DOW CHEMICAL CO /DE/
Form 424B5
May 12, 2009
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-140859

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
Common Stock	$552,528,833.08	$ 30,832

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933. The total registration fee due for this offering is $30,832.

PROSPECTUS SUPPLEMENT

(To Prospectus dated February 23, 2007)

36,698,005 Shares

The Dow Chemical Company

Common Stock

We are selling 36,698,005 shares of our common stock pursuant to the employee stock ownership plan component (ESOP) of The Dow Chemical Company Employees Savings Plan (the Plan), which will be held in the Plan trust containing the suspense account of the ESOP (ESOP Trust) and will be allocated to eligible participants in the Plan pursuant to the Plan s terms. The price per share of common stock will be $15.0561.

To the extent such sales would be required by the Employee Retirement Income Security Act of 1974, as amended (ERISA), the ESOP Trust, as the selling stockholder, may also use this prospectus supplement to offer and sell from time to time the same 36,698,005 shares of our common stock held by it, directly or through agents or broker-dealers, on terms to be determined at the time of the sale as described in more detail in this prospectus supplement. We will not receive any of the proceeds from the sale of shares of our common stock by the selling stockholder.

Our common stock is listed on the New York Stock Exchange under the symbol DOW. The last reported closing price of our common stock on the New York Stock Exchange on May 11, 2009 was $17.63 per share.

Investing in our common stock involves risks that are described under Risk Factors beginning on page S-12.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

May 11, 2009.

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You should rely only on the information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

We are not making an offer of these securities in any jurisdiction where the offer is not permitted.

You should not assume that the information contained or incorporated by reference into this prospectus supplement or the accompanying prospectus is accurate as of any date other than the dates on the front of this prospectus supplement or the accompanying prospectus, or the date on the report incorporated by reference or the information contained therein, as the case may be.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is comprised of two parts. The first part is this prospectus supplement, which contains the terms of this offering of common stock by us and other information. The second part is the accompanying prospectus dated February 23, 2007, which is part of our Registration Statement on Form S-3 (No. 333-140859), and contains more general information, some of which does not apply to this offering.

This prospectus supplement may add to, update or change the information in the accompanying prospectus. If information in this prospectus supplement is inconsistent with information in the accompanying prospectus, this prospectus supplement will apply and will supersede that information in the accompanying prospectus.

It is important for you to read and consider all information contained or incorporated by reference into this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in Where You Can Find More Information in this prospectus supplement.

No person is authorized to give any information or to make any representation that is different from, or in addition to, those contained or incorporated by reference into this prospectus supplement or the accompanying prospectus and, if given or made, such information or representations must not be relied upon as having been authorized. Neither the delivery of this prospectus supplement and the accompanying prospectus, nor any sale made hereunder, shall under any circumstances create any implication that there has been no change in our affairs since the date of this prospectus supplement, or that the information contained or incorporated by reference into this prospectus supplement or the accompanying prospectus is correct as of any time subsequent to the date of such information.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the common stock in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell, or an invitation on our behalf to subscribe to or purchase any shares of the common stock, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See Plan of Distribution.

In this prospectus supplement, unless otherwise stated or the context otherwise requires, references to Dow, we, us, our, and Company refer The Dow Chemical Company and its consolidated subsidiaries, which, prior to April 1, 2009, did not include Rohm and Haas Company and its subsidiaries and, since April 1, 2009, has included Rohm and Haas Company and its subsidiaries. References to TDCC refer to The Dow Chemical Company excluding its subsidiaries. References to Rohm and Haas refer to Rohm and Haas Company and its consolidated subsidiaries. If we use a capitalized term in this prospectus supplement and do not define the term in this document, it is defined in the accompanying prospectus.

CAUTIONARY STATEMENTS RELATING TO FORWARD-LOOKING INFORMATION

This prospectus supplement and the accompanying prospectus, and the documents incorporated herein by reference, may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Those statements relate to developments, results, conditions or other events we expect or anticipate will occur in the future. We intend words such as believes, anticipates, may, should, could, plans, expects similar expressions to identify forward-looking statements. The forward-looking statements involve risks and uncertainties that may affect our operations, markets, products, services, prices and other factors as more fully discussed elsewhere in this prospectus supplement and in the documents incorporated herein by reference. These risks and uncertainties include, but are not limited to, economic, competitive, legal, governmental and technological factors. Accordingly, there is no assurance that our expectations will be realized. We assume no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information about us discussed elsewhere in this prospectus supplement, the accompanying prospectus or the documents that we have filed with the Securities and Exchange Commission (the SEC) that are incorporated herein by reference. It does not contain all of the information that is important to you in deciding whether to purchase the common stock. We encourage you to read the entire prospectus supplement, the accompanying prospectus and the documents that we have filed with the SEC that are incorporated herein by reference, including the financial statements and notes thereto, prior to deciding whether to purchase the common stock.

Dow s Business

Dow is a diversified chemical company that combines the power of science and technology with the Human Element to constantly improve what is essential to human progress. Dow offers a broad range of products and services, connecting chemistry and innovation with the principles of sustainability to help provide everything from fresh water, food, and pharmaceuticals to paints, packaging and personal care products. Dow is the largest U.S. producer of chemicals and plastics, in terms of sales, with total sales of $57.5 billion in 2008. Dow conducts its worldwide operations through global businesses, which, prior to April 1, 2009, were reported in six operating segments:

- Performance Plastics, consisting of the Dow Automotive, Dow Building Solutions, Dow Epoxy, Polyurethanes and Polyurethane Systems, Specialty Plastics and Elastomers, and Technology Licensing and Catalyst businesses,
- Performance Chemicals, consisting of the Designed Polymers, Dow Latex, and Specialty Chemicals businesses, along with the results of Dow Corning Corporation, and a portion of the results of the OPTIMAL Group of Companies and the SCG-Dow Group, all joint ventures of Dow,
- Agricultural Sciences, consisting of the Dow AgroSciences business,
- Basic Plastics, consisting of the Polyethylene, Polypropylene, and Polystyrene businesses, along with the results of Equipolymers and Americas Styrenics LLC, as well as a portion of the results of EQUATE Petrochemical Company K.S.C. and the SCG-Dow Group, all joint ventures of Dow,
- Basic Chemicals, consisting of the Core Chemicals and Ethylene Oxide/Ethylene Glycol businesses, along with the results of MEGlobal, and a portion of the results of EQUATE Petrochemical Company K.S.C. and the OPTIMAL Group of Companies, all joint ventures of Dow, and
- Hydrocarbons and Energy, consisting of the Hydrocarbons and Energy business, along with the results of Compañía Mega, S.A., and a portion of the results of the SCG-Dow Group, both joint ventures of Dow.

Following Dow s acquisition of Rohm and Haas, Dow announced a new management organization. As such, in the second quarter of 2009, Dow will reevaluate its reportable operating segments.

In 2008, Dow sold approximately 3,300 products and its services to customers in approximately 160 countries throughout the world. Thirty-six percent of its sales were to customers in North America; 38 percent were in Europe; while the remaining 26 percent were to customers in Asia Pacific, Latin America, India, the Middle East and Africa. In 2008, Dow employed approximately 46,000 people, with approximately 6,000 engaged in various research and development activities, and has a broad, global reach, with 150 manufacturing sites in 35 countries.

In 2008, Dow s net sales increased 7 percent over 2007 to $57.5 billion, setting a new sales record for Dow, as a 12 percent increase in prices outweighed a 5 percent decline in volume. The increase in prices was principally in response to higher feedstock and energy purchased costs, which were up $5.9 billion compared

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with 2007. Reported earnings in 2008 of $579 million declined from $2,887 million in 2007. The earnings decline in 2008 was largely due to a deterioration in global demand, higher feedstock and energy and other raw material costs, lower equity in earnings from nonconsolidated affiliates reflecting demand destruction, goodwill impairment losses, and the impact of a restructuring plan announced toward the end of 2008 as part of a series of actions to advance Dow s strategy and respond to the recent, severe economic downturn. The restructuring plan included the elimination of approximately 5,000 jobs (including planned divestitures) and the closure of facilities in high-cost locations. In addition, Dow announced the temporary idling of nearly 200 plants. Overall, Dow s focus on price and volume management and control of discretionary spending helped to partially offset deteriorating results in a challenging economic environment. In 2008, Dow reported strong cash flow from operating activities of $4.7 billion and ended the year with $2.8 billion of cash and cash equivalents.

Dow had net sales of $9,087 million for the three months ended March 31, 2009, a decrease of 39 percent compared with net sales of $14,824 million for the three months ended March 31, 2008. Compared with the same quarter of 2008, prices declined 20 percent, driven principally by decreases in feedstock and energy costs (which were down $3.1 billion or 49 percent), while volume declined 19 percent due to an overall decrease in global demand. Net income attributable to The Dow Chemical Company for the three months ended March 31, 2009 was $24 million, down from $941 million for the three months ended March 31, 2008. Despite significantly lower feedstock and energy costs and our cost control efforts, earnings declined due to lower selling prices and lower volume, as well as a decline in our equity in the earnings of nonconsolidated affiliates, as our joint ventures were also impacted by poor economic conditions. In addition, earnings in the first quarter of 2009 were impacted by additional severance related to our restructuring activities, additional Rohm and Haas acquisition-related expenses, and our share of a restructuring charge recorded in the first quarter by Dow Corning Corporation.

Dow continues to implement a strategy designed to reduce earnings cyclicality and improve earnings growth by increasing investments in the Performance businesses and growing the Basics businesses through cost-advantaged joint ventures. In furtherance of this strategy, on April 1, 2009, Dow acquired Rohm and Haas Company. For a summary description of Rohm and Haas business, see Rohm and Haas Business below. For a summary description of Dow s acquisition of Rohm and Haas and the related financing, see Rohm and Haas Acquisition and Related Financing below.

For more information concerning Dow s business, see The Business of The Dow Chemical Company.

Rohm and Haas Business

Rohm and Haas, which became our wholly owned subsidiary on April 1, 2009, is a global specialty materials company with sales of $9.6 billion in 2008 on a portfolio of global businesses including electronic materials, specialty materials and salt. Its products enable the creation of leading-edge consumer goods and other products found in a broad segment of dynamic markets, the largest of which include: building and construction, electronics, packaging and paper, industrial and other, transportation, household and personal care, water and food. To serve these markets, in 2008, Rohm and Haas had significant operations with approximately 98 manufacturing and 34 research facilities in 30 countries and approximately 15,490 employees. Prior to our acquisition of Rohm and Haas, Rohm and Haas financial results were reported in seven reportable segments organized within the following business groups:

- Electronic Materials Group, consisting of the Electronic Technologies segment (which includes its Circuit Board Technologies, Packaging and Finishing Technologies and Semiconductor Technologies businesses) and Display Technologies segment,
- Specialty Materials Business Group, consisting of Paint and Coatings Materials, Packaging and Building Materials, and Primary Materials segments,
- Performance Materials Group, including its Process Chemicals and Biocides, Powder Coatings and other smaller business units, and

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Salt, with rights to some of the most recognized consumer brand names and product symbols in the United States and Canada. In 2008, Rohm and Haas sales increased 8 percent to $9.6 billion over 2007, with reported earnings from continuing operations in 2008 of $484 million compared with reported 2007 earnings from continuing operations of $674 million. The increase in sales was due to aggressive pricing actions, favorable performance of the Salt segment s effective product line management, favorable currencies, as well as demand growth in Rapidly Developing Economies for most of 2008 and the impact of acquisitions. The earnings decline largely resulted from decreased overall demand coupled with higher raw material costs which more than offset pricing actions and favorable currencies, as well as the impact of restructuring actions taken by Rohm and Haas primarily in response to the economic downturn. In 2008, Rohm and Haas reported cash flow from operating activities of $1,046 million and ended the year with $335 million in cash and cash equivalents.

Rohm and Haas had net sales of $1,772 million for the three months ended March 31, 2009, a decrease of 29 percent compared with net sales of $2,507 million for the three months ended March 31, 2008. Compared with the same quarter of 2008, prices declined 3 percent and volumes declined 26 percent due to an overall decrease in global demand. Net (loss) earnings attributable to Rohm and Haas for the three months ended March 31, 2009 was a loss of $31 million, down from earnings of $172 million for the three months ended March 31, 2008. Despite lower operating and raw material costs, earnings declined due to lower volumes. In addition, earnings in the first quarter of 2009 were impacted by transaction costs associated with Dow s acquisition of Rohm and Haas.

For more information concerning Rohm and Haas business, see The Business of Rohm and Haas Company.

Rohm and Haas Acquisition and Related Financing

On April 1, 2009, we acquired Rohm and Haas pursuant to the terms of an Agreement and Plan of Merger, dated as of July 10, 2008 (the Merger Agreement), under which Ramses Acquisition Corp., our direct, wholly owned subsidiary, merged with and into Rohm and Haas, with Rohm and Haas as the surviving corporation of the merger (the Merger). The aggregate consideration paid to Rohm and Haas stockholders in connection with the Merger was approximately $15.7 billion.

The Merger is intended to make us a leading specialty chemicals and advanced materials company, combining the two organizations superior technologies, broad geographic reach and strong industry channels to create a business portfolio with significant growth opportunities. The acquisition is part of our strategy to reduce earnings cyclicality and is a defining step to shape us into a high value, diversified chemicals and materials company with leading global positions in performance products and advanced materials. Rohm and Haas provides us with an excellent position in a number of industry segments and brings access to new and exciting technologies, all of which are highly complementary to our existing platforms and value growth priorities.

Following the Merger, we expect that a greater share of our revenues will come from performance and specialty chemicals products that are more resistant to typical chemical industry cyclicality. The Merger is anticipated to create pretax annual cost synergies and savings of $1.3 billion through, among other things, increased purchasing power for raw materials, manufacturing and supply chain work process improvements, and the elimination of redundant corporate overhead for shared services and governance. Achieving these cost synergies and savings is subject to risks and uncertainties, and we cannot assure you that or when all of these cost synergies or savings will be realized. See Risk Factors Failure to effectively integrate Rohm and Haas could adversely affect our financial condition and results of operations. We also anticipate that the Merger will produce growth synergies, through the application of each company s innovative technologies and as a consequence of the combined businesses broader product portfolio in key industry segments with strong global growth rates. For more information concerning these matters, see Unaudited Pro Forma Combined Condensed Financial Information.

The Merger was financed initially with the borrowing of approximately $9.2 billion under a term loan from a syndicate of lenders, and the proceeds of the issuance of $4 billion of cumulative convertible perpetual preferred stock, $2.5 billion of cumulative perpetual preferred stock and $500 million of a separate series of

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cumulative convertible perpetual preferred stock. These financing transactions, which are more fully described in Description of the Financing Transactions, are referred to as the Financing Transactions, and together with the Merger, are referred to as the Transactions.

On April 1, 2009, Rohm and Haas, as our wholly owned subsidiary, entered into a stock purchase agreement (the Stock Purchase Agreement) with K+S Aktiengesellschaft (K+S), whereby K+S will acquire the salt business of Morton International, Inc. (MII), a wholly owned subsidiary of Rohm and Haas. The purchase price for the transaction is $1.675 billion in cash, subject to adjustment at closing for working capital and certain indebtedness, pension and post-retirement benefit obligations. The transaction is subject to customary closing conditions, including receipt of regulatory approvals in the United States and Canada. The Stock Purchase Agreement contains certain termination rights for both Rohm and Haas and K+S, including the right of either party to terminate if the closing has not occurred by January 4, 2010. Additional disclosure regarding this transaction, including a copy of the Stock Purchase Agreement, is filed with the SEC. See Where You Can Find More Information.

Recent Developments of Dow

On February 12, 2009, our board of directors declared a reduced quarterly dividend of $0.15 per share, which was paid on April 30, 2009, to stockholders of record on March 31, 2009. The dividend was reduced due to uncertainty in the credit markets, unprecedented lower demand for chemical products, and the ongoing global recession.

Our capital spending was $234 million in the first quarter of 2009, down 35% from $359 million in the first quarter of last year, and on track with the full-year pre-Merger target of $1.1 billion (excluding Rohm and Haas).

We continue to reduce personnel headcount, which stood at 43,567 at March 31, 2009, down from 46,102 at December 31, 2008. Included in these reductions were approximately 1,600 employees who were part of our previously announced 2008 restructuring plan, approximately 650 employees due to asset and business divestitures, and approximately 170 employees who transferred to a joint venture.

In addition to the agreement to sell the salt business of MII, we have publicly stated our intention to sell our share in a petroleum refining partnership in the Netherlands and our equity stake in an olefins and derivatives business in South East Asia. On April 30, 2009, in furtherance of our de-leveraging plan, we also announced that we are reviewing a number of additional possible divestment options, including: continuing outreach and dialogue with state-owned resource owners, as well as a regional asset-light approach to our olefins envelope and related derivatives; global and regional options for our SB Rubber and SB Latex units within our aromatics envelope; the potential divestment of the heritage Rohm and Haas powder coatings business from our Dow Advanced Materials unit; and a variety of strategic options for our Dow AgroSciences business.

On May 5, 2009, we entered into a purchase agreement (the Purchase Agreement) with accounts and funds managed by Paulson & Co. Inc. (Paulson) and certain trusts established by members of the Haas family (the Haas Trusts) pursuant to which the Paulson funds and the Haas Trusts agreed to sell to us Perpetual Preferred Stock, Series B (as defined below) for shares of our common stock and/or our notes as may be determined by us at our sole discretion. The Perpetual Preferred Stock, Series B were originally issued in a transaction exempt from the registration requirements of the Securities Act. See Description of the Financing Transactions.

On May 6, 2009, we priced an offering of 150 million shares of our common stock, including over-allotment shares (the Common Stock Offering), at a price to the public of $15.00 per share. Of the shares being offered, approximately $1 billion in gross proceeds of the shares are offered by us and $1.25 billion (including over-allotment shares) in gross proceeds of the shares are offered by the Paulson funds and the Haas Trusts, as the selling stockholders. We intend to use all of the net proceeds we receive from the Common Stock Offering to

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repay a portion of our borrowings under our Term Loan Agreement (as defined below). All of the shares offered by the selling stockholders in such offering were issued to them pursuant to the Purchase Agreement. We will not receive any of the proceeds from the sale of shares of our common stock by the selling stockholders in such offering.

On May 7, 2009, we priced an offering of senior debt of $1.75 billion aggregate principal amount of 7.60% notes due 2014; $3.25 billion aggregate principal amount of 8.55% notes due 2019; and $1 billion aggregate principal amount of 9.40% notes due 2039 (the Debt Offering). Of the $6 billion in notes that are offered, $1.35 billion aggregate principal amount of the 8.55% notes due 2019 will be offered by the Paulson funds and the Haas Trusts, as the selling noteholders. These investors received notes due 2019 from us in payment for 1.31 million shares of our Perpetual Preferred Stock, Series B, at par plus accrued dividends. We intend to use the net proceeds from the Debt Offering to repay certain portions of our existing debt, including a portion of the amounts outstanding under our Term Loan Agreement. We will not receive any of the proceeds from the sale of notes by the selling noteholders in such offering.

The consummation of this offering by us is not conditioned upon the consummation of any other offering, but the consummation of the sale of notes by the selling noteholders is conditioned upon consummation of our Common Stock Offering. In the event we do not consummate our Common Stock Offering, we will issue and sell the notes that would otherwise have been sold by the selling noteholders in the Debt Offering.

Our principal executive offices are located at 2030 Dow Center, Midland, Michigan 48674, and our telephone number is (989) 636-1000. Our Internet website address is *www.dow.com*. The information on or connected to our website is not incorporated by reference into this prospectus supplement or the accompanying prospectus, and you should not consider them to be a part of this prospectus supplement or the accompanying prospectus.

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Summary Historical Financial and Other Data of Dow

The following summary historical financial and other data of Dow should be read in conjunction with our consolidated financial statements, and the notes relating thereto, incorporated by reference into this prospectus supplement and the accompanying prospectus, as well as the information included herein under the caption Selected Historical Financial and Other Data of Dow.

(dollars in millions, except per share amounts)	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008	Year Ended December 31, 2008	Year Ended December 31, 2007	Year Ended December 31, 2006
	(unaudited)				
Statements of Income Data:					
Net sales	$ 9,087	$ 14,824	$ 57,514	$ 53,513	$ 49,124
Cost of sales	8,165	12,908	52,019	46,400	41,526
Income before income taxes (1)	17	1,264	1,321	4,229	4,972
Net income attributable to The Dow Chemical Company (2)	24	941	579	2,887	3,724
Earnings per common share basic	0.03	1.00	0.62	3.03	3.87
Earnings per common share diluted	0.03	0.99	0.62	2.99	3.82
Balance Sheets Data (end of period):					
Total assets	$ 44,159	$ 50,657	$ 45,474	$ 48,801	$ 45,581
Total current assets	15,606	20,136	16,060	18,654	17,209
Total current liabilities	9,752	13,404	13,108	12,445	10,601
Working capital (3)	5,854	6,732	2,952	6,209	6,608
Property	47,370	49,044	48,391	47,708	44,381
Net property	13,823	14,545	14,294	14,388	13,722
Notes payable	844	2,114	2,360	1,548	219
Long-term debt due within one year	1,223	827	1,454	586	1,291
Long-term debt	10,897	7,392	8,042	7,581	8,036
Total debt (4)	12,964	10,333	11,856	9,715	9,546
Total equity (5)	13,179	20,609	13,580	19,803	17,430
Preferred securities of subsidiaries	500	1,000	500	1,000	1,000
Financial Ratios:					
Income before income taxes as percent of net sales	0.2%	8.5%	2.3%	7.9%	10.1%
Return on stockholders equity (6)	0.7	18.7	4.3	14.9	21.8
Debt as a percent of total capitalization (7)	48.7	32.3	45.7	31.8	34.1
Ratio of earnings to fixed charges (8)	3.3x	6.9x	2.4x	5.3x	6.1x

(1) Changed from Income before income taxes and minority interests due to retrospective application of Statement of Financial Accounting Standards (SFAS) No. 160, *Noncontrolling Interests in Consolidated Financial Statements*.

