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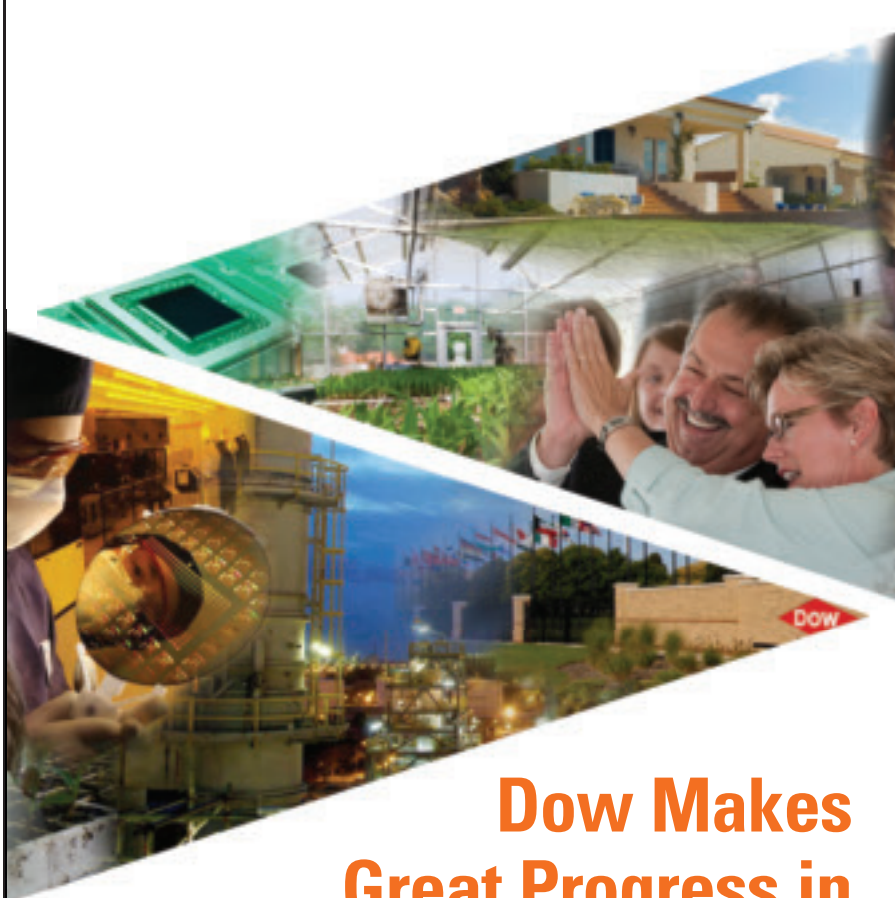
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Dow Makes Great Progress in First Half of Year

Second Quarter One of the Most Active in History

Dow had an active and profitable first half of the year, with improved financial performance and completion of a number of significant milestones. Highlights of the first six months include:

- Closed the acquisition of Rohm and Haas – the ultimate proof point in Dow’s commitment to preferentially invest in Advanced Materials, AgroSciences and Performance businesses;
- Delivered positive operating earnings in both the first and second quarters – during the most economically challenging time in a generation;
- Accelerated cost reductions and acquisition-related cost synergies, reducing structural costs by \$600 million and achieving 70 percent of a 12-month acquisition cost synergy run-rate target;

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Dow Makes Great Progress

- Completed divestitures of Calcium Chloride, TRN refinery, OPTIMAL and Morton Salt;
- Repaid the \$9.2 billion bridge loan that was used to fund a portion of the purchase of Rohm and Haas;
- Successfully raised assets in the capital markets, allowing Dow to retire expensive debt items and improve the financial flexibility and debt structure of the company;
- Continued Active Portfolio Management by taking bold, forward-looking actions such as combining four businesses (S/B Latex, S/B Rubber, Styrenics and Polycarbonate) to form Styron Corporation, which will position these businesses for growth through a new ownership structure in the future, while improving Dow's earning profile over the long term;



- Drove Dow's asset-light strategy approach to Basics by shutting down an ethylene cracker and EO/EG and EDC/VCM production units in Louisiana – moving away from Dow's traditional, ethylene-based and capital-intensive integrated production model;
- Further developed Dow's higher-growth and earnings-stable businesses through continuing smart, bolt-on acquisitions such as Dow AgroSciences' acquisition of the majority of Pfister Hybrids' assets.

