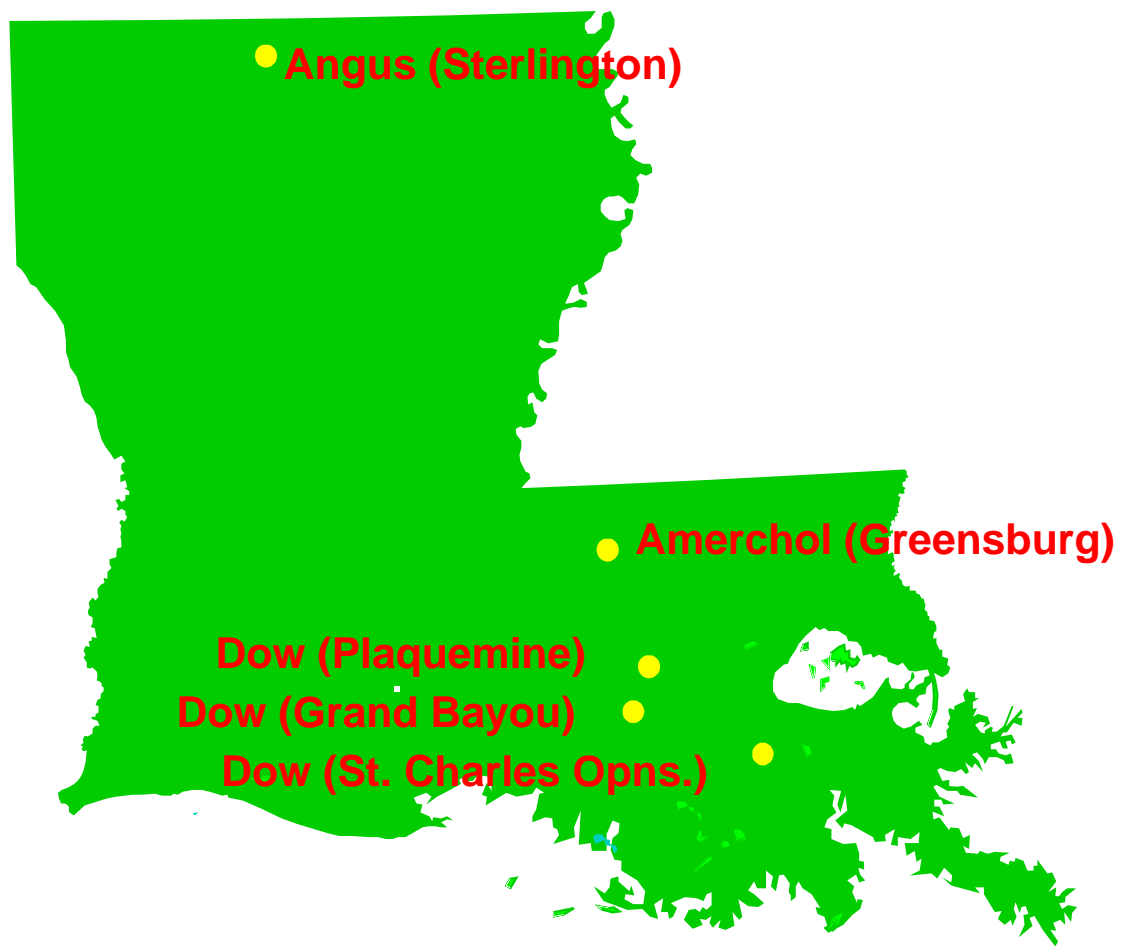
\$ 1.6 Billion 2005 Capital Program

A 108 year old company committed to Sustainable Development



Dow in Louisiana

- Dow is big in Louisiana
 - 21 Billion lbs of production
 - \$ 1 Billion of Economic Impact
 - Invests \$200MM/yr in capital on average
 - 6000 jobs
- Home to two of Dow's largest integrated sites with raw materials, utilities, logistics, trained workforce and Dow's global businesses in all portfolios as well as two other sites in growth markets
- Key issues that may limit future growth are natural gas/feedstock supply & cost, captive rail, litigation costs



Dow in Louisiana



Dow Louisiana Economic Impact

Taxes (state and local)	\$ 60 Million
Payroll (Dow and contract employees)	\$ 340 Million
Community Contributions	\$ 2 Million
Purchases from Louisiana companies	\$ 600 Million

*over \$1,000,000,000 Annual
Impact*

The U.S. has highest natural gas prices in the world !