(2) Changed from Net income available for common stockholders due to retrospective application of SFAS No. 160.

(3) Working capital equals Total current assets minus Total current liabilities.

(4) Total debt equals Notes payable plus Long-term debt due within one year and Long-term debt.

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(5) Impact of retrospective application of SFAS No. 160 to equity section of balance sheets:

(dollars in millions)	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008	Year Ended December 31, 2008	Year Ended December 31, 2007	Year Ended December 31, 2006
Net stockholders equity (as reported prior to January 1, 2009)	$ 13,116(1)	$ 20,179	$ 13,511(1)	$ 19,389	$ 17,065
Noncontrolling interests (2)	63	430	69	414	365
Total equity	$ 13,179	$ 20,609	$ 13,580	$ 19,803	$ 17,430

(1) Now shown as The Dow Chemical Company s stockholders equity.

(2) Changed from Minority interest in subsidiaries.

(6) Return on stockholders equity equals Net income attributable to The Dow Chemical Company divided by Net stockholders equity. Net income attributable to The Dow Chemical Company is annualized for purposes of a quarterly calculation.

(7) Debt as a percent of total capitalization equals Total debt divided by Total debt plus Preferred securities of subsidiaries and Total equity

(8) For the purposes of these ratios, earnings consist of income before income taxes, noncontrolling interests and equity in earnings of nonconsolidated affiliates; plus fixed charges, amortization of capitalized interest and distributed income of nonconsolidated affiliates; minus capitalized interest and preferred security dividends. Fixed charges consist of interest expense and amortization of debt discount, capitalized interest, preferred security dividends, and a portion of rentals deemed to represent an interest factor.

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Summary Historical Financial and Other Data of Rohm and Haas

The following summary historical financial and other data of Rohm and Haas should be read in conjunction with Rohm and Haas consolidated financial statements, and the notes relating thereto, that are included in Dow s Current Report on Form 8-K/A filed with the SEC on May 5, 2009 (the May 5th 8-K/A), and incorporated by reference into this prospectus supplement and the accompanying prospectus, as well as the information included herein under the caption Selected Historical Financial and Other Data of Rohm and Haas.

(dollars in millions)	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008	Year Ended December 31, 2008	Year Ended December 31, 2007	Year Ended December 31, 2006 (1)
	(unaudited)				
Statements of Operations Data:					
Net sales	$ 1,772	$ 2,507	$ 9,575	$ 8,897	$ 8,230
Gross profit	390	660	2,410	2,467	2,483
Earnings (loss) from continuing operations before income taxes (1)	(58)	233	561	880	1,042
Net earnings (loss)	(33)	177	486	675	748
Balance Sheets Data (end of period):					
Land, buildings and equipment, net of accumulated depreciation	$ 2,737	$ 2,917	$ 2,853	$ 2,871	$ 2,669
Total assets	9,278	10,549	9,909	10,107	9,553
Short-term obligations	142	272	177	158	393
Long-term debt	3,145	3,230	3,210	3,139	1,688
Total debt (2)	3,287	3,502	3,387	3,297	2,081
Total stockholders equity (3)(4)	2,992	3,498	3,189	3,361	4,153

(1) Changed from Earnings from continuing operations before income taxes, and minority interests due to retrospective application of SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements*.

(2) Total debt equals Short-term obligations plus Long-term debt.

(3) As a result of the implementation of SFAS No. 158, *Employers Accounting for Defined Benefit Pension and Other Postretirement Plans*, Rohm and Haas recorded a $245 million charge to stockholders equity in 2006.

(4) The primary reason for the reduction in stockholders equity in 2007 is a $1 billion accelerated share repurchase in 2007.

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Summary Unaudited Pro Forma Combined Condensed

Financial Information

The following summary unaudited pro forma combined condensed financial information of Dow has been prepared to assist you in your analysis of the financial effects of the Transactions using the historical consolidated financial statements of Dow and Rohm and Haas.

The following tables set forth summary unaudited pro forma combined condensed financial information of Dow giving effect to the Transactions, using the acquisition method of accounting, as if the Transactions had occurred on the dates indicated and after giving effect to the pro forma adjustments. The unaudited pro forma combined condensed balance sheet data as of March 31, 2009 give effect to the Transactions as if the Transactions had occurred on March 31, 2009. The unaudited pro forma combined condensed statements of operations data for the year ended December 31, 2008 and the three months ended March 31, 2009 give effect to the Transactions as if the Transactions had occurred on January 1, 2008.

In addition to presenting the effects of the Transactions, the pro forma adjustments reflect (i) the sale of the MII salt business and the application of assumed proceeds to reduce our borrowings under the Term Loan Agreement, dated September 8, 2008, as amended by a First Amendment to Term Loan Agreement, which we entered into on March 5, 2009 (as so amended, the Term Loan Agreement); (ii) the divestitures of the businesses required by the United States Federal Trade Commission (FTC) as a condition of its approval of the Merger; and (iii) the conversion of the Cumulative Convertible Perpetual Preferred Stock, Series C to common stock.

You should read this information in conjunction with Rohm and Haas Acquisition and Related Financing, Unaudited Pro Forma Combined Condensed Financial Information, Selected Historical Financial and Other Data of Dow, Selected Historical Financial and Other Data of Rohm and Haas, and the consolidated financial statements and related notes of Dow and Rohm and Haas incorporated by reference into this prospectus supplement.

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The Dow Chemical Company and Subsidiaries

Summary of Unaudited Pro Forma Combined Condensed Statements of Operations

For the Year Ended December 31, 2008

In millions, except per share amounts	Dow Historical	Rohm and Haas Historical	Pro Forma Adjustments	Pro Forma Combined
Net sales	$ 57,514	$ 9,575	$ (2,283)	$ 64,806
Cost of sales	52,019	7,165	(1,940)	57,244
Income before income taxes	1,321	561	(1,425)	457
Net income attributable to The Dow Chemical Company	579	480	(925)	134
Net income (loss) available to The Dow Chemical Company common stockholders	579	480	(1,653)	(594)
Share data				
Earnings (loss) per common share - basic	$ 0.62			$ (0.61)
Earnings (loss) per common share - diluted	$ 0.62			$ (0.61)

See Notes to the Unaudited Pro Forma Combined Condensed Financial Statements.

For the Quarter Ended March 31, 2009

In millions, except per share amounts	Dow Historical	Rohm and Haas Historical	Pro Forma Adjustments	Pro Forma Combined
Net sales	$ 9,087	$ 1,772	$ (528)	$ 10,331
Cost of sales	8,165	1,382	(387)	9,160
Income (loss) before income taxes	17	(58)	(578)	(619)
Net income (loss) attributable to The Dow Chemical Company	24	(31)	(377)	(384)
Net income (loss) available to The Dow Chemical Company common stockholders	24	(31)	(556)	(563)
Share data				
Earnings (loss) per common share - basic	$ 0.03			$ (0.58)
Earnings (loss) per common share - diluted	$ 0.03			$ (0.58)

See Notes to the Unaudited Pro Forma Combined Condensed Financial Statements.

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The Dow Chemical Company and Subsidiaries

Summary of Unaudited Pro Forma Combined Condensed Balance Sheet

At March 31, 2009

In millions	Dow Historical	Rohm and Haas Historical	Pro Forma Adjustments	Pro Forma Combined
Current assets	$ 15,606	$ 2,942	$ 680	$ 19,228
Total assets	44,159	9,278	12,759	66,196
Current liabilities	9,752	1,342	(152)	10,942
Long-term debt	10,897	3,145	7,135	21,177
Total other noncurrent liabilities	9,831	1,799	1,443	13,073
Preferred securities of subsidiaries	500			500
Preferred stock Series B			2,500	2,500
Total equity	13,179	2,992	1,833	18,004
Total liabilities and equity	$ 44,159	$ 9,278	$ 12,759	$ 66,196

See Notes to the Unaudited Pro Forma Combined Condensed Financial Statements.

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RISK FACTORS

You should carefully consider the following risk factors, as well as the other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus, before making an investment decision. The factors described below represent our principal risk factors.

Risks Relating to Our Business

We operate in a global, competitive environment in each of our operating segments and geographic areas.

We sell a broad range of products and services in a competitive, global environment. In addition to other large multinational chemical companies, the chemical divisions of major international oil companies provide substantial competition. We compete worldwide on the basis of quality, price and customer service. Increased levels of competition could result in lower prices or lower sales volume, which would have a negative impact on our results of operations.

The earnings generated by our basic chemical and basic plastic products vary from period to period based in part on the balance of supply relative to demand within the industry.

The balance of supply relative to demand within the industry may be significantly impacted by the addition of new capacity. For basic commodities, capacity is generally added in large increments as world-scale facilities are built. This may disrupt industry balances and result in downward pressure on prices due to the increase in supply, which could negatively impact our results of operations.

Our global business operations give rise to market risk exposure.

Our global business operations give rise to market risk exposure related to changes in foreign exchange rates, interest rates, commodity prices and other market factors such as equity prices. To manage such risks, we enter into hedging transactions, pursuant to established guidelines and policies. If we fail to effectively manage such risks, it could have a negative impact on our results of operations.

Volatility in purchased feedstock and energy costs impacts our operating costs and adds variability to earnings.

Since 2005, purchased feedstock and energy costs have accounted for almost half of our total production costs and operating expenses. We use our feedstock flexibility and financial and physical hedging programs to lower overall feedstock costs. However, when these costs increase, we are not always able to immediately raise selling prices and, ultimately, our ability to pass on underlying cost increases is greatly dependent on market conditions. Conversely, when these costs decline, selling prices decline as well, usually at a faster rate. As a result, volatility in these costs could negatively impact our results of operations.

We are party to a number of claims and lawsuits arising out of the normal course of business with respect to commercial matters, including product liability, governmental regulation and other actions.

Certain of the claims and lawsuits facing us purport to be class actions and seek damages in very large amounts. All such claims are being contested. With the exception of the possible effect of the asbestos-related liability of Union Carbide Corporation (Union Carbide), our wholly owned subsidiary, described below, it is the opinion of management that the possibility is remote that the aggregate of all such claims and lawsuits will have a material adverse impact on our consolidated financial statements.

Union Carbide is and has been involved in a large number of asbestos-related suits filed primarily in state courts during the past three decades. At March 31, 2009, Union Carbide s asbestos-related liability for pending

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and future claims was $910 million ($934 million at December 31, 2008) and its receivable for insurance recoveries related to the asbestos liability was $403 million (unchanged from December 31, 2008). At March 31, 2009, Union Carbide also had receivables of $271 million ($272 million at December 31, 2008) for insurance recoveries for defense and resolution costs. It is the opinion of management that it is reasonably possible that the cost of Union Carbide disposing of its asbestos-related claims, including future defense costs, could have a material adverse impact on our results of operations and cash flows for a particular period and on our consolidated financial position.

If key suppliers are unable to provide the raw materials required for production, we may not be able to obtain the raw materials from other sources and on as favorable terms.

We purchase hydrocarbon raw materials, including liquefied petroleum gases, crude oil, naphtha, natural gas and condensate. We also purchase electric power, benzene, ethylene, propylene and styrene, to supplement internal production, as well as other raw materials. If our key suppliers are unable to provide the raw materials required for production, it could have a negative impact on our results of operations. For example, during 2005 and again in the third quarter of 2008, we experienced temporary supply disruptions related to major hurricanes on the U.S. Gulf Coast. In addition, volatility and disruption of financial markets could limit suppliers ability to obtain adequate financing to maintain operations, which could have a negative impact on our results of operations.

Adverse conditions in the global economy and disruption of financial markets could negatively impact our customers and therefore our results of operations.

A continuation of the economic downturn in the businesses or geographic areas in which we sell our products could reduce demand for these products and result in a decrease in sales volume that could have a negative impact on our results of operations. In addition, volatility and disruption of financial markets could limit customers ability to obtain adequate financing to maintain operations, which could result in a decrease in sales volume and have a negative impact on our results of operations.

Weather-related matters could impact our results of operations.

In 2005 and again in the third quarter of 2008, major hurricanes caused significant disruption in our operations on the U.S. Gulf Coast, logistics across the region and the supply of certain raw materials, which had an adverse impact on volume and cost for some of our products. If similar weather-related matters occur in the future, it could negatively affect our results of operations, due to our substantial presence on the U.S. Gulf Coast.

Actual or alleged violations of environmental laws or permit requirements could result in restrictions or prohibitions on plant operations, substantial civil or criminal sanctions, as well as the assessment of strict liability and/or joint and several liability.

We are subject to extensive federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment, and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and waste materials. At March 31, 2009, we had accrued obligations of $308 million ($312 million at December 31, 2008) for environmental remediation and restoration costs, including $21 million ($22 million at December 31, 2008) for the remediation of Superfund sites. This is management s best estimate of the costs for remediation and restoration with respect to environmental matters for which we have accrued liabilities, although the ultimate cost with respect to these particular matters could range up to approximately twice that amount. Costs and capital expenditures relating to environmental, health or safety matters are subject to evolving regulatory requirements and depend on the timing of the promulgation and enforcement of specific standards which impose the requirements. Moreover, changes in environmental regulations could inhibit or interrupt our operations, or require modifications to our facilities. Accordingly, environmental, health or safety regulatory matters could result in significant unanticipated costs or liabilities.

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Local, state and federal governments have begun a regulatory process that could lead to new regulations impacting the security of chemical plant locations and the transportation of hazardous chemicals.

Growing public and political attention has been placed on protecting critical infrastructure, including the chemical industry, from security threats. International terrorism, natural disasters and political unrest in some areas of the world have increased concern regarding the security of chemical production and distribution. In addition, local, state and federal governments have begun a regulatory process that could lead to new regulations impacting the security of chemical plant locations and the transportation of hazardous chemicals, which could result in higher operating costs and interruptions in normal business operations.

Increased concerns regarding the safety of chemicals in commerce and their potential impact on the environment could lead to new regulations.

Concerns regarding the safety of chemicals in commerce and their potential impact on the environment reflect a growing trend in societal demands for increasing levels of product safety and environmental protection. These concerns could manifest themselves in stockholder proposals, preferred purchasing and continued pressure for more stringent regulatory intervention. In addition, these concerns could influence public perceptions, the viability of our products, our reputation, the cost to comply with regulations, and our ability to attract and retain employees, which could have a negative impact on our results of operations.

The value of investments is influenced by economic and market conditions, which could have a negative impact on our financial condition and results of operations.

The current economic environment is negatively impacting the fair value of pension and insurance assets, which could trigger increased future funding requirements of the pension trusts and could result in additional other-than-temporary impairment losses for certain insurance assets.

Volatility and disruption of financial markets could affect access to credit.

The current economic environment is causing contraction in the availability of credit in the marketplace. This could reduce sources of liquidity for us.

A downgrade of our credit rating could have a negative impact on our ability to access credit markets.

Our credit rating is currently investment grade. Our long-term credit rating was downgraded by Standard & Poor s on April 1, 2009 from BBB to BBB- with credit watch negative and by Moody s on April 22, 2009 from Baa1 to Baa3 with outlook negative. On May 6, 2009, Standard & Poor s credit watch was removed; the long-term credit rating was unchanged with outlook negative. Our short-term credit ratings were reduced to A-3/P-3 negative/negative by S&P/Moody s. If our credit ratings are further downgraded, it could have a negative impact on our ability to access credit markets and could increase borrowing costs.

Increased costs related to the financing of the Merger could reduce our flexibility to respond to changing business and economic conditions or fund capital expenditures or working capital needs.

We borrowed $9.2 billion pursuant to a Term Loan Agreement and issued preferred equity securities in the amount of $7 billion to finance the Merger. This financing requires additional interest and dividend payments and thus may reduce our flexibility to respond to changing business and economic conditions or fund capital expenditure or working capital needs. This may also increase our vulnerability to adverse economic conditions. For more information regarding increased costs related to the financing of the Merger, see Unaudited Pro Forma Combined Condensed Financial Information.

Failure to effectively integrate Rohm and Haas could adversely affect our financial condition and results of operations.

The Merger is a significant acquisition and a significant step in the implementation of our strategy. While we have acquired businesses in the past, the magnitude of the integration of this acquisition could present significant challenges and costs, especially given the effects of the current global economic environment. If the

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integration of Rohm and Haas is not completed as planned, we may not realize the benefits, such as cost synergies and savings and growth synergies, anticipated from the acquisition, and the costs of achieving those benefits may be higher than, and the timing different from, our current expectations. Realizing the benefits of the acquisition requires the successful integration of some or all of our sales and marketing, distribution, manufacturing, engineering, finance, information technology systems and administrative operations of Rohm and Haas with those of Dow. This will require substantial attention from the management of the combined company, which may decrease the time management devotes to normal and customary operations. In addition, the integration and implementation activities could result in higher expenses and/or the use of more cash or other financial resources than expected. If the integration of Rohm and Haas is not successfully executed, it could adversely affect our financial condition and results of operations.

An impairment of goodwill would negatively impact our financial results.

Based on preliminary valuations, the Merger will increase our goodwill by an estimated $9.2 billion. At least annually, we perform an impairment test for goodwill. Under current accounting guidance, if the carrying value of goodwill exceeds the estimated fair value, impairment is deemed to have occurred and the carrying value of goodwill is written down to fair value with a charge against earnings. Accordingly, any determination requiring the write-off of a significant portion of goodwill recorded in connection with the Merger could negatively impact our results of operations.

Failure to execute certain asset divestitures could adversely affect our financial condition and results of operations.

We are focused on reducing our indebtedness and intend to pursue a strategy of divesting certain assets to achieve that goal. If we are unable to successfully sell such assets, we could have difficulty reducing our indebtedness, which could result in further downgrades of our credit ratings and adversely affect our financial condition and results of operations.

Risks Relating to the Merger and Related Financing Transactions

We substantially increased our leverage in order to finance the Merger.

To finance a portion of the Merger, we entered into the Term Loan Agreement with a syndicate of banks. As of March 31, 2009, we had approximately $13.0 billion of indebtedness and Rohm and Haas had approximately $3.3 billion of indebtedness. On April 1, 2009, we borrowed approximately $9.2 billion under the Term Loan Agreement in connection with the Merger. For additional information, see Capitalization and Description of the Financing Transactions. Increased indebtedness may increase our vulnerability to adverse economic conditions and reduce our flexibility to respond to changing business and economic conditions or fund capital expenditure or working capital needs because we will require additional funds to service our indebtedness. After giving effect to the Transactions, our ratio of total indebtedness to capitalization, as of March 31, 2009, increased from 48.7% to 54.3%. After giving effect to the Transactions, for the year ended December 31, 2008, we would have had pro forma interest expense of $1,735 million compared to our historical interest expense of $648 million for the same period, and our net income available for common stockholders would have been reduced by $728 million of dividends payable on preferred equity as compared to the same period on a historical basis.

Additionally, the Term Loan Agreement expires on April 1, 2010. Although the Term Loan Agreement may be extended at our option, subject to certain conditions, for a maximum of $8 billion, such extension would increase our costs of indebtedness as it would require the payment of an extension fee and would increase the interest rate of the term loan on the date of extension, on the 90th day following such date and on each successive 90th day thereafter. We are also subject to higher rates under the Term Loan Agreement if we do not consummate the Common Stock Offering or one or more other offerings of equity interests or equity-linked securities within the applicable periods of time specified therein.

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Rohm and Haas may have liabilities that are not known, probable or estimable at this time.

As a result of the Merger, Rohm and Haas has become our subsidiary and we have effectively assumed all of Rohm and Haas liabilities, whether or not asserted. There could be unasserted claims or assessments that we failed or were unable to discover or identify in the course of performing due diligence investigations on Rohm and Haas. In addition, there may be liabilities that are neither probable nor estimable at this time which may become probable and estimable in the future. Any such liabilities, individually or in the aggregate, could have a material adverse effect on our business. We may learn additional information about Rohm and Haas that adversely affects us, such as unknown, unasserted or contingent liabilities and issues relating to compliance with applicable laws. Additional information regarding Rohm and Haas contingent liabilities, including potential remedial and natural resource liabilities at Berry s Creek and Wood-Ridge, New Jersey arising out of releases of contaminants from a former mercury manufacturing facility acquired by MII, can be found in Note 25: Contingent Liabilities, Guarantees and Commitments to Rohm and Haas audited financial statements and notes thereto for the year ended December 31, 2008 and Note 13: Contingent Liabilities, Guarantees and Commitments to Rohm and Haas interim financial statements and notes thereto for the three months ended March 31, 2009, included as Exhibits 99.1 and 99.2, respectively, to our May 5th 8-K/A, which is incorporated herein by reference.

We will incur significant transaction, integration and restructuring costs in connection with the Merger.

We will incur significant transaction costs related to the Merger. In addition, the combined company will incur integration and restructuring costs following the completion of the Merger as we integrate Rohm and Haas businesses with our businesses. Although we expect that the realization of benefits and efficiencies related to the integration of the businesses may offset these transaction, integration and restructuring costs over time, no assurances can be made that this net benefit will be achieved in the near term, or at all, which could adversely affect our financial condition and results of operations.