"We made tremendous progress against our strategic goals in the first half of the year," said

Dow Chairman and CEO Andrew Liveris. "The second quarter, especially, was one of, if not the most, active quarters in our history. We delivered improved financial performance and we met or exceeded all major milestones related to our integration of Rohm and Haas. We are clearly a company on the move."

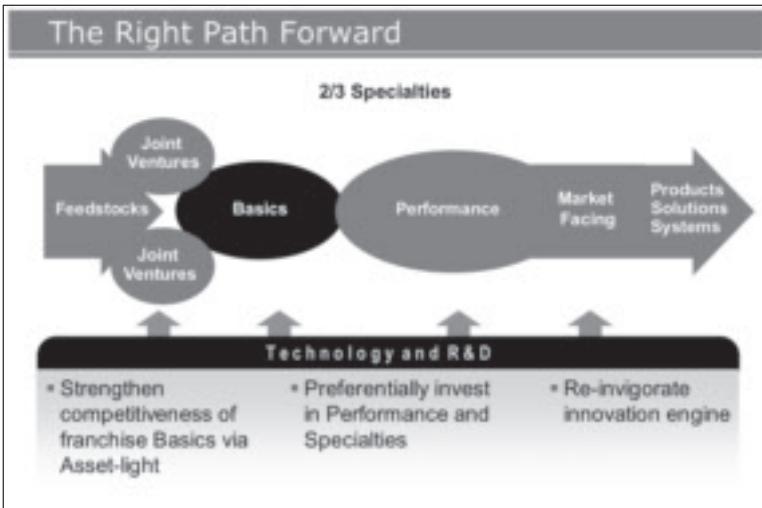
Second Quarter Financial Update

Dow delivered positive operating earnings in the second quarter of \$.05 per share, excluding certain items. This is a major accomplishment with a global recession, continuing weak demand and anemic consumer spending – especially in the U.S. and Europe. However, second

quarter sales of \$11.3 billion were down 40 percent from sales in the second quarter of 2008. Volume was down 20 percent year-over-year and so was price. These steep declines show the tough operating environment that still lies ahead.

Volume in the second quarter rose by five percent, with outstanding volume growth in Asia Pacific (+34%), IMEA (+27%) and Latin America (+12%).

"The fact that we were profitable in both the first and second quarters is a testament to the hard work of Dow people," commented Liveris. "I'm encouraged by our volume growth and believe our



vast geographic reach will serve us well as we look to capture growth in these emerging economies. And – importantly – we beat many analysts’ forecasts by 13 cents in the second quarter.”

New Operating Segments

The integration of Rohm and Haas provided Dow with an inflection point for reassessing how to analyze and value Dow’s portfolio. Dow recently announced new operating segments that reinforce the company’s strategic emphasis on specialty, innovation-focused businesses with higher growth and higher margins. Dow’s portfolio is clearly weighted toward Advanced Materials and Performance Products and Systems.

Liveris noted, “These segments are grouped along common themes and trends. They have clear value propositions that investors can understand, and they link to global megatrends which will drive growth in the future. Businesses that share similar market and competitive drivers are under the same segment. This structure allows us to be more transparent and to articulate Dow’s story to investors.”

Looking Ahead

Following an enterprise-wide strategic review, management has reaffirmed its strategy of an asset-light, joint venture approach to its Basics businesses while preferentially investing in Performance and Specialty businesses.

the announcement of a \$161 million grant from the U.S. Department of Energy to Dow Kokam, a joint venture between Dow and Kokam America which will develop next-generation batteries in Midland, Michigan, for hybrid and electric vehicles.

Innovation will continue to power Dow’s future as the company invests in innovations around the globe that meet customers’ needs and further the company’s sustainability goals. “We must commit to being a company where innovation is at the heart of each of our businesses and where new ideas are valued and solutions rewarded,” said Liveris. A recent example is

Liveris summed up the situation half-way through the year, saying, “We need consumer-led demand to regenerate the economic machine that drives country and trade growth. In this environment, we’ve accomplished a lot and are seeing a new Dow take shape. We are on a solid path to transform Dow into an earnings growth company.”

“We’ve accomplished a lot and are seeing a new Dow take shape.”
 – Dow Chairman and CEO Andrew Liveris