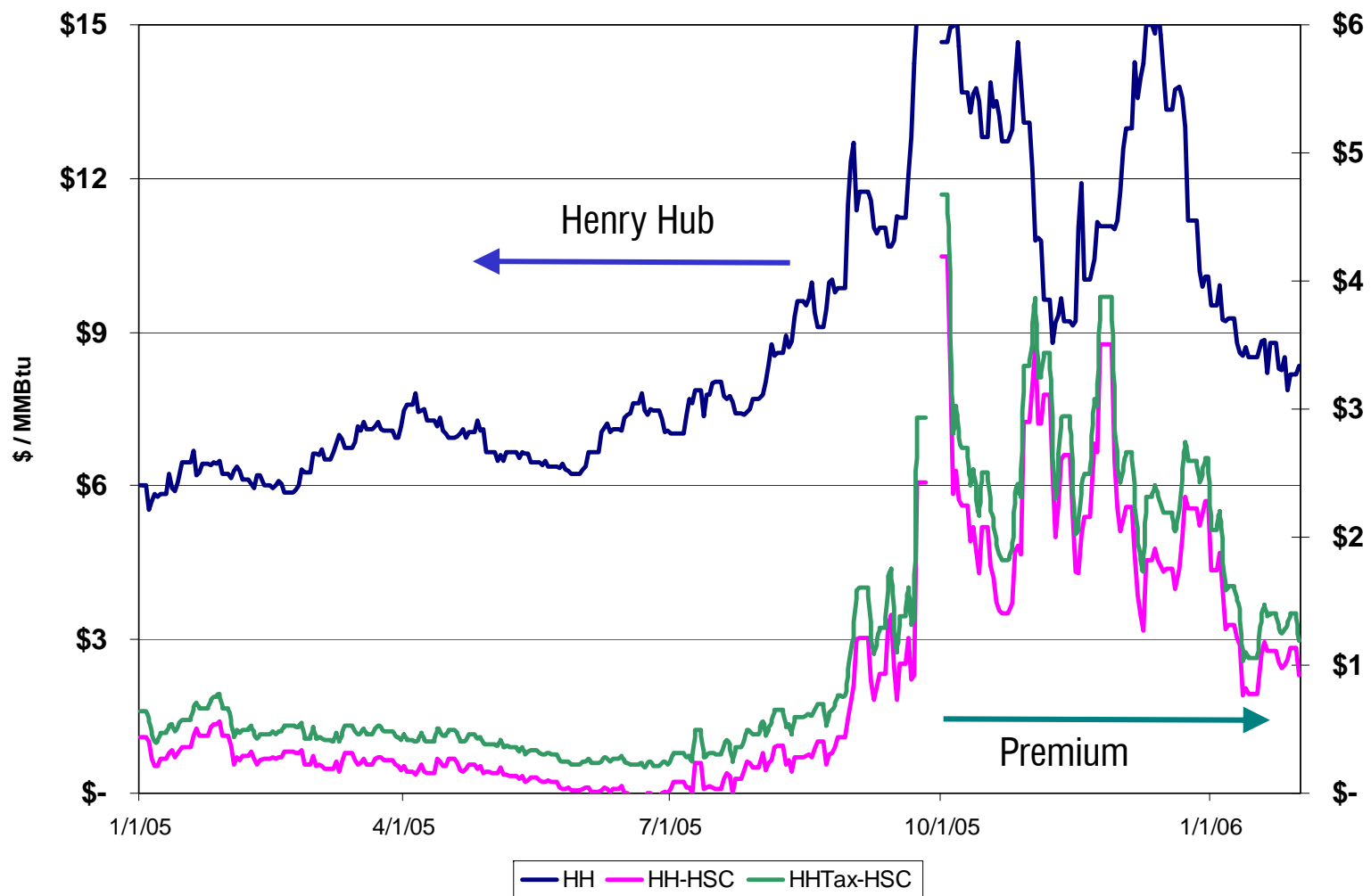
World Natural Gas Costs

\$U.S./MMbtu





Henry Hub Price & Premium to Houston Ship Channel





Competitive Landscape

US Natural Gas prices are the highest in the World

Louisiana energy prices are higher than other US Gulf locations

Dow competes with other manufacturers to win sales

Dow Louisiana sites compete within Dow to win new plants & grow existing plants



Louisiana Infrastructure Rebuild

➤ Asset Infrastructure

Transmission Wires

Oil & Gas Production / Fractionating

Generation Retirement

➤ Business Infrastructure

Fuel Quality / Feedstock Availability

Energy Sales Tax

Tort Reform