If we are unable to retain key Rohm and Haas personnel after the Merger is completed, the combined business may suffer.

The success of the Merger will depend in part on our ability to retain key Rohm and Haas employees who will continue to be employed by us after the Merger. If these key employees terminate their employment, our sales, marketing or development activities might be adversely affected, management s attention might be diverted from successfully integrating Rohm and Haas operations to hiring suitable replacements, we may not be able to locate suitable replacements for any such key employees that leave us, and our business may suffer.

The historical and unaudited pro forma financial information included elsewhere in this prospectus supplement may not be representative of our results as a combined company after the Merger, and accordingly, you have limited financial information on which to evaluate the combined company and your investment decision.

We and Rohm and Haas operated as separate companies prior to the Merger. We have had no prior history as a combined entity and our operations have not previously been managed on a combined basis. The pro forma financial information, which was prepared in accordance with Article 11 of the SEC s Regulation S−X, is presented for informational purposes only and is not necessarily indicative of the financial position or results of operations that would have actually occurred had the Merger been completed at or as of the dates indicated, nor is it indicative of the future operating results or financial position of the combined company. The pro forma financial information does not reflect future nonrecurring charges resulting from the Merger. The Unaudited Pro Forma Combined Condensed Statements of Operations do not reflect future events that may occur after the Merger, including the potential realization of operating cost savings (synergies) or restructuring activities or other costs related to the planned integration of Rohm and Haas, and do not consider potential impacts of current market conditions on revenues, expense efficiencies or asset dispositions (with the exception of MII). The pro forma financial information presented in this prospectus supplement is based in part on certain assumptions regarding the Merger that we believe are reasonable under the circumstances. We cannot assure you that our assumptions will prove to be accurate over time.

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Risks Relating to our Common Stock

The price of our common stock may be volatile and you could lose all or part of your investment.

Volatility in the market price of our common stock may prevent you from being able to sell your shares at or above the price you paid for your shares. The market price of our common stock has fluctuated significantly in the recent past and could fluctuate significantly in the future for various reasons, which include:

- actual or anticipated fluctuations in our quarterly or annual earnings or those of other companies in our industry;
- general global macroeconomic conditions and their effect on demand for chemical products;
- our ability to successfully integrate Rohm and Haas;
- changes in market valuations or operating performance of our competitors or companies similar to ours;
- changes in our quarterly dividends;
- additions and departures of key personnel;
- variance in our financial performance from the expectations of market analysts, including changes in earnings estimates or recommendations by research analysts who track our common stock or the stocks of other companies in our industry;
- changes in accounting standards, policies, guidance, interpretations or principles;
- economic, financial, geopolitical, regulatory or judicial events that affect us or financial markets generally; and
- risks enumerated elsewhere in this section.

In addition, in recent years, the stock market has experienced substantial price and volume fluctuations. In the fourth quarter of 2008, the volatility in capital markets reached unprecedented levels. This volatility has had a significant impact on the market price of securities issued by many companies including us and the companies in our industry. The price of our common stock could fluctuate based upon factors that have little or nothing to do with our company, and these fluctuations could materially reduce our stock price and your ability to sell your shares.

In the past, following periods of volatility in the market price of a company s securities, securities class action litigation has often been instituted. A securities class action suit against us could result in substantial costs and divert our management s attention and resources that would otherwise be used to benefit the future performance of our operations.

Dilution will occur upon the occurrence of certain events, including additional sales of our common stock in the public market.

As of April 30, 2009, we had 1,500,000,000 authorized shares of common stock and 925,915,403 issued and outstanding shares of common stock. As of April 30, 2009, we had 63,468,340 shares issuable upon the exercise of stock options granted to our employees and directors. These shares may be sold in the public market at various times in compliance with their terms. Additionally, on April 1, 2009, we issued and sold

4,000,000 shares of our Cumulative Convertible Perpetual Preferred Stock, Series A, and 500,000 shares of our Cumulative Convertible Perpetual Preferred Stock, Series C, each of which is convertible into shares of our common stock. Each share of our Cumulative Convertible Perpetual Preferred Stock, Series A, may be converted at any time, at the option of the holder, into 24.2010 shares of our common stock, subject to certain anti-dilution adjustments.

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In accordance with the terms of the Cumulative Convertible Perpetual Preferred Stock, Series C, if we file an effective shelf registration statement relating to such shares prior to a certain specified date, each such share is automatically convertible into a number of shares of common stock based on a volume weighted average price formula. We intend to file an effective shelf registration statement relating to the Cumulative Convertible Perpetual Preferred Stock, Series C prior to such date, and such resulting automatic conversion may dilute your holdings. See Description of the Financing Transactions for more information.

Additionally, we are issuing an additional 150 million shares of common stock through our Common Stock Offering, and we may also in the future issue and sell additional shares of common stock from time to time. The occurrence of any of these events may cause you to experience dilution and could adversely affect the market price of our common stock.

There is no assurance that we will continue declaring dividends on our common stock or have the available cash to make dividend payments on our common stock.

Although we have paid a cash dividend every quarter since 1912, there can be no assurance that funds will be available for this purpose in the future. Additionally, our common stock dividend was reduced in February 2009, for the first time in this 97-year period, due to uncertainty in the credit markets, unprecedented lower demand for chemical products and the ongoing global recession. The declaration and payment of common stock dividends is subject to the discretion of our board of directors, is not cumulative, and will depend upon our profitability, financial condition, capital needs, future prospects, and other factors deemed relevant by our board of directors. Additionally, the terms of our outstanding preferred stock restrict us from paying dividends on our common stock if we fail to pay dividends on such outstanding preferred stock. See Description of the Financing Transactions.

Provisions in our certificate of incorporation and bylaws, as amended and re-adopted, or Delaware law might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Our amended and restated certificate of incorporation and bylaws contain provisions that could depress the trading price of our common stock by acting to discourage, delay or prevent a change in control of our company or changes in our management that our stockholders may deem advantageous. These provisions:

- authorize the issuance of blank check preferred stock that our board of directors could issue to increase the number of outstanding shares to discourage a takeover attempt;
- prohibit stockholder action by written consent, and require that all stockholder actions be taken at a meeting of our stockholders;
- provide that the board of directors is expressly authorized to amend, alter, change, adopt and repeal our bylaws; and
- establish advance notice requirements for nominations for elections to our board or for proposing matters that can be acted upon by stockholders at stockholder meetings.

Additionally, we are subject to Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any interested stockholder for a period of three years following the date on which the stockholder became an interested stockholder and which may discourage, delay or prevent a change in control of our company.

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USE OF PROCEEDS

We expect the net proceeds to us from the initial sale of our common stock to the ESOP Trust will be approximately $552 million (after deducting our estimated offering expenses). We intend to use all of the net proceeds from this offering to repay a portion of our borrowings under the Term Loan Agreement, which we entered into to finance a portion of the Merger. The borrowings under the Term Loan Agreement accrue interest at a rate per annum equal to either a base rate or LIBOR plus, in each case, an applicable margin (which interest rate currently is approximately 3.92%), and have a maturity date of April 1, 2010, which may be extended for one year for a maximum of $8 billion.

We will not receive any of the proceeds from the allocation of the shares of common stock by the Plan from time to time or any resale by the ESOP Trust from time to time. All such proceeds will be for the account of the selling stockholder and/or for the benefit of employees and retirees and their beneficiaries participating in the Plan. For more information, see Selling Stockholder.

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CAPITALIZATION

The following table sets forth, as of March 31, 2009, our consolidated cash and cash equivalents, short-term debt, long-term debt and common and preferred equity, on an actual basis, an as adjusted basis to give effect to the Transactions, and an as further adjusted basis to give effect to (i) the issuance of shares of our common stock in the Common Stock Offering (including the exercise of the underwriters over-allotment option which was exercised on May 7, 2009) and the application of the proceeds as described under Other Offerings, (ii) the issuance of shares of our common stock and notes in consideration for our purchase of the Cumulative Perpetual Preferred Stock, Series B, as described under Prospectus Supplement Summary Recent Developments of Dow, (iii) the issuance of the notes in the Debt Offering and the application of the proceeds as described under Other Offerings, (iv) the issuance of the shares of our common stock offered hereby and (v) the application of the net proceeds from this offering as described under Use of Proceeds.

You should read this table in conjunction with Selected Historical Financial and Other Data of Dow, Selected Historical Financial and Other Data of Rohm and Haas, Unaudited Pro Forma Combined Condensed Financial Information, Other Offerings, Prospectus Supplement Summary Recent Developments of Dow and the consolidated financial statements and related notes thereto of Dow and Rohm and Haas which are incorporated by reference herein.

	At March 31, 2009 (dollars in millions)		
	Actual	As Adjusted (1)	As Further Adjusted
Cash and cash equivalents	$ 2,956	$ 3,813	$ 3,813
Short-term debt (includes notes payable and current maturities of long-term debt)	$ 2,067	$ 3,430	$ 3,430
Long-term debt:			
Revolving credit agreement of Dow	$ 3,000	$ 3,000	$ 3,000
Promissory notes and debentures of Dow	5,199	5,199	5,199
Promissory notes and debentures of Rohm and Haas		2,637	2,637
Other long-term debt of Dow	3,921	3,921	3,921
Other long-term debt of Rohm and Haas		22	22
Term Loan		9,226	7,709
Notes due 2014			1,744
Notes due 2019			3,243
Notes due 2039			996
Payment of debt allocation to be determined			(4,604)
Less: current maturities of long-term debt	(1,223)	(2,484)	(2,484)
Total long-term debt	10,897	21,521	21,383
Preferred securities of subsidiaries	500	500	500
Cumulative Perpetual Preferred Stock, Series B		2,500	
Equity:			
Cumulative Convertible Perpetual Preferred Stock, Series A		4,000	4,000
Common stock (2)	2,453	2,562	3,029
Additional paid-in capital	825	1,116	3,375
Retained earnings	16,896	16,896	16,853
Accumulated other comprehensive loss	(4,674)	(4,674)	(4,674)
Treasury stock at cost	(2,384)	(2,384)	(2,384)
ESOP shares			(553)
The Dow Chemical Company s stockholders equity	13,116	17,516	19,646
Noncontrolling interests	63	488	488
Total equity	13,179	18,004	20,134

Total long-term debt, Preferred securities of subsidiaries, Cumulative Perpetual Preferred Stock, Series B and equity	$ 24,576	$ 42,525	$ 42,017

(1) Unlike the Unaudited Pro Forma Combined Condensed Balance Sheet, the numbers in this column do not give effect to (i) the sale of the MII salt business and the application of a5ssumed proceeds to reduce our borrowings under the Term Loan Agreement or (ii) the divestitures of the businesses required by the FTC as a condition of its approval of the Merger.

(2) This number does not give effect to the issuance of common stock upon conversion of any shares of our Cumulative Convertible Perpetual Preferred Stock, Series A. Additionally, in accordance with the terms of the Cumulative Convertible Perpetual Preferred Stock, Series C, if we file an effective shelf registration statement relating to these shares prior to a certain specified date, these shares will be automatically convertible into a number of shares of common stock based on a volume weighted average price formula. Since we intend to file an effective shelf registration statement relating to the Cumulative Convertible Perpetual Preferred Stock, Series C prior to such date, we assume that these shares will automatically convert into shares of common stock. As a result, an increase in common stock is reflected in the as adjusted column and no shares of Cumulative Convertible Perpetual Preferred Stock, Series C are shown as being outstanding in this table. See Unaudited Pro Forma Combined Condensed Financial Information.

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DESCRIPTION OF THE OFFERING AND THE PLAN

The Offering

We are registering shares of our common stock for sale to the ESOP Trust, which is the trust holding the suspense account of the ESOP component of the Plan. The shares sold to the ESOP Trust will initially be held in the suspense account, and will be available for allocation to Plan participants from time to time pursuant to the terms and conditions of the Plan. We will sell the shares of common stock to the ESOP Trust at a price of $15.0561 per share. We will sell to the ESOP Trust the number of shares of our common stock that is equal to the quotient obtained by dividing $552,528,833.08 by such price. However, no fractional shares of common stock will be issued to the ESOP Trust. In lieu of any fractional shares of common stock, the ESOP Trust will retain the amount in cash that it would have used to purchase such fractional share.

The shares will be allocated to Plan participants from time to time in accordance with the terms of the Plan.

The number of our outstanding common shares and the calculation of our earnings per share will not be affected by the initial issuance of our shares to the ESOP Trust. The shares will be counted as outstanding only if and when they are allocated to participants in the Plan. The fair market value of the shares at the time of allocation will be accounted for as compensation expense.

The Plan

The following is a summary description of the Plan. You should carefully review the full text of the Plan document for more complete information, which may be obtained from us upon request. You should also review the documents described in Rule 428(a) of the Securities Act, which will be delivered to all Plan participants.

The Plan is intended to be qualified under Sections 401(a) and 401(k) of the Internal Revenue Code (the Code). Pursuant to the terms of the Plan, eligible U.S. employees may elect to contribute a portion of their compensation to their account under the Plan, which is held in trust for the benefit of employees or their beneficiaries. Participants in the Plan may elect that a portion of their contributions to the Plan be invested in our common stock.

The Plan also provides that we may match participant contributions to the Plan, in whole or in part, in the form of our common stock and may make annual nonelective contributions of our common stock to participant accounts. Generally, with some exceptions, participants in the Plan cannot receive distributions from their accounts until the earlier of their retirement, death, disability, or severance from employment.

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SELLING STOCKHOLDER

We are further registering all 36,698,005 shares covered by this prospectus supplement on behalf of the ESOP Trust as the selling stockholder (including its transferees or successors who receive any of the shares covered by this prospectus supplement in a non-sale transfer). We are registering the shares in order to permit the selling stockholder to offer these shares for resale from time to time, to the extent such sales may be required by ERISA. The selling stockholder may sell all, some or none of the shares covered by this prospectus supplement. For more information, see Plan of Distribution.

The selling stockholder is a trust established under an employee benefit plan sponsored by us for the benefit of our current and former employees. The Plan provides that the trustee of the trust is only a directed trustee with respect to employer stock held by the trust and that participants are to direct the trustee with respect to the voting and disposition of allocated shares. The Plan further provides that the trustee will vote unallocated shares, and allocated shares over which the trustee receives no direction from Plan participants, in the same proportion as the allocated shares in the accounts of participants who have directed the trustee.

The prospectus supplement also covers any additional shares of common stock that become issuable in connection with the shares being registered by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without the receipt of consideration that results in an increase in the number of outstanding shares of our common stock.

The percentage of beneficial ownership is based on 925,915,403 shares of common stock outstanding on April 30, 2009. However, you should note that 1,075,915,403 shares are expected to be outstanding after the consummation of our Common Stock Offering, which is expected to close on May 12, 2009. The number of shares of common stock outstanding as of April 30, 2009 assumes no exercise of outstanding stock options after that date. The number of shares of common stock expected to be outstanding after this offering excludes:

- 63,468,340 shares issuable upon the exercise of stock options granted to our employees and directors, of which 43,575,830 were exercisable at a weighted average exercise price of $39.54 as of April 30, 2009;
- shares available under employee benefit plans for future grants; and
- shares issuable upon conversion of our Cumulative Convertible Perpetual Preferred Stock, Series A.

In addition, the number of shares of common stock outstanding does not include the number of shares that would be issuable upon conversion of our Cumulative Convertible Perpetual Preferred Stock, Series C. In accordance with the terms of the Cumulative Convertible Perpetual Preferred Stock, Series C, if we file an effective shelf registration statement relating to these shares of Cumulative Convertible Perpetual Preferred Stock, Series C prior to a certain specified date, these shares will automatically convert on the date immediately following the 10 full trading days commencing on the date of filing of such shelf registration statement into a number of shares of common stock equal to the sum of one-tenth of the liquidation preference of that share divided by 95% of the volume weighted average price per share of our common stock for each of the 10 full trading days immediately prior to such conversion date. We intend to file an effective shelf registration statement relating to the Cumulative Convertible Perpetual Preferred Stock, Series C prior to that date, which will automatically convert the Cumulative Convertible Perpetual Preferred Stock, Series C into shares of common stock in accordance with this formula.

The address of the ESOP Trust is Fidelity Management Trust Company, 82 Devonshire Street, Boston MA 02109.

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The table below lists the selling stockholder and the other information regarding the ownership of the common stock by the selling stockholder on May 11, 2009.

	Beneficial Ownership Prior to Offering(1)			Beneficial Ownership After Offering(2)	
Name of Selling Stockholder	Number of Shares of Common Stock	Percentage	Number of Shares Offered Hereby	Number of Shares of Common Stock	Percentage
ESOP Trust	36,698,005	3.81%	36,698,005	0	0%

(1) Includes shares being offered hereby.

(2) Assumes that the selling stockholder disposes of all the shares of common stock covered by this prospectus supplement and does not acquire or dispose of any additional shares of common stock. However, the selling stockholder is not representing that any of the shares covered by this prospectus supplement will be offered for sale, and the selling stockholder reserves the right to reject, in whole or in part, any proposed sale of shares.

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PRICE RANGE OF OUR COMMON STOCK AND OUR DIVIDENDS

Our common stock is listed on the New York Stock Exchange under the symbol DOW. The following table sets forth, for the periods indicated, the high and low intraday prices of our common stock as reported by the New York Stock Exchange.

	High	Low
Fiscal Year Ended 2009		
Second Quarter (through May 11, 2009)	$ 17.71	$ 8.14
First Quarter	$ 16.68	$ 5.89

	High	Low
Fiscal Year Ended 2008		
Fourth Quarter	$ 32.28	$ 14.93
Third Quarter	$ 39.99	$ 30.82
Second Quarter	$ 43.43	$ 34.30
First Quarter	$ 40.04	$ 33.01

	High	Low
Fiscal Year Ended 2007		
Fourth Quarter	$ 47.43	$ 39.20
Third Quarter	$ 47.96	$ 38.89
Second Quarter	$ 47.60	$ 43.71
First Quarter	$ 47.26	$ 39.02

On May 11, 2009, the closing sale price of our common stock was $17.63.

On April 30, 2009, we paid a quarterly dividend of $0.15 per share of common stock to stockholders of record on March 31, 2009. Since 1912, we have increased the amount of the quarterly dividend 47 times (approximately 12 percent of the time), and maintained the amount of the quarterly dividend approximately 88 percent of the time. The dividend was reduced in 2009, for the first time in this 97-year period, due to uncertainty in the credit markets, unprecedented lower demand for chemical products and the ongoing global recession. We declared dividends of $1.68 per share in 2008 and $1.635 per share in 2007.

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SELECTED HISTORICAL FINANCIAL AND OTHER DATA OF DOW

The following table sets forth selected historical financial and other data of Dow and, except as otherwise indicated below, is derived from our audited consolidated financial statements and unaudited consolidated financial statements. You should read the following information in conjunction with our consolidated financial statements incorporated by reference into this prospectus supplement and the accompanying prospectus.

(dollars in millions, except per share amounts)	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008	Year Ended December 31, 2008	2007	2006	2005	2004
	(unaudited)						
Statements of Income Data:							
Net sales	$ 9,087	$ 14,824	$ 57,514	$ 53,513	$ 49,124	$ 46,307	$ 40,161
Cost of sales	8,165	12,908	52,019	46,400	41,526	38,276	34,244
Research and development expenses	292	331	1,310	1,305	1,164	1,073	1,022
Selling, general and administrative expenses	444	498	1,969	1,864	1,663	1,545	1,436
Amortization of intangibles	22	22	92	72	50	55	81
Goodwill impairment losses			239				
Restructuring charges	19		839	578	591	114	543
Purchased in-process research and development charges			44	57			
Acquisition-related expenses	48		49				
Gain on asset divestitures related to formation of nonconsolidated affiliates							563
Asbestos-related credit			54		177		
Equity in earnings of nonconsolidated affiliates	65	274	787	1,122	959	964	923
Sundry income (expense) net	(3)	46	89	324	137	755	136
Interest income	12	24	86	130	185	138	86
Interest expense and amortization of debt discount	154	145	648	584	616	702	747
Income before income taxes (1)	17	1,264	1,321	4,229	4,972	6,399	3,796
Provision (credit) for income taxes	(18)	299	667	1,244	1,155	1,782	877
Income before cumulative effect of change in accounting principle	35	965	654	2,985	3,817	4,617	2,919
Cumulative effect of change in accounting principle						(20)	
Net income (2)	35	965	654	2,985	3,817	4,597	2,919
Net income attributable to noncontrolling interests (3)	11	24	75	98	93	82	122
Net income attributable to The Dow Chemical Company (4)	$ 24	$ 941	$ 579	$ 2,887	$ 3,724	$ 4,515	$ 2,797
Earnings per common share basic	$ 0.03	$ 1.00	$ 0.62	$ 3.03	$ 3.87	$ 4.69	$ 2.98
Earnings per common share diluted	$ 0.03	$ 0.99	$ 0.62	$ 2.99	$ 3.82	$ 4.62	$ 2.93
Balance Sheets Data (end of period):							
Total assets	$ 44,159	$ 50,657	$ 45,474	$ 48,801	$ 45,581	$ 45,934	$ 45,885
Total current assets	15,606	20,136	16,060	18,654	17,209	17,404	15,890
Total current liabilities	9,752	13,404	13,108	12,445	10,601	10,663	10,506
Working capital (5)	5,854	6,732	2,952	6,209	6,608	6,741	5,384
Property	47,370	49,044	48,391	47,708	44,381	41,934	41,898
Net property	13,823	14,545	14,294	14,388	13,722	13,537	13,828
Notes payable	844	2,114	2,360	1,548	219	241	104
Long-term debt due within one year	1,223	827	1,454	586	1,291	1,279	861
Long-term debt	10,897	7,392	8,042	7,581	8,036	9,186	11,629
Total debt (6)	12,964	10,333	11,856	9,715	9,546	10,706	12,594
Total equity (7)	13,179	20,609	13,580	19,803	17,430	15,660	12,719
Preferred securities of subsidiaries	500	1,000	500	1,000	1,000	1,000	1,000
Financial Ratios:							
Research and development expenses as percent of net sales	3.2%	2.2%	2.3%	2.4%	2.4%	2.3%	2.5%

Income before income taxes as percent of net sales (1)	0.2	8.5	2.3	7.9	10.1	13.8	9.5
Return on stockholders equity (8)	0.7	18.7	4.3	14.9	21.8	29.5	22.8
Debt as a percent of total capitalization (9)	48.7	32.3	45.7	31.8	34.1	39.1	47.9
Ratio of earnings to fixed charges (10)	3.3x	6.9x	2.4x	5.3x	6.1x	7.2x	4.3x
General:							
Capital expenditures	$ 234	$ 359	$ 2,276	$ 2,075	$ 1,775	$ 1,597	$ 1,333
Depreciation	455	495	2,016	1,959	1,904	1,904	1,904

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(1) Changed from Income before Income Taxes and Minority Interests due to retrospective application of SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements*.

(2) Caption added due to retrospective application of SFAS No. 160.

(3) Changed from Minority interests share in income, due to retrospective application of SFAS No. 160.

(4) Changed from Net Income Available for Common Stockholders due to retrospective application of SFAS No. 160.

(5) Working capital equals Total current assets minus Total current liabilities.

(6) Total debt equals Notes payable plus Long-term debt due within one year and Long-term debt.

(7) Impact of retrospective application of SFAS No. 160 to equity section of balance sheets:

(dollars in millions)	Three Months Ended March 31, 2009	2008	Year Ended December 31, 2008	2007	2006	2005	2004
	(unaudited)						
Net stockholders equity (as reported prior to January 1, 2009)	$ 13,116(1)	$ 20,179	$ 13,511(1)	$ 19,389	$ 17,065	$ 15,324	$ 12,270
Noncontrolling interests (2)	63	430	69	414	365	336	449
Total equity	$ 13,179	$ 20,609	$ 13,580	$ 19,803	$ 17,430	$ 15,660	$ 12,719

(1) Now shown as The Dow Chemical Company s stockholders equity.

(2) Changed from Minority Interest in Subsidiaries.

(8) Return on stockholders equity equals Net income attributable to The Dow Chemical Company divided by Net stockholders equity. Net income attributable t The Dow Chemical Company is annualized for purposes of a quarterly calculation.

(9) Debt as a percent of total capitalization equals Total debt divided by Total debt plus Preferred securities of subsidiaries and Total equity.

(10) For the purposes of these ratios, earnings consist of income before income taxes, noncontrolling interests and equity in earnings of nonconsolidated affiliates; plus fixed charges, amortization of capitalized interest and distributed income of nonconsolidated affiliates; minus capitalized interest and preferred security dividends. Fixed charges consist of interest expense and amortization of debt discount, capitalized interest, preferred security dividends, and a portion of rentals deemed to represent an interest factor.

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SELECTED HISTORICAL FINANCIAL AND OTHER DATA OF ROHM AND HAAS

The following table sets forth selected historical financial and other data of Rohm and Haas. The financial data has been derived from Rohm and Haas audited consolidated financial statements and unaudited consolidated financial statements. You should read the following information in conjunction with Rohm and Haas consolidated financial statements included in our May 5th 8-K/A, and incorporated by reference into this prospectus supplement and the accompanying prospectus.

(dollars in millions)	Three Months Ended March 31,		Year Ended December 31,		
	2009	2008	2008	2007 (1)	2006
	(unaudited)				
Statements of Operations Data:					
Net sales	$ 1,772	$ 2,507	$ 9,575	$ 8,897	$ 8,230
Gross profit	390	660	2,410	2,467	2,483
Earnings (loss) from continuing operations before income taxes (1)	(58)	233	561	880	1,042
Earnings (loss) from continuing operations	(33)	177	484	674	768
Income (loss) from discontinued line of business, net of income tax			2	1	(4)
Loss on disposal of discontinued line of business, net of income tax					(16)
Net earnings (loss)	(33)	177	486	675	748
Net earnings (loss) attributable to Rohm and Haas (2)	$ (31)	$ 172	$ 482	$ 661	$ 735
Balance Sheets Data (end of period):					
Land, buildings and equipment, net of accumulated depreciation	$ 2,737	$ 2,917	$ 2,853	$ 2,871	$ 2,669
Total assets	9,278	10,549	9,909	10,107	9,553
Short-term obligations	142	272	177	158	393
Long-term debt	3,145	3,230	3,210	3,139	1,688
Total debt (3)	3,287	3,502	3,387	3,297	2,081
Total stockholders equity (4)(5)	2,992	3,498	3,189	3,361	4,153

(1) Changed from Earnings from continuing operations before income taxes, and minority interests due to retrospective application of SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements*.

(2) Changed from Net earnings due to retrospective application of SFAS No. 160.

(3) Total debt equals Short-term obligations plus Long-term debt.

(4) As a result of the implementation of SFAS No. 158, Employers Accounting for Defined Benefit Pension and Other Postretirement Plans, Rohm and Haas recorded a $245 million charge to stockholders equity in 2006.

(5) The primary reason for the reduction in Stockholders equity in 2007 is a $1 billion accelerated share repurchase.

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UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL INFORMATION

The following unaudited pro forma combined condensed financial information reflects the presentation shown in our May 5th 8-K/A.

Introduction

The following unaudited pro forma combined condensed financial information (pro forma financial information) is based on the historical consolidated financial statements and the accompanying notes of The Dow Chemical Company (the Company or Dow) and Rohm and Haas Company (Rohm and Haas) and has been prepared to illustrate the effects of the Company s acquisition of Rohm and Haas. The Unaudited Pro Forma Combined Condensed Balance Sheet has been prepared assuming the acquisition of Rohm and Haas had been consummated on March 31, 2009. The Unaudited Pro Forma Combined Condensed Statements of Operations have been prepared assuming the acquisition of Rohm and Haas had been consummated on January 1, 2008.

The accompanying pro forma financial information should be read in conjunction with the historical financial statements and the accompanying notes of the Company included in the Annual Report on Form 10-K for the year ended December 31, 2008, filed with the U.S. Securities and Exchange Commission (SEC) on February 20, 2009, and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 filed with the SEC on May 4, 2009, as well as the historical financial statements and the accompanying notes of Rohm and Haas, which are filed in the Current Report on Form 8-K/A.

The pro forma financial information, which was prepared in accordance with Article 11 of Regulation S-X, is not necessarily indicative of the financial position or results of operations that would have actually occurred had the acquisition been completed at or as of the dates indicated, nor is it indicative of the future operating results or financial position of the combined company. The pro forma financial information does not reflect future nonrecurring charges resulting from the acquisition. The Unaudited Pro Forma Combined Condensed Statements of Operations do not reflect future events that may occur after the acquisition of Rohm and Haas, including the potential realization of operating cost savings (synergies) or restructuring activities or other costs related to the planned integration of Rohm and Haas, and do not consider potential impacts of current market conditions on revenues, expense efficiencies or asset dispositions (with the exception of the Rohm and Haas salt business).

Transaction Background

On April 1, 2009, the Company completed the acquisition of Rohm and Haas. Pursuant to the July 10, 2008 Agreement and Plan of Merger (the Merger Agreement), Ramses Acquisition Corp., a direct, wholly owned subsidiary of the Company, merged with and into Rohm and Haas (the Merger), with Rohm and Haas continuing as the surviving corporation and a direct, wholly owned subsidiary of the Company.

The Company pursued the acquisition of Rohm and Haas to make the Company a leading specialty chemicals and advanced materials company, combining the two organizations best-in-class technologies, broad geographic reach and strong industry channels to create a business portfolio with significant growth opportunities.

Pursuant to the terms and conditions of the Merger Agreement, each outstanding share of Rohm and Haas common stock was converted into the right to receive cash of $78 per share, plus additional cash consideration of $0.97 per share. The additional cash consideration represented 8 percent per annum on the $78 per share consideration from January 10, 2009 to the closing of the Merger, less dividends declared by Rohm and Haas with a dividend record date between January 10, 2009 and the closing of the Merger. All options to purchase shares of common stock of Rohm and Haas granted under the Rohm and Haas stock option plans and all other equity-based compensation awards, whether vested or unvested as of April 1, 2009, became fully vested and converted into the right to receive cash of $78.97 per share, less any applicable exercise price. Total cash consideration paid to Rohm and Haas shareholders was $15.7 billion.

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Financing for the transaction included debt of $9.2 billion obtained through a Term Loan Agreement, as well as equity investments by Berkshire Hathaway Inc. (BHI) and by the Kuwait Investment Authority (KIA) in the form of Cumulative Convertible Perpetual Preferred Stock, Series A of 3 million shares for $3 billion (BHI) and 1 million shares for $1 billion (KIA).

In connection with the closing of the Merger, the Company entered into an Investment Agreement with the Haas Trusts and Paulson & Co. Inc. (Paulson), each of whom was a significant shareholder of Rohm and Haas common stock at the time of the Merger. Under the Investment Agreement, the Haas Trusts and Paulson purchased from the Company 2.5 million shares (Haas Trusts 1.5 million shares; Paulson 1.0 million shares) of Cumulative Perpetual Preferred Stock, Series B for an aggregate price of $2.5 billion, with $1.5 billion from the Haas Trusts and $1.0 billion from Paulson. The Haas Trusts made an additional investment in 0.5 million shares of Cumulative Convertible Perpetual Preferred Stock, Series C for an aggregate price of $500 million.

The Dow Chemical Company and Subsidiaries

Unaudited Pro Forma Combined Condensed Statements of Operations

For the Year Ended December 31, 2008

In millions, except per share amounts	Dow	Rohm and Haas	Pro Forma Adjustments	Ref.	Pro Forma Combined
Net Sales	$ 57,514	$ 9,575	$ (1,898)	(H)	$ 64,806
			(385)	(I)	
Cost of sales	52,019	7,165	84	(D)	57,244
			(1,639)	(H)	
			(385)	(I)	
Research and development expenses	1,310	327	4	(D)	1,639
			(2)	(H)	
Selling, general and administrative expenses	1,969	1,138	13	(D)	3,014
			(106)	(H)	
Amortization of intangibles	92	63	257	(E)	404
			(8)	(H)	
Restructuring charges	839	198	(3)	(H)	1,034
Special charges	332	1			333
Asbestos-related credit	54				54
Equity in earnings of nonconsolidated affiliates	787	97			884
Sundry income (expense) net	89	(71)	(3)	(H)	15
Interest income	86	16	(1)	(H)	101
Interest expense and amortization of debt discount	648	164	865	(J)	1,735
			58	(F)	
Income before Income Taxes	1,321	561	(1,425)		457
Provision for income taxes	667	77	(500)	(G)	244
Net Income	654	484	(925)		213
Net income attributable to noncontrolling interests	75	4			79
Net Income Attributable to The Dow Chemical Company	579	480	(925)		134
Preferred stock dividends			728	(K)	728
Net Income (Loss) Available to The Dow Chemical Company Common Stockholders	$ 579	$ 480	$ (1,653)		$ (594)
Share Data					
Earnings (Loss) per common share basic	$ 0.62				$ (0.61)
Earnings (Loss) per common share diluted	$ 0.62			(L)	$ (0.61)

Common stock dividends declared per share of common stock	$ 1.68			$ 1.68
Weighted-average common shares outstanding basic	930.4	43.4	(K)	973.8
Weighted-average common shares outstanding diluted	939.0	43.4	(K)	982.4

See Notes to the Unaudited Pro Forma Combined Condensed Financial Statements.

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For the Quarter Ended March 31, 2009

In millions, except per share amounts	Dow	Rohm and Haas	Pro Forma Adjustments	Ref.	Pro Forma Combined
Net Sales	$ 9,087	$ 1,772	$ (488)	(H)	$ 10,331
			(40)	(I)	
Cost of sales	8,165	1,382	21	(D)	9,160
			(368)	(H)	
			(40)	(I)	
Research and development expenses	292	76	1	(D)	369
Selling, general and administrative expenses	444	274	3	(D)	696
			(25)	(H)	
Amortization of intangibles	22	15	64	(E)	99
			(2)	(H)	
Restructuring charges	19	2			21
Special Charges	48				48
Equity in earnings (losses) of nonconsolidated affiliates	65	(1)			64
Sundry income (expense) net	(3)	(41)			(44)
Interest income	12	3			15
Interest expense and amortization of debt discount	154	42	381	(J)	592
			15	(F)	
Income (Loss) before Income Taxes	17	(58)	(578)		(619)
Provision (Credit) for income taxes	(18)	(25)	(201)	(G)	(244)
Net Income (Loss)	35	(33)	(377)		(375)
Net income (loss) attributable to noncontrolling interests	11	(2)			9
Net Income (Loss) Attributable to The Dow Chemical Company	24	(31)	(377)		(384)
Preferred stock dividends			179	(K)	179
Net Income (Loss) Available to The Dow Chemical Company Common Stockholders	$ 24	$ (31)	$ (556)		$ (563)
Share Data					
Earnings (Loss) per common share basic	$ 0.03				$ (0.58)
Earnings (Loss) per common share diluted	$ 0.03			(L)	$ (0.58)
Common stock dividends declared per share of common stock	$ 0.15				$ 0.15
Weighted-average common shares outstanding basic	925.4		43.4	(K)	968.8
Weighted-average common shares outstanding diluted	932.0		43.4	(K)	975.4

See Notes to the Unaudited Pro Forma Combined Condensed Financial Statements.

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The Dow Chemical Company and Subsidiaries

Unaudited Pro Forma Combined Condensed Balance Sheet

At March 31, 2009

In millions	Dow	Rohm and Haas	Pro Forma Adjustments	Ref.	Pro Forma Combined
Assets					
Current Assets					
Cash and cash equivalents	$ 2,956	$ 312	$ (15,681)	(B)	$ 4,033
			1,790	(H)	
			9,226	(J)	
			7,000	(K)	
			(1,570)	(H)	
Accounts and notes receivable:					
Trade	3,819	1,109	(122)	(H)	4,806
Other	2,714	191	(3)	(H)	2,902
Inventories	5,916	871	217	(C)	6,856
			(148)	(H)	
Deferred income tax assets and other current assets	201	459	(29)	(H)	631
Total current assets	15,606	2,942	680		19,228
Investments					
Investment in nonconsolidated affiliates	2,627	146	120	(C)	2,893
Other investments	2,165				2,165
Noncurrent receivables	336				336
Total investments	5,128	146	120		5,394
Net Property	13,823	2,737	1,440	(C)	17,468
			(532)	(H)	
Other Assets					
Goodwill	3,392	1,639	(1,639)	(C)	12,564
			9,172	(C)	
Other intangible assets	813	1,386	3,592	(C)	5,358
			(433)	(H)	
Deferred income tax assets noncurrent	3,865	67	(91)	(H)	3,841
Restricted ESOP cash			552	(C)	552
Deferred charges and other assets	1,532	361	(2)	(H)	1,791
			(100)	(K)	
Total other assets	9,602	3,453	11,051		24,106
Total Assets	$ 44,159	$ 9,278	$ 12,759		$ 66,196
Liabilities and Equity					
Current Liabilities					
Notes payable	$ 844	$ 107	$ (5)	(H)	$ 946
Long-term debt due within one year	1,223	35	1,226	(J)	1,258
			(1,226)	(H)	
Accounts payable:					
Trade	2,885	386	(47)	(H)	3,224
Other	1,972	146	(3)	(H)	2,115
Income taxes payable	305		(58)	(H)	247
Accrued and other current liabilities	2,523	668	(39)	(H)	3,152

Total current liabilities	9,752	1,342	(152)		10,942
Long-Term Debt	10,897	3,145	8,000	(J)	21,177
			(521)	(C)	
			(344)	(H)	
Other Noncurrent Liabilities					
Pension and other postretirement benefits noncurrent	5,420	1,147	(160)	(C)	6,334
			(73)	(H)	
Other noncurrent obligations	4,411	652	1,964	(C)	6,739
			(288)	(H)	
Total other noncurrent liabilities	9,831	1,799	1,443		13,073
Preferred Securities of Subsidiaries	500				500
Preferred Stock Series B			2,500	(K)	2,500
Stockholders Equity					
Preferred stock series A			4,000	(K)	4,000
Common stock	2,453	605	(605)	(C)	2,562
			109	(K)	
Additional paid-in capital	825	2,296	(2,296)	(C)	1,116
			(100)	(K)	
			391	(K)	
Retained earnings	16,896	2,632	(2,632)	(C)	16,896
Accumulated other comprehensive loss	(4,674)	(752)	752	(C)	(4,674)
Treasury stock at cost	(2,384)	(1,915)	1,915	(C)	(2,384)
ESOP shares		(68)	68	(C)	
The Dow Chemical Company s stockholders equity	13,116	2,798	1,602		17,516
Noncontrolling interests	63	194	231	(C)	488
Total equity	13,179	2,992	1,833		18,004
Total Liabilities and Equity	$ 44,159	$ 9,278	$ 12,759		$ 66,196

See Notes to the Unaudited Pro Forma Combined Condensed Financial Statements.

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NOTES TO THE UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL STATEMENTS

NOTE A BASIS OF PRO FORMA PRESENTATION

The acquisition of Rohm and Haas is being accounted for in accordance with Statement of Financial Accounting Standards No. 141 (revised 2007), Business Combinations (SFAS 141R). In accordance with SFAS 141R, the assets acquired and the liabilities assumed have been measured based on preliminary estimates of acquisition-date fair values. The final determination of the recognition and measurement of the assets acquired and liabilities assumed will be based on the fair value of actual net tangible and intangible assets and liabilities of Rohm and Haas at the April 1, 2009 closing date. Because the pro forma financial information has been prepared based on preliminary estimates, the final amounts recorded for the acquisition-date fair values may differ from the information presented.

The pro forma financial information, which was prepared in accordance with Article 11 of Regulation S-X, is not necessarily indicative of the financial position or results of operations that would have actually occurred had the acquisition been completed at or as of the dates indicated, nor is it indicative of the future operating results or financial position of the combined company. The pro forma financial information does not reflect nonrecurring charges resulting from the acquisition. The Unaudited Pro Forma Combined Condensed Statements of Operations do not reflect future events that may occur after the acquisition of Rohm and Haas, including the potential realization of operating cost savings (synergies) or restructuring activities or other costs related to the planned integration of Rohm and Haas, and do not consider potential impacts of current market conditions on revenues, expense efficiencies or asset dispositions (with the exception of the Rohm and Haas salt business).

Certain Rohm and Haas amounts have been reclassified to conform with the Company s basis of presentation.

NOTE B PURCHASE PRICE

The calculation of the cash purchase price is as follows:

Purchase Price

In millions	
Purchase of all outstanding Rohm and Haas shares at $78 per share	$ 15,154
Additional consideration of $0.97 per share	188
Stock options and other stock-based awards	339
Total Purchase Price	$ 15,681

NOTE C ASSETS ACQUIRED AND LIABILITIES ASSUMED

The following table summarizes the preliminary estimated fair values of the assets acquired and liabilities assumed from Rohm and Haas on April 1, 2009, based on the current best estimates of management. Accordingly, the fair values of the assets and liabilities included in the table below are subject to change. The Company is in the process of finalizing its assessment of the fair value of the assets acquired and liabilities assumed. The completion of the fair valuation of the assets acquired and liabilities assumed may result in adjustments to the carrying value of Rohm and Haas assets and liabilities, revisions of the remaining useful lives of fixed assets and/or revisions of the useful lives of intangible assets, and the determination of any residual amount that will be recognized as goodwill. The related depreciation and amortization expense for the acquired assets is therefore also subject to revision based on the final valuation.

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An increase/decrease in the fair value of inventory, property, plant and equipment or any identifiable intangible assets will decrease/increase the amount of goodwill to be recorded and may result in increased/decreased depreciation and/or amortization expense. The pro forma adjustments to reflect assets acquired and liabilities assumed at preliminary estimated fair values and the resulting goodwill are provided in the following table:

Assets Acquired, Liabilities Assumed and Goodwill

In millions	
Total Rohm and Haas Stockholders Equity	$ 2,798
Fair Value Adjustments:	
Inventory	217
Investments in nonconsolidated affiliates	120
Property, plant and equipment	1,440
Identifiable intangible assets	3,592
Long-term debt	521
Pension and postretirement obligations	160
Noncontrolling interests	(231)
Salt business assets held for sale	943
Deferred income tax liabilities at 35 percent	(1,964)
Restricted ESOP cash	552
Elimination of Rohm and Haas historical goodwill	(1,639)
Goodwill created by the acquisition	9,172
Total Purchase Price	$ 15,681

As part of the purchase price of $15,681 million, $552 million in cash was paid to the Rohm and Haas Company Employee Stock Ownership Plan (ESOP) on April 1, 2009 for 7.0 million shares of Rohm and Haas common stock held by the ESOP on April 1, 2009. This cash consideration is shown as Restricted ESOP cash in the Unaudited Pro Forma Combined Condensed Balance Sheet at March 31, 2009.

Based on a review of Rohm and Haas summary of significant accounting policies disclosed in Rohm and Haas 2008 financial statements, as well as preliminary discussions with Rohm and Haas management, the nature and amount of any adjustments to conform the two companies accounting policies are not expected to be significant. Further review of Rohm and Haas accounting policies to conform the accounting policies of the two companies may impact actual results.

NOTE D DEPRECIATION EXPENSE

The estimated increase in depreciation expense related to the estimated fair value of property, plant and equipment acquired from Rohm and Haas, depreciated over an estimated average life of 9 to 25 years, is $101 million for the year ended December 31, 2008 and $25 million for the quarter ended March 31, 2009. The increase in depreciation expense was allocated $84 million to Cost of sales, $4 million to Research and development expenses, and $13 million to Selling, general and administrative expenses for the year ended December 31, 2008 based on Rohm and Haas 2008 expenses. For the quarter ended March 31, 2009, the depreciation expense was allocated $21 million to Cost of sales, $1 million to Research and development expenses, and $3 million to Selling, general and administrative expenses for the quarter ended March 31, 2009.

NOTE E AMORTIZATION EXPENSE

The estimated increase in amortization expense related to the estimated fair value of certain intangible assets acquired from Rohm and Haas, primarily consisting of customer lists, technology and trademarks, amortized

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over an estimated average life of 10 to 16 years, is $257 million for the year ended December 31, 2008 and $64 million for the quarter ended March 31, 2009.

NOTE F AMORTIZATION OF DEBT

The estimated increase in interest expense related to the estimated fair value of debt acquired from Rohm and Haas is $58 million for the year ended December 31, 2008 and $15 million for the quarter ended March 31, 2009.

NOTE G INCOME TAXES

For purposes of this pro forma financial information, the U.S. Federal statutory tax rate of 35 percent has been used for all periods presented. This rate is an estimate and does not take into account any possible future tax events that may result for the ongoing combined company.

NOTE H DIVESTITURES

As a condition of the United States Federal Trade Commission s approval of the Merger, the Company is required to divest a portion of its acrylic monomer business, a portion of its latex polymers business and its hollow sphere particle business within eight months of the closing of the Merger. Total net sales and cost of sales for these businesses amounted to approximately one percent of the Company s 2008 net sales and cost of sales. The pro forma financial information has been prepared to reflect the divestiture of these businesses effective March 31, 2009 for the Unaudited Pro Forma Combined Condensed Balance Sheet and as of January 1, 2008 for the Unaudited Pro Forma Combined Condensed Statements of Operations. The divestiture of these businesses is expected to have an immaterial impact on the Company s consolidated financial statements. Because there is no purchase agreement for these assets, for purposes of the pro forma financial information, a sale at book value was assumed, with proceeds reflected in cash and cash equivalents.

On April 1, 2009, the Company announced the entry into a definitive agreement to sell the stock of Morton International, Inc. (Morton), the salt business of Rohm and Haas, to K+S Aktiengesellschaft. The transaction is subject to customary closing conditions, including regulatory approval, and is expected to close in mid-2009. The Unaudited Pro Forma Combined Condensed Balance Sheet has been prepared to reflect the sale of the salt business effective March 31, 2009. The Unaudited Pro Forma Combined Condensed Statements of Operations have been prepared to reflect the sale of the salt business effective January 1, 2008. The transaction values Morton at $1,675 million, with proceeds subject to customary post-closing adjustments. For purposes of the pro forma financial information, estimated net after-tax proceeds of $1,570 million have been applied to reduce the Term Loan balance ($1,226 million applied to Long-term debt due within one year and $344 million applied to Long-Term Debt) (see Note J).

NOTE I INTERCOMPANY TRANSACTIONS

Pro forma adjustments have been made to eliminate sales and the corresponding cost of sales between the Company and Rohm and Haas in the Unaudited Pro Forma Combined Condensed Statements of Operations. The impact of these transactions was immaterial to the Company.

NOTE J DEBT FINANCING

Debt financing for the acquisition was provided by a $9.2 billion draw on a Term Loan Agreement (Term Loan) on April 1, 2009. The Term Loan matures on April 1, 2010, provided however, that the original maturity date may be extended for an additional year at the option of the Company, for a maximum outstanding balance of $8.0 billion. The actual interest rate of the Term Loan and the resulting amounts that the Company will ultimately pay for the Term Loan can vary significantly and are dependent on the current short-term interest rates

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in effect, the mode of borrowing (Base Rate or Eurodollar), the Company s actual current long-term debt rating by Moody s and Standard & Poor s, the outstanding amount of the Term Loan at the end of each fiscal quarter, and the Company s progress toward key targets such as the issuance of equity financing, among other factors.

For purposes of the pro forma financial information, it is assumed that the Company has applied estimated net after-tax proceeds of $1,570 million from the sale of the salt business of Rohm and Haas (see Note H) to the remaining outstanding balance of the Term Loan at March 31, 2009 for the Unaudited Pro Forma Combined Condensed Balance Sheet and at January 1, 2008 for the Unaudited Pro Forma Combined Condensed Statements of Operations, and that the balance of the Term Loan will remain outstanding for the full 24-month term of the Term Loan. The Company intends to repay the Term Loan in a period shorter than 24 months through a combination of proceeds obtained through asset sales, the issuance of debt securities and/or the issuance of equity securities. The timing and amount of these transactions are unknown and may significantly change the timing of the recognition of expense and total overall cost of the financing for the acquisition.

For purposes of the Unaudited Pro Forma Combined Condensed Statements of Operations, pursuant to the agreement, it is assumed the amounts outstanding under the Term Loan bear interest at one-year LIBOR of 187.75 basis points, plus 350 basis points based on the Company s current long-term credit rating of BBB-/Baa3. The pro forma financial information reflects interest expense related to the Term Loan of $865 million for the year ended December 31, 2008 and $381 million for the quarter ended March 31, 2009, which includes the amortization of all loan origination costs over the 24-month term of the Term Loan. Interest expense increases in the second year due to additional extension and draw fees to extend the Term Loan beyond 12 months.

The amounts that the Company will ultimately pay may vary significantly from the above assumptions and will depend on the Company s actual credit rating, the actual amount outstanding under the Term Loan at the end of each fiscal quarter, credit received from the Rating Agencies for equity financing, the actual amount and terms of permanent debt and/or equity financing, the actual LIBOR rate, and the status of any potential asset sales, among other factors. A drop in the Company s long-term credit rating of one notch will increase interest expense for the Term Loan $77 million in the first year. An increase of LIBOR by 1/8 percentage point will increase interest expense for the Term Loan $10 million in the first year.

NOTE K EQUITY FINANCING

Equity financing for the acquisition was provided by three series of preferred stock.

Cumulative Convertible Perpetual Preferred Stock, Series A

Equity securities in the form of Cumulative Convertible Perpetual Preferred Stock, Series A (preferred series A) were issued on April 1, 2009 to Berkshire Hathaway Inc. in the amount of $3 billion (3 million shares) and the Kuwait Investment Authority in the amount of $1 billion (1 million shares). The Company will pay cumulative dividends on preferred series A at a rate of 8.5 percent per annum in either cash, shares of common stock, or any combination thereof, at the option of the Company. For purposes of the pro forma financial information, it is assumed that the dividends on preferred series A will be paid in cash, resulting in an annual cash dividend payment of $340 million which is reflected in this pro forma financial information. Shareholders of preferred series A may convert all or any portion of their shares, at their option, at any time, into shares of the Company s common stock at an initial conversion rate of 24.2010 shares of common stock for each share of preferred series A. Under certain circumstances, the Company will be required to adjust the conversion rate. On or after the fifth anniversary of the issuance date, if the common stock price exceeds $53.72 per share for any 20 trading days in a consecutive 30-day window, the Company may, at its option, at any time, in whole or in part, convert preferred series A into common stock at the then applicable conversion rate. For purposes of this pro forma financial information, it is assumed that no conversion has taken place and no changes to the conversion rate are required.

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Cumulative Perpetual Preferred Stock, Series B

At the time of the Merger, the Haas Trusts and Paulson & Co. Inc. (Paulson) purchased from the Company Cumulative Perpetual Preferred Stock, Series B (preferred series B) in the amount of 2.5 million shares (Haas Trusts 1.5 millions shares; Paulson 1.0 million shares) for an aggregate price of $2.5 billion (Haas Trusts $1.5 billion; Paulson $1.0 billion). The Company will pay cumulative dividends on the preferred series B at a rate of 7 percent per annum in cash and 8 percent per annum either in cash or as an increase in the liquidation preference of preferred series B, at the Company s option. For purposes of this pro forma financial information, it is assumed that all dividends on preferred series B will be paid in cash, resulting in an annual cash dividend payment of $375 million which is reflected in this pro forma financial information.

Cumulative Convertible Perpetual Preferred Stock, Series C

At the time of the Merger, the Haas Trusts invested $500 million in Cumulative Convertible Perpetual Preferred Stock, Series C (preferred series C). Prior to June 1, 2009, the Company will pay cumulative dividends on preferred series C at a rate of 7 percent per annum in cash and 8 percent per annum either in cash or as an increase in the liquidation preference of preferred series C, at the Company s option. On and after June 1, 2009, if preferred series C shares have not been converted to common stock, the Company will be required to pay cumulative dividends of 12 percent per annum in cash. At any time following ten full trading days after April 1, 2009 and before June 1, 2009, holders of preferred series C, at their option, may convert their shares into shares of the Company s common stock. The preferred series C shares automatically convert to common stock on the date immediately following the ten full trading days commencing on the date on which there is an effective shelf registration statement relating to the common stock underlying the preferred series C, if such registration statement is effective prior to June 1, 2009. In either case, all shares of preferred series C will convert into shares of the Company s common stock at a conversion price per share of common stock equal to 95 percent of the average of the common stock volume-weighted average price for the ten trading days preceding the conversion.

For purposes of this pro forma financial information, it is assumed that a filed shelf registration will become effective prior to June 1, 2009 and thus it is assumed that preferred series C will automatically convert to common stock. As a result, no preferred series C shares are shown as being outstanding in this pro forma financial information. For purposes of this pro forma financial information, it is assumed that the conversion price will be $11.82 per common share, based on 95 percent of the volume-weighted average price observed during the period of April 16, 2009 through April 29, 2009, resulting in the issuance of 43.4 million shares of common stock. The conversion price of $11.82 per common share is for illustrative purposes only, as the actual conversion price will be based on trading days in the future; thus the actual conversion amount will vary from the assumed conversion amount presented. This scenario assumes conversion by June 1, 2009 and thus an increase in liquidation preference equivalent to a 15 percent preferred dividend for 60 days ($13 million) on preferred series C is included in this pro forma financial information. If the preferred series C is not converted, the post-June 1, 2009 dividend of 12 percent would amount to $60 million annually.

The above example is based on assumptions stated therein and is presented for illustrative purposes only. Actual results will vary based on the application of the applicable conversion formula set forth in the preferred series C certificate of designations to stock prices at the relevant time. The certificate of designations establishing the terms of the preferred series C is attached as Exhibit 3.3 to our Current Report on Form 8-K filed on April 1, 2009.

Financing Costs

Deferred financing costs of approximately $100 million were charged to Additional paid-in capital upon the issuance of preferred equity securities.

NOTE L EARNINGS (LOSS) PER SHARE

The calculation of pro forma diluted earnings (loss) per share in the Unaudited Pro Forma Combined Condensed Statements of Operations uses the basic weighted-average share count, as the effect of using the diluted share count would be antidilutive.

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NOTE M ACQUISITION-RELATED EXPENSES

Included in the actual 2008 results in the pro forma financial information are pretax charges totaling $89 million ($49 million Dow and $40 million Rohm and Haas) for legal expenses and other transaction costs related to the acquisition of Rohm and Haas. Included in the actual first quarter of 2009 results are acquisition-related expenses totaling $81 million ($48 million Dow and $33 million Rohm and Haas). The pro forma financial information does not reflect additional acquisition-related expenses that could be incurred in future periods.

NOTE N ESTIMATED ANNUAL COST SAVINGS

The Company expects the transaction to create $1.3 billion in estimated pretax annual cost synergies and savings including increased purchasing power for raw materials; manufacturing and supply chain work process improvements; and the elimination of redundant corporate overhead for shared services and governance. The Company also anticipates that the transaction will produce significant growth synergies through the application of each company s innovative technologies and as a consequence of the combined business broader product portfolio in key industry segments with strong global growth rates. The pro forma financial information does not reflect any of these anticipated synergies.

FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the Company. The forward-looking statements contained in this document involve risks and uncertainties that may affect the Company s operations, markets, products, services, prices and other factors as discussed in filings with the SEC. These risks and uncertainties include, but are not limited to, economic, competitive, legal, governmental and technological factors. Accordingly, there is no assurance that the Company s expectations will be realized. The Company assumes no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.

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THE BUSINESS OF THE DOW CHEMICAL COMPANY

Dow is a diversified chemical company that combines the power of science and technology with the Human Element to constantly improve what is essential to human progress. Dow delivers a broad range of products and services to customers in approximately 160 countries, connecting chemistry and innovation with the principles of sustainability to help provide everything from fresh water, food and pharmaceuticals to paints, packaging and personal care products. In 2008, Dow had annual sales of $57.5 billion and employed approximately 46,000 people worldwide. Dow had 150 manufacturing sites in 35 countries and produced approximately 3,300 products. Below are descriptions of Dow s businesses by operating segment prior to April 1, 2009.

Following the Merger, we announced a new management organization. As such, in the second quarter of 2009, we will reevaluate our reportable operating segments.

Performance Plastics

Dow Automotive is a leading global provider of technology-driven solutions that meet consumer demands for vehicles that are safer, stronger, quieter, lighter, cleaner, more comfortable and stylish. The business provides plastics, adhesives, glass bonding systems, emissions control technology, films, fluids, structural enhancement and acoustical management solutions to original equipment manufacturers, tier, aftermarket and commercial transportation customers. With offices and application development centers around the world, Dow Automotive provides materials science expertise and comprehensive technical capabilities to its customers worldwide.

Dow Building Solutions manufactures and markets an extensive line of insulation, weather barrier, and oriented composite building solutions and adhesives. The business is the recognized leader in extruded polystyrene (XPS) insulation, known industry-wide by its distinctive Blue color and the Dow STYROFOAM brand for more than 60 years.

Dow Epoxy is a leading global producer of epoxy resins, intermediates and specialty resins and epoxy systems for a wide range of industries and applications such as coatings, electrical laminates, civil engineering, wind energy, adhesives and composites. With plants strategically located across four continents, the business is focused on providing customers around the world with differentiated solution-based epoxy products and innovative technologies and services.

The ***Polyurethanes and Polyurethane Systems*** business is a leading global producer of polyurethane raw materials and polyurethane systems. Dow s polyurethane products and fully formulated polyurethane systems are used for a broad range of applications including construction, automotive, appliance, furniture, bedding, shoe soles, decorative molding, athletic equipment and more.

Specialty Plastics and Elastomers includes a broad range of engineering plastics and compounds, performance elastomers and plastomers, monomers, specialty copolymers, synthetic rubber, polyvinylidene chloride resins and films (PVDC), and specialty film substrates. Key applications include automotive, adhesives, civil construction, wire and cable, building and construction, consumer electronics and appliances, food and specialty packaging, textiles, and footwear.

The ***Technology Licensing and Catalyst*** business includes licensing and supply of related catalysts, process control software and services for the UNIPOL polypropylene process, the METEOR process for ethylene oxide (EO) and ethylene glycol (EG), the LP OXO process for oxo alcohols, the Mass ABS process technology and Dow s proprietary technology for production of purified terephthalic acid (PTA). Licensing of the UNIPOL polyethylene process and sale of related catalysts, including metallocene catalysts, are handled through Univation Technologies, LLC, a 50:50 joint venture of Union Carbide Corporation, a wholly owned subsidiary of TDCC.

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Performance Chemicals

Designed Polymers is a business portfolio of products and systems characterized by unique chemistry, specialty functionalities, and people with deep expertise in regulated industries. Within Designed Polymers, Dow Water Solutions offers technology-based solutions for desalination, water purification, trace contaminant removal and water recycling. Also in Designed Polymers, businesses such as Dow Wolff Cellulosics, Dow Biocides and ANGUS Chemical Company (an indirect wholly owned subsidiary of TDCC), develop and market a range of products that enhance or enable key physical and sensory properties of end-use products in applications such as food, pharmaceuticals, oil and gas, paints and coatings, personal care, and building and construction.

The ***Dow Latex*** business provides the broadest line of styrene-butadiene products supporting customers in paper and paperboard applications, as well as carpet and artificial turf backings. UCAR Emulsion Systems manufactures and sells latexes for use in architectural and industrial coatings, adhesives, construction products and traffic paint. As a condition of the FTC s approval of the Merger, Dow is required to divest a portion of its latex polymers business and its hollow sphere particle business in the United States, Canada, Puerto Rico, and Mexico.

The ***Specialty Chemicals*** business provides products and services used in a diverse range of applications, such as agricultural and pharmaceutical products and processing, building and construction, chemical processing and intermediates, electronics, food processing and ingredients, gas treating solvents, fuels and lubricants, oil and gas, household and institutional cleaners, coatings and paints, pulp and paper manufacturing, metal degreasing and dry cleaning, and transportation. As a condition of FTC s approval of the Merger, Dow is required to divest a portion of its acrylic acid and esters business in North, Central, and South America.

The Performance Chemicals segment also includes the results of Dow Corning Corporation, and a portion of the results of the OPTIMAL Group of Companies and the SCG-Dow Group, all joint ventures of Dow.

Agricultural Sciences

Dow AgroSciences is a global leader in providing pest management, agricultural and crop biotechnology products and solutions. The business develops, manufactures and markets products for crop production; weed, insect and plant disease management; and industrial and commercial pest management. Dow AgroSciences is building a leading biotechnology business in agricultural seeds, traits and healthy oils.

Basic Plastics

The ***Polyethylene*** business is the world s leading supplier of polyethylene-based solutions through sustainable product differentiation. Through the use of multiple catalyst and process technologies, the business offers customers one of the industry s broadest ranges of polyethylene resins via a strong global network of local experts focused on partnering for long-term success.

The ***Polypropylene*** business, a major global polypropylene supplier, provides a broad range of products and solutions tailored to customer needs by leveraging Dow s leading manufacturing and application technology, research and product development expertise, extensive market knowledge and strong customer relationships.

The ***Polystyrene*** business, the global leader in the production of polystyrene resins, is uniquely positioned with geographic breadth and participation in a diversified portfolio of applications. Through market and technical leadership and low cost capability, the business continues to improve product performance and meet customer needs.

The Basic Plastics segment also includes the results of Equipolymers and Americas Styrenics LLC, as well as a portion of the results of EQUATE Petrochemical Company K.S.C. and the SCG-Dow Group, all joint ventures of Dow.

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Basic Chemicals

The ***Core Chemicals*** business is a leading global producer of each of its basic chemical products, which are sold to many industries worldwide, and also serve as key raw materials in the production of a variety of Dow s performance and plastics products.

The ***Ethylene Oxide/Ethylene Glycol*** business is a key supplier of ethylene glycol to MEGlobal, a 50:50 joint venture and a world leader in the manufacture and marketing of merchant monoethylene glycol and diethylene glycol. Dow also supplies ethylene oxide to internal derivatives businesses. Ethylene glycol is used in polyester fiber, polyethylene terephthalate (PET) for food and beverage container applications, polyester film and antifreeze.

The Basic Chemicals segment also includes the results of MEGlobal and a portion of the results of EQUATE Petrochemical Company K.S.C. and the OPTIMAL Group of Companies, all joint ventures of Dow.

Hydrocarbons and Energy

The ***Hydrocarbons and Energy*** business encompasses the procurement of fuels, natural gas liquids and crude oil-based raw materials, as well as the supply of monomers, power and steam principally for use in Dow s global operations. The business regularly sells its byproducts; the business also buys and sells products in order to balance regional production capabilities and derivative requirements. The business also sells products to certain Dow joint ventures. Dow is the world leader in the production of olefins and aromatics.

The Hydrocarbons and Energy segment also includes the results of Compañía Mega S.A. and a portion of the results of the SCG-Dow Group, both joint ventures of Dow.

Unallocated and Other includes the results of New Ventures (which includes new business incubation platforms focused on identifying and pursuing new commercial opportunities); Venture Capital; Dow s insurance operations and environmental operations; and certain overhead and other cost recovery variances not allocated to the operating segments.

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THE BUSINESS OF ROHM AND HAAS COMPANY

Rohm and Haas, which became our wholly owned subsidiary on April 1, 2009, is a global specialty materials company with a portfolio of global businesses including electronic materials, specialty materials and salt. Its products enable the creation of leading-edge consumer goods and other products found in a broad segment of dynamic markets, the largest of which include: building and construction, electronics, packaging and paper, industrial and other, transportation, household and personal care, water and food. To serve these markets, in 2008 Rohm and Haas had significant operations with approximately 98 manufacturing and 34 research facilities in 30 countries and approximately 15,490 employees. Prior to our acquisition of Rohm and Haas, Rohm and Haas financial results were reported in seven reportable segments organized within the following four business groups:

Electronic Materials Group

Rohm and Haas Electronic Materials group is comprised of two reportable segments: Electronic Technologies and Display Technologies. This group develops, manufactures and delivers materials for use in applications such as telecommunications, consumer electronics and household appliances.

The Electronic Technologies segment is an aggregation of Circuit Board Technologies, Packaging and Finishing Technologies and Semiconductor Technologies businesses.

Circuit Board Technologies develops, manufactures and delivers the technology, materials and fabrication services for increasingly powerful, high-density printed circuit boards in computers, cell phones, automobiles and many other electronic devices. Rohm and Haas is a leading global supplier of specialty chemicals and materials used in the fabrication of printed circuit boards, and is focused on the development of metallization and imaging technologies.

Packaging and Finishing Technologies develops, manufactures and delivers innovative materials and processes that boost the performance of a diverse range of electronic, optoelectronic and industrial finishing applications. Rohm and Haas supplies integrated metallization processes critical for interconnection, corrosion resistance, metal finishing, and decorative applications.

Semiconductor Technologies develops, manufactures and supplies integrated products and technologies on a global basis. Rohm and Haas enables its customers to drive leading edge semiconductor design, and to boost performance of semiconductor devices powered by smaller and faster chips. This business also develops and delivers materials used for chemical mechanical planarization (CMP), a process that creates the flawless surfaces required to make faster and more powerful integrated circuits and electronic substrates.

Display Technologies develops, manufactures and sells materials used in the production of electronic displays. This business includes the consolidated results of Rohm and Haas joint venture with SKC Corporation of Korea formed on November 30, 2007, SKC Haas Display Films, which develops, manufactures, and sells advanced specialty films and materials used in LCD and plasma displays. These include light diffuser films, micro lens films, optical protection films, release protection films, reflectors, technology for touch panels, Plasma Display Panel filters, and process chemicals used to manufacture LCD color filters. This business also includes leading-edge light management film technology acquired from Eastman Kodak on June 15, 2007, as well as process chemicals used in LCD production originally developed by Rohm and Haas. In addition, in April 2008, Rohm and Haas acquired Gracel Displays, Inc., a leading developer and manufacturer of Organic Light Emitting Diode Materials, which offer many performance benefits to improve the brightness, clarity, and efficiency of display.

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Specialty Materials Business Group

The Specialty Materials Business Group encompasses three reportable segments: Paint and Coatings Materials, Packaging and Building Materials, and Primary Materials. Rohm and Haas believes that it is the largest and most broadly based supplier of acrylic polymers in the markets it serves, and also the largest combined supplier of the key raw materials to make these acrylic polymers, namely methacrylate and acrylate monomers. The largest consumers of Rohm and Haas acrylic monomers are its downstream polymer businesses Paint and Coatings Materials and Packaging and Building Materials.

Paint and Coatings Materials offers high quality, technologically advanced binders and additives for paint and coatings that improve the durability, tint retention, adhesion, stain resistance and opacity of paint. This business offers products for the architectural and decorative coatings markets, as well as products used in the manufacture of industrial coatings (for use on wood and metal, and in traffic paint), construction materials (for use in roofing materials, insulation, and cement modification), and floor care products.

Packaging and Building Materials offers a range of polymers, additives, and formulated value-added products sold globally (which utilize a broad range of chemistries and technologies, including acrylic technology), including:

- Formulated adhesives and adhesive polymers used in flexible packaging, tape and label, transportation, and other applications;
- Performance enhancing additives for plastics used in a broad array of applications, especially construction materials (e.g., vinyl siding, vinyl windows, vinyl fencing) and packaging;
- Processing aids for plastic production; and
- Specialty polymers and coatings for use in leather, textile, graphic arts, paper and packaging applications.

Primary Materials produces methyl methacrylate, acrylic acid and associated esters as well as specialty monomer products which are building blocks used in Rohm and Haas downstream polymer businesses and which are also sold externally. Primary Materials also provides polyacrylic acid dispersants, opacifiers and rheology modifiers/thickeners to the global household and industrial markets.

Performance Materials Group

This reportable segment includes the sales and operating results of Rohm and Haas other businesses, including Process Chemicals and Biocides, Powder Coatings, and other smaller business units.

Process Chemicals and Biocides includes Rohm and Haas technology platforms in ion exchange resins and biocides. These technologies continue to be adapted to more advanced applications, such as bio-processing, advanced water treatment (e.g., ultra-pure water for the electronics industry), and microbial protection for both building materials and personal care. In addition to this strong technical capability, this business has global reach and adaptable business models, such as its Viance joint venture for wood preservation.

Powder Coatings produces a comprehensive line of powder coatings that are sprayed onto consumer and industrial products in a solid form. During the powder coating process, tiny particles receive an electrostatic charge as they pass through a sprayer, which causes them to adhere to the product. The product is later cured at a high temperature, where the particles melt onto the product to form the final coating. Powder coatings are often more cost-effective than liquid coatings, while providing similar or enhanced benefits, including increased durability such as temperature and wear resistance. Powder coatings are used on a wide variety of products, ranging from door handles to patio and deck furniture, to windshield wipers, televisions and industrial shelving.

Also included in the Performance Materials Segment are several small businesses that are building positions based on technology areas outside of the core of Rohm and Haas operations. For example, Rohm and Haas

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AgroFresh subsidiary is a global leader in maintaining the freshness of fruits, vegetables and flowers with a portfolio of products and services based on proprietary 1-MCP technology. AgroFresh is now expanding the use of 1-MCP technology to the protection of field crops from heat and drought stress. Invinsa™ crop stress protection technology is being further developed and commercialized in partnership with Syngenta AB.

Salt

This segment includes table and specialty salts and salt used for water conditioning, ice control, food processing and chemical/industrial use. On April 1, 2009, Rohm and Haas, as our wholly owned subsidiary, entered into the Stock Purchase Agreement with K+S, whereby K+S will acquire the salt business of MII from Rohm and Haas. The purchase price for the transaction is $1.675 billion in cash, subject to adjustment at closing for working capital and certain indebtedness, pension and post-retirement benefit obligations. The transaction is subject to customary closing conditions, including receipt of regulatory approvals in the United States and Canada. The Stock Purchase Agreement contains certain termination rights for both Rohm and Haas and K+S, including the right of either party to terminate if the closing has not occurred by January 4, 2010.

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DESCRIPTION OF THE FINANCING TRANSACTIONS

Term Loan

On September 8, 2008, TDCC, as borrower, entered into a Term Loan Agreement (the Original Agreement) with a syndicate of banks in order to finance a portion of the Merger, to retire certain debt of Rohm and Haas and to pay related fees, costs and expenses. On March 5, 2009, the parties to the Original Agreement entered into a First Amendment to Term Loan Agreement (the First Amendment) in order to amend the Original Agreement (as so amended, the Term Loan Agreement). The following description of the Term Loan Agreement is qualified in its entirety by reference to the Original Agreement and the First Amendment, copies of which have been filed by us with the SEC on Current Reports on Form 8-K dated September 9, 2008 and March 6, 2009, respectively.

Under the Term Loan Agreement, TDCC borrowed approximately $9.2 billion to finance a portion of the Merger. The Term Loan Agreement will mature on the earlier of (a) the first anniversary of the closing date and (b) April 14, 2010; provided, however, that the original maturity date of the Term Loan Agreement may be extended to the date occurring one year following the original maturity date, at our option, subject to the satisfaction of certain conditions precedent, including (i) the absence, since December 31, 2008, of a material adverse change in the financial position or operations of TDCC and its consolidated subsidiaries, considered as a whole (except for the Merger and the financing thereof and except for any changes disclosed in our 2008 10-K; provided that any changes or developments relating to matters so disclosed (and the effects thereof) that arise after December 31, 2008 may be taken into account in determining whether a material adverse change has occurred), (ii) compliance with the total leverage ratio covenant described below as of the original maturity date, if such covenant is applicable on such date, (iii) the reduction of the aggregate principal amount of the loans under the Term Loan Agreement to $8 billion or less, and (iv) the payment of an extension fee equal to 2% of the aggregate principal amount of the outstanding loans on the original maturity date (after giving effect to any prepayment or repayment on such date).

The Term Loan Agreement permits loans bearing interest at a rate per annum equal to either a base rate or LIBOR plus, in each case, a margin that varies based on TDCC s credit rating (the Applicable Margin); provided, however, that if the original maturity date of the Term Loan Agreement is extended as described in the preceding paragraph, then the Applicable Margin shall increase, as set forth in the Term Loan Agreement, on the date of extension, on the 90th day following such date and on each successive 90th day thereafter.

We paid to the lenders a structuring fee equal to 1.25% of the aggregate amount of the lenders commitments. Additionally, under the Term Loan Agreement, TDCC is obligated from time to time to pay certain duration fees to the lenders, as set forth in the Term Loan Agreement. Higher rates will apply to certain of these fees (i) unless, on or prior to the 90th day following the date of the closing of the Merger, TDCC consummates one or more sales of certain equity interests or equity-linked securities for which it receives aggregate gross cash proceeds of at least $1.5 billion (calculated, in the case of equity-linked securities, based on the amount of equity credit accorded thereto by certain rating agencies) (a New Equity Issuance) or (ii) if a New Equity Issuance does occur on or prior to such 90th day following the date of the closing of the Merger, but the outstanding indebtedness under the Term Loan Agreement has not been reduced to the extent specified under the Term Loan Agreement. Our issuance of the Perpetual Preferred Stock, Series B (as defined below) and the Convertible Preferred Stock, Series C (as defined below), together with the Common Stock Offering, meets this New Equity Issuance requirement.

The Term Loan Agreement contains provisions relating to mandatory prepayment of the loans in certain circumstances, such as receipt by TDCC or any of its consolidated subsidiaries of proceeds from any sale of assets the proceeds of which exceed $50 million, incurrence of indebtedness for borrowed money (other than (i) commercial paper issued by TDCC in the normal course of business and consistent with past practice, (ii) refinancings, renewals, replacements and refundings of indebtedness whether outstanding on the date of the effective date of the Original Agreement or thereafter, (iii) any indebtedness incurred to finance our day-to-day

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operations in the normal course of business and any indebtedness incurred to finance loans to, or other investments in, our joint ventures, and (iv) certain other indebtedness) the proceeds of which exceed $50 million, any sale or issuance of certain equity interests or equity-linked securities, or any litigation, arbitration, settlement or other dispute resolution related to the proposed K-Dow joint venture transaction, in each case subject to agreed exceptions.

Subject to certain conditions, TDCC may at its option prepay in whole or in part the principal amount of the loans together with accrued interest without penalty.

The Term Loan Agreement contains affirmative and restrictive covenants applicable to us, including: (a) periodic financial reporting requirements, (b) limitations on liens, (c) the requirement that the ratio of TDCC s consolidated indebtedness (as defined in the Term Loan Agreement) to its consolidated capitalization (as defined in the Term Loan Agreement) not be greater than 0.65 to 1.00, (d) limitations on sale and lease-back transactions, (e) limitations on consolidations, mergers and sales of assets, and (f) a requirement to provide guarantees from any subsidiary that guarantees certain other indebtedness of TDCC. In addition, TDCC agreed to use the proceeds of the loans solely to (i) finance the acquisition of Rohm and Haas, (ii) repay certain indebtedness of Rohm and Haas and its subsidiaries on the closing date and (iii) finance related transaction costs. Furthermore, if and when both of TDCC s credit ratings from Moody s and S&P fall below certain levels or no credit rating is available (or, if the New Equity Issuance does not occur on or prior to the 90th day following the date of the closing of the Merger, if either of TDCC s credit ratings from Moody s or S&P falls below certain levels or no credit rating is available), TDCC may not permit the total leverage ratio (as defined in the Term Loan Agreement) to be greater than certain levels (initially 5.75 to 1.00 and progressively declining to 4.25 to 1.00 at September 30, 2010 and thereafter). On April 1, 2009, S&P downgraded our long-term credit rating to BBB- with credit watch negative and on April 22, 2009, Moody s downgraded our long-term credit rating to Baa3 with outlook negative, resulting in a current requirement for TDCC to maintain a total leverage ratio of 5.75 to 1.00, which ratio may decline progressively, as described above or may be removed if our credit ratings improve. The Term Loan Agreement contains customary events of default.

Under the Term Loan Agreement, TDCC has agreed that unless its credit rating from Moody s is Baa3 or higher (with at least a stable outlook) and its credit rating from S&P is BBB- or higher (with at least a stable outlook), then upon notice by the administrative agent at any time and from time to time following the 60th day after the day the loans are extended beyond their original maturity date, TDCC will offer and, if certain investment banks are able to place the securities referred to below, issue and sell, prior to the 30th day after such notice (subject to extension by an additional 15 days for blackout periods and other events), such aggregate principal amount of debt securities as will generate gross proceeds sufficient to refinance (in whole or in part, as determined by the administrative agent) all outstanding loans under the Term Loan Agreement, subject to a maximum interest rate and certain other conditions. So long as TDCC complies with the request to offer such securities, failure of the investment banks to place and sell such securities shall not constitute a default under the Term Loan Agreement. If TDCC fails to offer such securities as described above, such failure would constitute a default under the Term Loan Agreement and result in an increase in the interest rate payable thereunder.

On March 5, 2009, TDCC also entered into a Securities Issuance Letter (the Securities Issuance Letter) with Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley Senior Funding, Inc. (the Arrangers), pursuant to which TDCC confirmed that, subject to the effectiveness of the First Amendment, the closing of the Merger, compliance with all applicable laws and regulations, and other customary conditions precedent, TDCC is committed to issuing up to $3 billion of debt prior to or within 90 calendar days after the closing of the Merger (subject to extension under certain circumstances), so long as (a) the yield on such debt is no higher than a rate separately agreed between TDCC and the Arrangers, (b) such debt is unsecured and not guaranteed by any of TDCC s subsidiaries, and (c) unless otherwise agreed by TDCC, such debt does not contain covenants, defaults or other provisions materially adverse to it other than those contained in its 5.7% Senior Notes due 2018 and a ratings-based interest adjustment. The Securities Issuance Letter provides that the inability or other failure by TDCC to issue or offer to issue such debt shall not constitute

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a default under the Term Loan Agreement or its other agreements. Upon consummation of the Debt Offering that we priced on May 7, 2009, we will have met our commitment under this Securities Issuance Letter. See Prospectus Supplement Summary Recent Developments of Dow and Other Offerings.

The Cumulative Convertible Perpetual Preferred Stock, Series A

On April 1, 2009, in accordance with the provisions of investment agreements (the Series A Investment Agreements) between TDCC and each of Berkshire Hathaway Inc. (BHI) and the Kuwait Investment Authority (KIA and, together with BHI, the Investors) TDCC issued to BHI and KIA 3,000,000 and 1,000,000 shares, respectively, of cumulative convertible perpetual preferred stock, Series A having a liquidation preference of $1,000 per share (the Convertible Preferred Stock, Series A), for an aggregate consideration of $4.0 billion. The following description of the Series A Investment Agreements and the Convertible Preferred Stock, Series A is qualified in its entirety by reference to the Series A Investment Agreements attached as Exhibits 10.1 and 10.2 to our Current Report on Form 8-K filed on October 27, 2008 and to the certificate of designations establishing the terms of the Convertible Preferred Stock, Series A (the Series A Certificate of Designations) attached as Exhibit 3.1 to our Current Report on Form 8-K filed on April 1, 2009.

Under the Series A Certificate of Designations:

Each share of the Convertible Preferred Stock, Series A may be converted at any time, at the option of the holder, into 24.2010 shares of our common stock, subject to certain anti-dilution adjustments and certain other adjustments which represents an initial conversion price of approximately $41.32 per share;

On or after five years from the date on which the Convertible Preferred Stock, Series A is issued, we may, at our option, at any time or from time to time, cause some or all of the Convertible Preferred Stock, Series A to be converted into shares of our common stock at the then applicable conversion rate if, (i) for 20 trading days within any period of 30 consecutive trading days ending on the trading day preceding the date we give notice of conversion at its option, the closing price of our common stock exceeds 130% of the then-applicable conversion price and (ii) we have declared and paid (or have declared and set apart for payment) any past due dividends on the Convertible Preferred Stock, Series A;

We will pay cumulative dividends on the Convertible Preferred Stock, Series A quarterly in arrears, at the rate of 8.5% per annum, in either cash, common stock or a combination of both, at our option, plus 10% per annum additional dividends on the amount of any unpaid dividends;

The Convertible Preferred Stock, Series A will rank senior to our outstanding common stock and any other junior capital stock (collectively, the Junior Stock) with respect to the payment of dividends and distributions in liquidation; at any time when dividends on the Convertible Preferred Stock, Series A have not been paid in full, we will not, and will cause our subsidiaries not to, declare or pay any dividend on Junior Stock, make any distributions relating to Junior Stock, redeem, purchase, acquire or make a liquidation payment relating to Junior Stock, or make any guarantee payment with respect to Junior Stock, in each case subject to certain exceptions set out in the Series A Certificate of Designations;

The Convertible Preferred Stock, Series A is perpetual and has no maturity date and is not redeemable at our option; and

Holders of Convertible Preferred Stock, Series A do not have voting rights, except under certain circumstances. If dividends on the Convertible Preferred Stock, Series A are not paid in full for six dividend periods, holders of Convertible Preferred Stock, Series A (together with the holders of any of our other preferred stock with similar voting rights) will have the right to elect two directors of our board of directors.

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In addition, under the Series A Investment Agreements, each Investor has agreed to be subject to certain standstill provisions, which will terminate, subject to an outer limit of seven years from the Closing Date, on the later of the third anniversary of the Closing Date and the date on which the Investors beneficially own less than 2% of the outstanding shares of common stock. Each Investor has also agreed not to offer, transfer, hypothecate, sell, contract to sell or hedge the Convertible Preferred Stock, Series A, any of our common stock received upon conversion of the Convertible Preferred Stock, Series A or its exposure to our common stock for a period of five years following the date on which the Convertible Preferred Stock, Series A was issued, subject to certain exceptions as specified in the Series A Investment Agreements.

The Cumulative Perpetual Preferred Stock, Series B

On April 1, 2009, in accordance with the provisions of an investment agreement (the Series B and C Investment Agreement) among TDCC, the Haas Trusts and Paulson funds, we issued to the Haas Trusts and Paulson funds 1,500,000 and 1,000,000 shares, respectively, of our cumulative perpetual preferred stock, series B, having an initial liquidation preference of $1,000 per share (the Perpetual Preferred Stock, Series B), for an aggregate consideration of $2.5 billion. On April 1, 2009, subsequent to our initial issuance of the Perpetual Preferred Stock, Series B, to the Paulson funds and the Haas Trusts, the Haas Trusts sold 250,000 shares of Perpetual Preferred Stock, Series B, to Paulson Credit Opportunities Master Limited. The following description of the Series B and C Investment Agreement and the Perpetual Preferred Stock, Series B is qualified in its entirety by reference to the Series B and C Investment Agreement attached as Exhibit 10.2 to our Current Report on Form 8-K filed on March 12, 2009 and to the certificate of designations establishing the terms of the Perpetual Preferred Stock, Series B (the Series B Certificate of Designations) attached as Exhibit 3.2 to our Current Report on Form 8-K filed on April 1, 2009.

Under the Series B Certificate of Designations:

- we will pay cumulative dividends on the Perpetual Preferred Stock, Series B, quarterly in arrears, at a rate of 7% per annum in cash (Cash Dividends) and 8% per annum either (at our option) in cash or as an increase in the liquidation preference of the Perpetual Preferred Stock, Series B, plus 3% per annum additional dividends on the amount of any unpaid Cash Dividends (payable as an increase in the liquidation preference of the Perpetual Preferred Stock, Series B) if any Cash Dividends are not timely declared and paid;

- the Perpetual Preferred Stock, Series B will rank senior to our outstanding Junior Stock with respect to the payment of dividends and distributions in liquidation; at any time when dividends on the Perpetual Preferred Stock, Series B have not been paid in full, we will not, and will cause our subsidiaries not to, declare or pay any dividend in excess of $0.01 per share on Junior Stock, make any distributions relating to Junior Stock, redeem, purchase, acquire or make a liquidation payment relating to Junior Stock, or make any guarantee payment with respect to Junior Stock, in each case subject to certain exceptions set forth in the Series B Certificate of Designations;

- the Perpetual Preferred Stock, Series B is redeemable (i) at the option of the holders upon a change of control of us or at any time after the 60th anniversary of issuance and (ii) at our option at any time after the 5th anniversary of issuance, in each case, on the terms and at the prices set forth in the Series B Certificate of Designations; and

- the holders of the Perpetual Preferred Stock, Series B do not have voting rights except under certain circumstances as described in the Series B Certificate of Designations, including: the right to vote (together with the holders of any of our other preferred stock with similar voting rights) to elect two directors of our board of directors in the event of certain dividend arrearages; the right to vote as a class with respect to the issuance of our senior capital stock or certain adverse changes to our organizational documents; and as required by Delaware law.

Additionally, pursuant to the Series B and Series C Investment Agreement, we have granted to the Haas Trusts and Paulson funds certain registration rights to allow them to resell their shares of the Perpetual Preferred Stock, Series B in an offering registered with the SEC under certain circumstances.

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In addition, through a Replacement Capital Covenant relating to the Perpetual Preferred Stock, Series B, dated April 1, 2009 (the Series B Replacement Capital Covenant), which was contemplated by the Series B Certificate of Designations, we covenanted, for the benefit of holders of a designated series of our long-term indebtedness, that we will only redeem or repurchase shares of the Perpetual Preferred Stock, Series B on or before the Termination Date (as defined in the Series B Replacement Capital Covenant) with the proceeds that we have received during the 180 days prior to the date of such redemption or repurchase from the sale of certain qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Perpetual Preferred Stock, Series B. The foregoing description of the Series B Replacement Capital Covenant is qualified in its entirety by reference to the Series B Replacement Capital Covenant attached as Exhibit 99.2 to our Current Report on Form 8-K filed on April 1, 2009.

The Cumulative Convertible Perpetual Preferred Stock, Series C

Under the Series B and C Investment Agreement, we issued to the Haas Trusts 500,000 shares of cumulative convertible preferred stock, series C, having an initial liquidation preference of $1,000 per share (the Convertible Preferred Stock, Series C, for an aggregate consideration of $500 million.

The following description of the Series B and C Investment Agreement and the Convertible Preferred Stock, Series C is qualified in its entirety by reference to the Series B and C Investment Agreement attached as Exhibit 10.2 to our Current Report on Form 8-K filed on March 12, 2009 and to the certificate of designations establishing the terms of the Convertible Preferred Stock, Series C (the Series C Certificate of Designations) attached as Exhibit 3.3 to our Current Report on Form 8-K filed on April 1, 2009.

Under the Series C Certificate of Designations:

prior to June 1, 2009, we will pay cumulative dividends on the Convertible Preferred Stock, Series C, quarterly in arrears, at a rate of 7% per annum in Cash Dividends and 8% per annum either (at our option) in cash or as an increase in the liquidation preference of the Convertible Preferred Stock, Series C, plus 3% per annum additional dividends on the amount of any unpaid Cash Dividends (payable as an increase in the liquidation preference of the Convertible Preferred Stock, Series C) if any Cash Dividends are not timely declared and paid;

if we have an effective shelf registration statement relating to the common stock underlying the Convertible Preferred Stock, Series C, prior to June 1, 2009, the Convertible Preferred Stock will automatically convert on the date immediately following the 10 full trading days commencing on the date of filing of such shelf registration statement into a number of shares of common stock equal to the sum of one-tenth of the liquidation preference of that share divided by 95% of the volume weighted average price per share of our common stock for each of the 10 full trading days immediately prior to the conversion date (the Early Conversion Rate);

prior to June 1, 2009, if the Convertible Preferred Stock, Series C, has not yet automatically converted because we do not have an effective shelf registration statement as described above, the Convertible Preferred Stock, Series C will be convertible into our common stock at the option of the holders at any time following 10 full trading days after issuance, at the Early Conversion Rate;

on and after June 1, 2009, if the Convertible Preferred Stock, Series C is still outstanding, we will pay cumulative dividends on the Convertible Preferred Stock, Series C, quarterly in arrears, at a rate of 12% per annum in cash, plus 3% per annum additional dividends (payable as an increase in the liquidation preference of the Convertible Preferred Stock, Series C) if any such dividends are not timely declared and paid;

on and after June 1, 2009, if the Convertible Preferred Stock, Series C is still outstanding, the Convertible Preferred Stock, Series C will become convertible into our common stock at the option of the holders at a conversion price per share of common stock equal to 110% of the lowest one-day volume weighted average price per share of our common stock during the period beginning on April 1, 2009 and ending on June 1, 2009;

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the Convertible Preferred Stock, Series C will rank senior to our Junior Stock with respect to the payment of dividends and distributions in liquidation; at any time when dividends on the Convertible Preferred Stock, Series C have not been paid in full, we will not, and will cause our subsidiaries not to, declare or pay any dividend in excess of $0.01 per share on Junior Stock, make any distributions relating to Junior Stock, redeem, purchase, acquire or make a liquidation payment relating to Junior Stock, or make any guarantee payment with respect to Junior Stock, in each case subject to certain exceptions set forth in the Series C Certificate of Designations;

the Convertible Preferred Stock, Series C is redeemable (i) at the option of the holders upon a change of control of us or at any time after the 60th anniversary of issuance and (ii) at our option at any time after the 5th anniversary of issuance, in each case, on the terms and at the prices set forth in the Series C Certificate of Designations; and

holders of the Convertible Preferred Stock, Series C do not have voting rights except under certain circumstances as described in the Series C Certificate of Designations, including: the right to vote (together with the holders of any of our other preferred stock with similar voting rights) to elect two directors of our board of directors in the event of certain dividend arrearages; the right to vote as a class with respect to the issuance of our senior capital stock or certain adverse changes to our organizational documents; and as required by Delaware law.

In the Purchase Agreement, the Haas Trusts and Dow have agreed to amend the Series C Certificate of Designations to provide that the deadline for the automatic conversion of the Convertible Preferred Stock, Series C will be extended from June 1, 2009 to June 8, 2009.

Additionally, pursuant to the Series B and Series C Investment Agreement, we have granted to the Haas Trusts certain registration rights to allow them to resell their shares of the Convertible Preferred Stock, Series C, as well as the shares of common stock issuable upon conversion of the Convertible Preferred Stock, Series C, in an offering registered with the SEC under certain circumstances.

In addition, through a Replacement Capital Covenant relating to the Convertible Preferred Stock, Series C, dated April 1, 2009 (the Series C Replacement Capital Covenant), which was contemplated by the Series C Certificate of Designations, we covenanted, for the benefit of holders of a designated series of our long-term indebtedness, that we will only redeem or repurchase shares of the Convertible Preferred Stock, Series C on or before the Termination Date (as defined in the Series C Replacement Capital Covenant) with the proceeds that we have received during the 180 days prior to the date of such redemption or repurchase from the sale of certain qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Convertible Preferred Stock, Series C. The foregoing description of the Series C Replacement Capital Covenant is qualified in its entirety by reference to the Series C Replacement Capital Covenant attached as Exhibit 99.3 to our Current Report on Form 8-K filed on April 1, 2009.

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OTHER OFFERINGS

The Common Stock Offering

On May 6, 2009, we priced our Common Stock Offering of 150 million shares of our common stock, including the over-allotment shares, at a price to the public of $15.00 per share. Of the shares being offered, approximately $1 billion in gross proceeds of the shares are offered by us and $1.25 billion (including the over-allotment shares) in gross proceeds of the shares are offered by the Paulson funds and the Haas Trusts, as the selling stockholders. We intend to use all of the net proceeds we receive in the Common Stock Offering to repay a portion of our borrowings under our Term Loan Agreement. We will not receive any of the proceeds from the sale of shares of our common stock by the selling stockholders in such offering.

The Debt Offering

On May 7, 2009, we priced our Debt Offering of $1.75 billion aggregate principal amount of 7.60% notes due 2014; $3.25 billion aggregate principal amount of 8.55% notes due 2019; and $1 billion aggregate principal amount of 9.40% notes due 2039. Of the $6 billion in notes that are offered, $1.35 billion aggregate principal amount of the 8.55% notes due 2019 are offered by the Paulson funds and the Haas Trusts, as selling noteholders. We intend to use the net proceeds we receive from the Debt Offering to repay a portion of our borrowings under our Term Loan Agreement and for refinancings, renewals, replacements, and refundings of outstanding indebtedness. We will not receive any of the proceeds from the sale of notes by the selling noteholders in such offering. The consummation of this offering by us is not conditioned upon the consummation of any other offering, but the consummation of the sale of notes by the selling noteholders is conditioned upon consummation of our Common Stock Offering. In the event we do not consummate our Common Stock Offering, we will issue and sell the notes that would otherwise have been sold by the selling noteholders in the Debt Offering.

All of the shares and notes offered by the selling stockholders and the selling noteholders, respectively, were issued to them pursuant to the Purchase Agreement in consideration for our repurchase of shares of their Perpetual Preferred Stock, Series B. See Prospectus Supplement Summary Recent Developments of Dow.

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DESCRIPTION OF THE COMMON STOCK

The following summary of our common stock does not purport to be complete and is subject to, and qualified in its entirety by reference to, the relevant provisions of Delaware law, and by our restated certificate of incorporation and bylaws, as amended and re-adopted, attached as Exhibit 3(i) to our Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 and Exhibit 99.1 to our Current Report on Form 8-K filed on October 14, 2008, respectively. This description reflects certain amendments to our certificate of incorporation and our bylaws effected subsequent to the date of the accompanying prospectus and supersedes the description of our common stock in the accompanying prospectus.

We are authorized to issue 1,750,000,000 shares of all classes of stock, 1,500,000,000 of which are shares of common stock, par value $2.50 per share, and 250,000,000 of which are shares of preferred stock, par value $1.00 per share. As of April 30, 2009, there were 925,915,403 shares of our common stock issued and outstanding. However, you should note that 1,075,915,403 shares are expected to be outstanding after the consummation of our Common Stock Offering, which is expected to close on May 12, 2009. All issued and outstanding shares of common stock are fully paid and non-assessable. Any additional shares of common stock and preferred stock that we issue pursuant to this prospectus supplement will be fully paid and non-assessable. Neither our common stockholders nor preferred stockholders have preemptive rights.

Common Stock

General

Our certificate of incorporation provides that, subject to all of the rights of holders of preferred stock provided for by the board of directors or by Delaware corporate law, the holders of common stock will have full voting rights on all matters requiring stockholder action, with each share of common stock being entitled to one vote and having equal rights of participation in our dividends and assets.

Board of Directors

Our certificate of incorporation provides that all of our directors are elected each year at our annual meeting for a term of one year and until his or her successor is duly elected and qualified. A quorum of directors consists of a majority of our entire board of directors then holding office.

Number, Filling of Vacancies and Removal of Directors

Our certificate of incorporation and bylaws provide that its board of directors may not have less than six or more than twenty-one members. The actual number of directors is determined by a vote of a majority of our entire board of directors. Currently, we have twelve members on our board of directors. Vacancies on our board of directors and any newly created directorships are filled by a vote of the majority of the other directors then in office. Directors elected to fill a vacancy or a new position hold office until the next annual meeting of stockholders. Directors can be removed from office at any time, with or without cause, by the affirmative vote of a majority of the voting power of all the outstanding shares of our capital stock then entitled to vote in the election of directors. Holders of our outstanding preferred stock in certain circumstances will have the right to elect two directors of our board of directors. See Description of the Financing Transactions.

Dividends

Delaware corporate law generally provides that a corporation, subject to restrictions in its certificate of incorporation, including preferred stockholders rights to receive dividends prior to common stockholders, may declare and pay dividends out of:

- surplus; or
- net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year, if there is no surplus.

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Dividends may not be declared or paid out of net profits if the capital of the corporation is less than the aggregate amount of capital represented by the issued and outstanding stock of all classes having a preference on the distribution of assets. Dividends on our common stock are not cumulative. Our certificate of incorporation does not contain any additional restrictions on the declaration or payment of dividends. However, we currently have, and in the future may have, outstanding preferred equity which restricts our ability to pay dividends on our common stock if we fail in the payment of dividends on the preferred equity. See Description of the Financing Transactions.

Selected Provisions in Our Certificate of Incorporation and Bylaws

Our certificate of incorporation and bylaws contain a number of provisions that could have the effect of prohibiting or delaying a third party s ability to take control of us.

Special Meetings of Stockholders

Our bylaws provide that a special stockholders meeting for any purpose may be called only by the board of directors by a resolution adopted by a majority of the entire board:

- upon motion of a director; or
- upon written request of stockholders holding at least 50% of the voting power of the shares of capital stock outstanding and entitled to vote generally in the election of directors.

Stockholder notices requesting a special meeting must be given to our Secretary. The notice must include, as to each matter the stockholder proposes to bring before the meeting:

- the name and address of the stockholder;
- the class or series and number of shares of capital stock that are beneficially owned by the stockholder;
- a brief description of the business to be brought before the meeting, including the text of any proposed amendment to the certificate of incorporation or bylaws;
- a description of all arrangements or understandings between the stockholder and any other persons related to the business proposal;
- any material business interests of the stockholder in the business proposal; and
- a representation that the stockholder intends to appear in person or by proxy at the meeting to bring the business before the meeting.

Advance Notice Provisions for Stockholder Proposals Other than Election of Directors

Our bylaws provide that a stockholder may bring business before an annual stockholders meeting if the stockholder is a stockholder on the record date of giving notice and on the record date of the meeting and gives notice to our secretary of business that is proper to be brought at the meeting under Delaware corporate law:

no earlier than 120 days or later than 60 days before the anniversary date of the first mailing of proxy materials for the last annual meeting; or

if the annual meeting is more than 30 days before or after the anniversary date of the last annual meeting, we must receive the stockholder s notice no later than the close of business on the 10th day after the earlier of the date on which notice of the annual meeting date was mailed or publicly disclosed.

The notice must include the same information required to be included in a stockholder s notice in connection with requesting a special meeting. See Special Meetings of Stockholders.

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Advance Notice Provisions for Stockholder Nominations of Directors at an Annual Meeting

Our bylaws provide that a stockholder entitled to vote in the election for directors may nominate a person for election to the board of directors at an annual stockholders meeting if the stockholder gives notice to our Secretary:

- no more than 120 days and no less than 60 days before the anniversary date of the first mailing of proxy materials for the last annual meeting; or
- if the annual meeting is more than 30 days before or after the anniversary date of the last annual meeting, we must receive the stockholder s notice no later than the close of business on the 10th day after the earlier of the date on which notice of the annual meeting date was mailed or publicly disclosed.

The notice must include the following:

- a description of all arrangements or understandings between the stockholder and the nominee and any other person pursuant to which the nomination is made;
- the information regarding the nominee that would have been required to be included in a proxy statement filed under the proxy rules of the SEC if the nominee had been nominated by the board of directors; and
- the consent of the nominee to serve as a director if he or she is elected.

Advance Notice Provisions for Stockholder Nominations of Directors at a Special Meeting

Our bylaws provide that a stockholder may nominate a person for election to the board of directors at a special meeting of stockholders if the stockholder gives our secretary notice of the nomination no later than by the close of business on the seventh day after notice of the special meeting is first given to stockholders.

In addition to the information required to be included in a stockholder s notice in connection with a special meeting, the notice must include the same information that would be required to nominate a person for election as a director at an annual meeting. See Advance Notice Provisions for Stockholder Nominations of Directors at an Annual Meeting.

Stockholder Action by Written Consent

Under Delaware corporate law, unless otherwise provided in a corporation s certificate of incorporation, any action required or permitted to be taken at an annual or special stockholders meeting may be taken by written consent, without a meeting, prior notice or a vote. The written consent must be signed by holders of outstanding stock having not less than the minimum number of votes necessary to authorize or take such action at a meeting at which all shares entitled to vote on the matter were present and voted. Dow s certificate of incorporation, however, provides that any action required or permitted to be taken by the stockholders must be taken at a duly called annual or special stockholders meeting and may not be taken by written consent.

Transactions with Interested Stockholders and a Merger or Sale of Assets

Delaware corporate law requires the approval of the board of directors and a majority of a corporation s outstanding stock entitled to vote to authorize a merger or consolidation. Unless required by a corporation s certificate of incorporation, stockholder approval, however, is not required in certain cases, such as where either:

no shares of common stock of the surviving corporation and no shares, securities or obligations convertible into common stock are to be issued or delivered in the merger; or

the authorized and unissued shares or the treasury shares of common stock of the surviving corporation to be issued or delivered in the merger, plus those initially issuable upon conversion of any other

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shares, securities or obligations to be issued or delivered in the merger, do not exceed 20% of the shares of common stock of the corporation outstanding immediately prior to the effective date of the merger.

A sale of all or substantially all of a Delaware corporation s assets or a voluntary dissolution of a Delaware corporation requires the vote of a majority of the board of directors and a majority of the corporation s outstanding shares entitled to vote on the matter unless the company s certificate of incorporation requires a greater percentage. Our certificate of incorporation does not require a greater percentage.

Delaware corporate law generally defines an interested stockholder as a person, other than the corporation and any direct or indirect majority owned subsidiary of the corporation:

who is

the direct or indirect owner of 15% or more of the outstanding voting stock of the corporation; or

an affiliate or associate of the corporation and was the direct or indirect owner of 15% or more of the outstanding voting stock of the corporation at any time within the three-year period immediately prior to the date it asked for determination of its status as an interested stockholder,

and the affiliates and associates of that person.

Delaware corporate law prohibits an interested stockholder from engaging in a business combination with the corporation for three years following the time of becoming an interested stockholder. This three-year waiting period does not apply when:

prior to the time of becoming an interested stockholder, the board of directors approves either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

as a result of becoming an interested stockholder, the stockholder owned, excluding shares owned by directors who are also officers and employee stock plans in which participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer, at least 85% of the outstanding voting stock of the corporation at the time the transaction commenced; or

at or after the time of becoming an interested stockholder, the business combination is approved by the board of directors and authorized at a meeting of stockholders by a vote of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

These restrictions also do not apply in other circumstances, which are set forth in Section 203 of the Delaware General Corporation Law, including business combinations with an interested stockholder that are proposed after the earlier of a public announcement or the notice required under such section of and prior to the consummation or abandonment of:

certain mergers or consolidations specified in Section 203 of the Delaware General Corporation Law;

sales of 50% or more of the aggregate market value of a corporation s assets or outstanding voting stock; or

tender offers or exchange offers for 50% or more of a corporation s voting stock.

Delaware corporate law allows a corporation to specify in its certificate of incorporation or bylaws that it will not be governed by the section relating to transactions with interested stockholders. Dow has not made that election in its certificate of incorporation or bylaws.

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PLAN OF DISTRIBUTION

The selling stockholder (including, subject to applicable law, its transferees or successors who receive any shares covered by this prospectus supplement in a non-sale transfer) may sell from time to time shares of our common stock that we are issuing as part of this prospectus supplement. This prospectus supplement covers the selling stockholder s resale of up to 36,698,005 shares of our common stock. We will not receive any of the proceeds from the resale of our common stock by the selling stockholder.

The selling stockholder may allocate or sell the shares of common stock described in this prospectus supplement to Plan participants or sell directly to purchasers or to or through broker-dealers, which may act as agents or principals. In addition, if any shares covered by this prospectus supplement qualify for sale pursuant to Rule 144 under the Securities Act, the selling stockholder may sell such shares under Rule 144 rather than pursuant to this prospectus supplement.

From time to time, the selling stockholder may allocate shares pursuant to the terms of the Plan, or may sell shares of common stock in one or more transactions as follows:

- at fixed prices that may be changed;
- at market prices prevailing at the time of sale;
- at prices related to such prevailing market prices; or
- at negotiated prices.

The selling stockholder may offer its shares of common stock in one or more of the following transactions (which may include block trades and crosses):

- on any national securities exchange or quotation service on which the common stock may be listed or quoted at the time of sale, including the New York Stock Exchange;
- in the over-the-counter market;
- in privately negotiated transactions;
- through put or call options; or
- by a combination of the above methods of sale.

In effecting sales, brokers or dealers engaged by the selling stockholder may arrange for other brokers or dealers to participate in the resales.

The selling stockholder and any underwriters, broker-dealers or agents that participate in the distribution of the shares of common stock may be deemed underwriters within the meaning of the Securities Act. As underwriters, any profits on the resale of the shares of common stock and any compensation to be received by an underwriter, broker-dealer or agent would be deemed underwriting discounts and commissions under the Securities Act. The selling stockholder has represented to us that it is purchasing the common stock in the ordinary course of its business, it is not a party to any agreement or other understanding to distribute the securities, directly or indirectly.

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To our knowledge, the selling stockholder has not entered into any agreements, understandings or arrangements with any underwriters or broker-dealers regarding the sale of the shares, nor is there an underwriter or coordinating broker acting in connection with the proposed sale of shares by the selling stockholder.

Upon our being notified by a selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of shares through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker-dealer, a supplement to this prospectus supplement will be filed, if required, under Rule 424(b) under the Securities Act, disclosing relevant information regarding such arrangement.

The selling stockholder and any other person participating in a distribution will be subject to the Exchange Act, which may limit the timing of purchases and sales of common stock by the selling stockholder or any such other person. Under Regulation M of the Exchange Act, any person engaged in the distribution of the shares of common stock may not simultaneously engage in market-making activities with respect to the common stock for certain periods prior to the start of the distribution. The foregoing may affect the marketability of the common stock and the ability of any person or entity to engage in market-making activities with respect to the common stock.

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LEGAL MATTERS

The validity of the shares of common stock has been passed upon for us by Duncan A. Stuart, our Assistant General Counsel Corporate and Financial Law. We are represented by Shearman & Sterling LLP, New York, New York. Certain legal matters relating to the offering will be passed upon for the underwriters by Mayer Brown LLP, Chicago, Illinois. Mayer Brown LLP has from time to time acted as counsel for us and our subsidiaries and may do so in the future.

EXPERTS

The consolidated financial statements, the related financial statement schedule, and the effectiveness of The Dow Chemical Company s internal control over financial reporting incorporated by reference into this prospectus supplement and the accompanying prospectus from our Annual Report on Form 10-K for the year ended December 31, 2008 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference (which reports (1) express an unqualified opinion on the financial statements and financial statement schedule and include explanatory paragraphs referring to the Company s involvement in litigation related to an agreement to acquire Rohm and Haas Company and relating to a change in the method of accounting for defined benefit pension and other postretirement plans to conform to Statement of Financial Accounting Standards No. 158, and (2) express an unqualified opinion on the effectiveness of internal control over financial reporting). Such financial statements and financial statement schedule have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The audited historical financial statements of Rohm and Haas Company included as Exhibit 99.1 to our Current Report on Form 8-K/A filed on May 5, 2009 incorporated by reference into this prospectus supplement and the accompanying prospectus have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC under the Exchange Act. You can read and copy any reports, statements or other information we file with the SEC at the SEC s Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information relating to the Public Reference Room. You can also obtain copies of this information by mail from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates.

The SEC also maintains an Internet site that contains reports, proxy statements and other information about issuers, including us, that file electronically with the SEC. The address of that site is http://www.sec.gov.

Because our common stock is listed on the New York Stock Exchange, you can also inspect reports, proxy statements and other information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this prospectus supplement and the accompanying prospectus, except for any information that is superseded by subsequent incorporated documents or by information that is included directly in this document.

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This prospectus supplement and the accompanying prospectus incorporates by reference our Annual Report on Form 10-K for the year ended December 31, 2008, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 and our Current Reports on Form 8-K or 8-K/A filed with the SEC on January 6, 2009 (two filings), January 26, 2009, February 19, 2009, March 6, 2009, March 9, 2009, March 10, 2009, March 12, 2009, April 1, 2009 (but not with respect to Item 7.01 or Exhibit 99.1), April 7, 2009 (but not with respect to Item 7.01 or Exhibit 99.1), May 5, 2009 and May 11, 2009. These documents contain important information about us and our financial condition.

We also incorporate by reference any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until we have sold all of the securities to which this prospectus supplement relates. Our subsequent filings with the SEC will automatically update and supersede information in this prospectus supplement and the accompanying prospectus.

You can obtain a copy of any of the documents incorporated by reference into this prospectus supplement or accompanying prospectus at no cost by writing to or telephoning us at the following address and telephone number:

Office of the Corporate Secretary

The Dow Chemical Company

2030 Dow Center

Midland, Michigan 48674

Telephone: 989-636-1792

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PROSPECTUS

The Dow Chemical Company

Common Stock

Preferred Stock

Depositary Shares

Debt Securities

Warrants to Purchase Common Stock, Preferred Stock and Debt Securities

Stock Purchase Contracts

Stock Purchase Units

The Dow Chemical Company will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the applicable prospectus supplement carefully before you invest in any of these securities.

Dow s common stock is traded on the New York Stock Exchange under the symbol DOW.

We may offer and sell these securities to or through one or more agents, underwriters, dealers or other third parties or directly to one or more purchasers, on a continuous or delayed basis.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

February 23, 2007

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You should rely only on the information contained or incorporated by reference in this prospectus or any supplement. Dow has not authorized anyone else to provide you with different information. Dow is offering these securities only in states where the offer is permitted. You should not assume that the information in this prospectus or any supplement is accurate as of any date other than the date on the front of those documents. Dow s business, financial condition, results of operations and prospects may have changed since that date.

In this prospectus, references to Dow, we, us or our are to The Dow Chemical Company and does not include its subsidiaries, except under the caption The Dow Chemical Company.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement filed by Dow with the Securities and Exchange Commission, or the SEC, using a shelf registration process. Under this shelf process, we are registering an unspecified amount of each class of the securities described in this prospectus, and we may sell any combination of the securities described in this prospectus in one or more offerings. In addition, selling security holders may sell securities under our shelf registration statement. This prospectus provides you with a general description of the securities we or any selling security holders may offer. Each time we or any selling security holders sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. If there is any inconsistency between the information in this prospectus and any applicable prospectus supplement, you should rely on the information in the applicable prospectus supplement. You should read both this prospectus and any applicable prospectus supplement, together with additional information described under the heading Where You Can Find More Information.

The registration statement containing this prospectus, including the exhibits to the registration statement, provides additional information about us and the securities to be offered. The registration statement, including the exhibits, can be read at the SEC web site or at the SEC offices mentioned under the heading Where You Can Find More Information.

THE DOW CHEMICAL COMPANY

Dow is a diversified chemical company that offers a broad range of innovative chemical, plastic and agricultural products and services to customers in more than 175 countries, helping them to provide everything from fresh water, food and pharmaceuticals to paints, packaging and personal care. In 2006, Dow had annual sales of $49 billion and employed approximately 42,600 people worldwide. Dow has 150 manufacturing sites in 37 countries and supplies more than 3,100 products. Dow s corporate offices are located at 2030 Dow Center, Midland, Michigan 48674, and Dow s telephone number is (989) 636-1000.

Additional information concerning Dow and its subsidiaries is included in the documents filed with the SEC and incorporated in this prospectus by reference. See the discussion under the heading Where You Can Find More Information.

USE OF PROCEEDS

Dow expects to use the net proceeds from sales of any securities described in this prospectus for its general corporate purposes, which may include funding capital expenditures, pursuing growth initiatives, whether through acquisitions, joint ventures or otherwise, repaying or refinancing indebtedness or other obligations, and financing working capital. Pending the application of the net proceeds, Dow expects to invest the net proceeds in marketable securities or reduce its short-term indebtedness.

RATIOS OF EARNINGS TO FIXED CHARGES

	Year Ended December 31,				
	2006	**2005**	**2004**	**2003**	**2002**
Ratio of earnings to fixed charges	6.1x	7.2x	4.3x	2.5x	(1)
Ratio of earnings to combined fixed charges and preferred share dividends	6.1x	7.2x	4.3x	2.5x	(1)

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(1) As a result of a pretax charge of $828 million related to Union Carbide Corporation s potential asbestos-related liability and pretax merger-related expenses and restructuring charges of $280 million, earnings for the year ended December 31, 2002 were inadequate to cover fixed charges, with a deficiency of $615 million.

For the purpose of these ratios, earnings consist of income before (i) income taxes, (ii) minority interests, (iii) extraordinary items, (iv) cumulative effect of changes in accounting principles, (v) amortization of capitalized interest and (vi) fixed charges (adjusted to exclude capitalized interest) and after adjustment for unremitted earnings of 20% to 50% owned companies. Fixed charges consist of interest on all indebtedness, amortization of capitalized debt costs, discount or premium and a portion of rentals deemed to represent an interest factor.

Because Dow did not have any preferred shares outstanding and therefor paid no preferred share dividends during any of the periods presented, the ratio of earnings to combined fixed charges and preferred share dividends is identical to the ratio of earnings to fixed charges for each of the periods presented.

DESCRIPTION OF CAPITAL STOCK

The following summary of common stock and preferred stock of Dow does not purport to be complete and is subject to, and qualified in its entirety by reference to, the relevant provisions of Delaware law, and by Dow s certificate of incorporation and bylaws, which are incorporated by reference as exhibits to the registration statement of which this prospectus is a part.

Dow is authorized to issue 1,750,000,000 shares of all classes of stock, 1,500,000,000 of which are shares of common stock, par value $2.50 per share, and 250,000,000 of which are shares of preferred stock. As of January 31, 2007, there were 959,167,793 shares of common stock issued and outstanding and no shares of preferred stock issued or outstanding. All issued and outstanding shares of common stock are fully paid and non-assessable. Any additional shares of common stock and preferred stock that Dow issues pursuant to this prospectus will be fully paid and non-assessable. Neither Dow s common stockholders nor preferred stockholders have preemptive rights.

Common Stock

General

Dow s certificate of incorporation provides that, subject to all of the rights of holders of preferred stock provided for by the board of directors or by Delaware corporate law, the holders of common stock will have full voting rights on all matters requiring stockholder action, with each share of common stock being entitled to one vote and having equal rights of participation in the dividends and assets of Dow.

Board of Directors

Dow s certificate of incorporation provides that all of Dow s directors are elected each year at Dow s annual meeting for a term of one year and until his or her successor is duly elected and qualified. A quorum of directors consists of a majority of Dow s entire board of directors then holding office.

Number, Filling of Vacancies and Removal of Directors

Dow s certificate of incorporation and bylaws provide that its board of directors may not have less than six or more than twenty-one members. The actual number of directors is determined by a vote of a majority of Dow s entire board of directors. Currently, Dow has twelve members on its board of directors. Vacancies on Dow s board of directors and any newly created directorships are filled by a vote of the majority of the other

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directors then in office. Directors elected to fill a vacancy or a new position hold office until the next annual meeting of stockholders. Directors can be removed only for cause and only by the vote of stockholders holding 80% of the voting power of Dow s outstanding stock entitled to vote generally in the election of directors, voting together as a single class.

Dividends

Delaware corporate law generally provides that a corporation, subject to restrictions in its certificate of incorporation, including preferred stockholders rights to receive dividends prior to common stockholders, may declare and pay dividends out of:

surplus; or

net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year, if there is no surplus.

Dividends may not be paid out of net profits if the capital of the corporation is less than the aggregate amount of capital represented by the issued and outstanding stock of all classes having a preference on the distribution of assets. Dividends on Dow common stock are not cumulative. Dow s certificate of incorporation does not contain any additional restrictions on the declaration or payment of dividends.

Preferred Stock

Dow s board of directors is authorized, subject to Delaware corporate law and without a vote of its stockholders, to issue shares of preferred stock from time to time in one or more series and to determine the voting rights, designations, preferences and relative, participating, optional or other special rights and qualifications, limitations and restrictions of any series of preferred stock. The prospectus supplement relating to an offering of shares of Dow s preferred stock will describe the terms of the series of preferred stock Dow is offering.

The rights of holders of the common stock and/or the preferred stock offered may be adversely affected by the rights of holders of any shares of preferred stock that may be issued in the future. Shares of preferred stock issued by Dow may have the effect of rendering more difficult or discouraging an acquisition of Dow deemed undesirable by the board of directors of Dow.

Any shares of preferred stock will be, when issued, fully paid and non-assessable. Holders of preferred stock will not have any preemptive or subscription rights to acquire more stock of Dow.

The transfer agent, registrar, dividend disbursing agent and redemption agent for shares of each series of preferred stock will be named in the prospectus supplement relating to such series.

Rank

Unless otherwise specified in connection with a particular offering of preferred stock, such shares will rank on an equal basis with each other series of preferred stock and prior to the common stock as to dividends and distributions of assets.

Dividends

Holders of each series of preferred stock will be entitled to receive cash dividends when, as and if declared by Dow s board of directors out of funds legally available for dividends. The rates and dates of payment of dividends will be set forth in the prospectus supplement relating to each series of preferred stock. Dividends will be payable to holders of record of preferred stock as they appear on Dow s books or, if applicable, the records of the depositary referred to below under Description of Depositary Shares, on the record dates fixed by Dow s board of directors. Dividends on a series of preferred stock may be cumulative or non-cumulative.

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Dow may not declare, pay or set apart for payment dividends on the preferred stock unless full dividends on other series of preferred stock that rank on an equal or senior basis have been paid or sufficient funds have been set apart for payment for:

all prior dividend periods of other series of preferred stock that pay dividends on a cumulative basis; or

the immediately preceding dividend period of other series of preferred stock that pay dividends on a non-cumulative basis.

Partial dividends declared on shares of preferred stock and each other series of preferred stock ranking on an equal basis as to dividends will be declared pro rata. A pro rata declaration means that the ratio of dividends declared per share to accrued dividends per share will be the same for each series of preferred stock.

Similarly, Dow may not declare, pay or set apart for payment non-stock dividends or make other payments on the common stock or any other stock of Dow ranking junior to the preferred stock until full dividends on the preferred stock have been paid or set apart for payment for:

all prior dividend periods if the preferred stock pays dividends on a cumulative basis; or

the immediately preceding dividend period if the preferred stock pays dividends on a non-cumulative basis.

Conversion and Exchange

The prospectus supplement for a series of preferred stock will state the terms, if any, on which shares of that series are convertible into or exchangeable for shares of Dow s common stock.

Redemption

If so specified in the applicable prospectus supplement, a series of preferred stock may be redeemable at any time, in whole or in part, at Dow s option or the holder thereof and may be mandatorily redeemed.

Any partial redemptions of preferred stock will be made in a way that Dow s board of directors decides is equitable.

Unless Dow defaults in the payment of the redemption price, dividends will cease to accrue after the redemption date on shares of preferred stock called for redemption, and all rights of holders of such shares will terminate except for the right to receive the redemption price.

Liquidation Preference

Upon any voluntary or involuntary liquidation, dissolution or winding up of Dow, holders of each series of preferred stock will be entitled to receive distributions upon liquidation in the amount set forth in the prospectus supplement relating to such series of preferred stock, plus an amount equal to any accrued and unpaid dividends. Such distributions will be made before any distribution is made on any securities ranking junior relating to liquidation, including common stock.

If the liquidation amounts payable relating to the preferred stock of any series and any other securities ranking on a parity regarding liquidation rights are not paid in full, the holders of the preferred stock of such series and such other securities will share in any such distribution of available assets of Dow on a ratable basis in proportion to the full liquidation preferences. Holders of such series of preferred stock will not be entitled to any other amounts from Dow after they have received their full liquidation preference.

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Voting Rights

The holders of shares of preferred stock will have no voting rights except:

- as otherwise stated in the prospectus supplement;
- as otherwise stated in the certificate of designation establishing such series; and
- as required by applicable law.

Selected Provisions in Dow s Certificate of Incorporation and Bylaws

Dow s certificate of incorporation and bylaws contain a number of provisions that could have the effect of prohibiting or delaying a third party s ability to take control of Dow.

Special Meetings of Stockholders

Dow s bylaws provide that a special stockholders meeting for any purpose may be called only by the board of directors by a resolution adopted by a majority of the entire board:

- upon motion of a director; or
- upon written request of stockholders holding at least 50% of the voting power of the shares of capital stock outstanding and entitled to vote generally in the election of directors.

Stockholder notices requesting a special meeting must be given to Dow s Secretary. The notice must include, as to each matter the stockholder proposes to bring before the meeting:

- the name and address of the stockholder;
- the class or series and number of shares of capital stock that are beneficially owned by the stockholder;
- a brief description of the business to be brought before the meeting, including the text of any proposed amendment to the certificate of incorporation or bylaws;
- a description of all arrangements or understandings between the stockholder and any other persons related to the business proposal;
- any material business interests of the stockholder in the business proposal; and
- a representation that the stockholder intends to appear in person or by proxy at the meeting to bring the business before the meeting.

Advance Notice Provisions for Stockholder Proposals Other than Election of Directors

Dow s bylaws provide that a stockholder may bring business before an annual stockholders meeting if the stockholder is a stockholder on the record date of giving notice and on the record date of the meeting and gives notice to Dow s Secretary of business that is proper to be brought at the meeting under Delaware corporate law:

- no earlier than 120 days or later than 60 days before the anniversary date of the first mailing of proxy materials for the last annual meeting; or
- if the annual meeting is more than 30 days before or after the anniversary date of the last annual meeting, Dow must receive the stockholder s notice no later than the close of business on the 10th day after the earlier of the date on which notice of the annual meeting date was mailed or publicly disclosed.

The notice must include the same information required to be included in a stockholder s notice in connection with requesting a special meeting. See Special Meetings of Stockholders.

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Advance Notice Provisions for Stockholder Nominations of Directors at an Annual Meeting

Dow s bylaws provide that a stockholder may nominate a person for election to the board of directors at an annual stockholders meeting if the stockholder gives notice to Dow s Secretary:

- no more than 120 days and no less than 60 days before the anniversary date of the first mailing of proxy materials for the last annual meeting; or
- if the annual meeting is more than 30 days before or after the anniversary date of the last annual meeting, Dow must receive the stockholder s notice no later than the close of business on the 10th day after the earlier of the day on which notice of the annual meeting date was mailed or publicly disclosed.

The notice must include the following:

- a description of all arrangements or understandings between the stockholder and the nominee and any other person pursuant to which the nomination is made;
- the information regarding the nominee that would have been required to be included in a proxy statement filed under the proxy rules of the SEC if the nominee had been nominated by the board of directors;
- the consent of the nominee to serve as a director if he or she is elected; and
- the information required to be included in a stockholder s notice in connection with requesting a special meeting. See the section of this prospectus captioned Special Meetings of Stockholders.

Advance Notice Provisions for Stockholder Nominations of Directors at a Special Meeting

Dow s bylaws provide that a stockholder may nominate a person for election to the board of directors at a special meeting of stockholders if the stockholder gives Dow s Secretary notice of the nomination no later than the close of business on the seventh day after notice of the special meeting is first given to stockholders.

In addition to the information required to be included in a stockholder s notice in connection with a special meeting, the notice must include the same information that would be required to nominate a person for election as a director at an annual meeting. See Advance Notice Provisions for Stockholder Nominations of Directors at an Annual Meeting.

Stockholder Action by Written Consent

Under Delaware corporate law, unless otherwise provided in a corporation s certificate of incorporation, any action required or permitted to be taken at an annual or special stockholders meeting may be taken by written consent, without a meeting, prior notice or a vote. The written consent must be signed by holders of outstanding stock having the minimum number of votes necessary to authorize or take such action at a meeting at which all shares entitled to vote on the matter were present and voted. Dow s certificate of incorporation, however, provides that any action required or permitted to be taken by the stockholders must be taken at a duly called annual or special stockholders meeting and may not be taken by written consent.

Transactions with Interested Stockholders and a Merger or Sale of Assets

Delaware corporate law requires the approval of the board of directors and a majority of a corporation s outstanding stock entitled to vote to authorize a merger or consolidation unless the company s certificate of incorporation requires a greater percentage. Unless required by a

corporation s certificate of incorporation, stockholder approval, however, is not required in certain cases, such as where either:

- no shares of common stock of the surviving corporation and no shares, securities or obligations convertible into common stock are to be issued or delivered in the merger; or

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the authorized and unissued shares or the treasury shares of common stock of the surviving corporation to be issued or delivered in the merger, plus those initially issuable upon conversion of any other shares, securities or obligations to be issued or delivered in the merger, do not exceed 20% of the shares of common stock of the corporation outstanding immediately prior to the effective date of the merger.

A sale of all or substantially all of a Delaware corporation s assets or a voluntary dissolution of a Delaware corporation requires the vote of a majority of the board of directors and a majority of the corporation s outstanding shares entitled to vote on the matter unless the company s certificate of incorporation requires a greater percentage. Dow s certificate of incorporation does not require a greater percentage, except as described below.

Delaware corporate law generally defines an interested stockholder as a person, other than the corporation and any direct or indirect majority owned subsidiary of the corporation:

who is the direct or indirect owner of 15% or more of the outstanding voting stock of the corporation; or

is an affiliate or associate of the corporation and was the direct or indirect owner of 15% or more of the outstanding voting stock of the corporation at any time within the three-year period immediately prior to the date it asked for determination of its status as an interested stockholder; and

the affiliates and associates of that person.

Delaware corporate law prohibits an interested stockholder from engaging in a business combination with the corporation for three years following the time of becoming an interested stockholder. This three-year waiting period does not apply when:

prior to the time of becoming an interested stockholder, the board of directors approves either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

as a result of becoming an interested stockholder, the stockholder owned, excluding shares owned by directors who are also officers and employee stock plans in which participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer, at least 85% of the outstanding voting stock of the corporation at the time the transaction began; or

at or after the time of becoming an interested stockholder, the business combination is approved by the board of directors and authorized at a meeting of stockholders by a vote of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

These restrictions also do not apply in other circumstances, which are set forth in Section 203 of the Delaware General Corporation Law, including business combinations with an interested stockholder that are proposed after a public announcement of and prior to the consummation or abandonment of:

certain mergers or consolidations specified in Section 203 of the Delaware General Corporation Law;

sales of 50% or more of the aggregate market value of a corporation s assets or outstanding voting stock; or

tender offers or exchange offers for 50% or more of a corporation s voting stock.

Delaware corporate law allows a corporation to specify in its certificate of incorporation or bylaws that it will not be governed by the section relating to transactions with interested stockholders. Dow has not made that election in its certificate of incorporation or bylaws.

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Dow s certificate of incorporation provides that, in addition to the vote required pursuant to Delaware corporate law, the vote of stockholders owning at least 80% of the voting power of the shares of capital stock entitled to vote generally in the election of directors, voting together as a single class, is required to approve any of the following business combination transactions:

- a merger or consolidation of Dow or a subsidiary of which Dow ultimately owns 50% or more of the capital stock with:
  - an interested stockholder; or
  - any other individual or entity that, after the merger or consolidation, would be an affiliate or associate of an interested stockholder;
- a sale, lease, exchange, mortgage, pledge, transfer or other disposition, in one or more transactions with or on behalf of an interested stockholder or an affiliate or associate of an interested stockholder, of any assets of Dow or any subsidiary of Dow constituting 5% or more of Dow s total consolidated assets as of the end of the most recent quarter;
- the issuance or transfer by Dow or any of its subsidiaries of any securities of Dow or its subsidiaries in one or more transactions to, or proposed by or on behalf of, an interested stockholder or an affiliate or associate of an interested stockholder in exchange for cash, securities or other property constituting not less than 5% of Dow s consolidated total assets as of the end of the most recent quarter;
- the adoption of a plan or proposal for liquidation or dissolution of Dow or any spin-off or split-up of any kind of Dow or any subsidiary of Dow that is proposed by or on behalf of an interested stockholder or an affiliate or associate of an interested stockholder; or
- any reclassification of securities or recapitalization of Dow, or any merger or consolidation of Dow with a subsidiary of Dow or other transaction that has the direct or indirect effect of increasing the percentage of the outstanding shares of:
  - any class of equity securities of Dow or any subsidiary of Dow; or
  - any class of securities of Dow or any subsidiary convertible into equity securities of Dow or any subsidiary that are owned directly or indirectly by an interested stockholder and all of its affiliates and associates.

However, the vote of only a majority of the stockholders entitled to vote generally in the election of directors, voting together as a single class, is required to approve a business combination transaction that:

- has been approved by a majority of continuing directors, even if they constitute less than a quorum; or
- meets price and consideration conditions and procedures that are set forth in Dow s certificate of incorporation.

A continuing director is:

any member of the board of directors who is not an interested stockholder involved in a business combination described above or an affiliate, associate, employee, agent or nominee of an interested stockholder or relative of any of the foregoing persons, and was a member of the board before the interested stockholder became an interested stockholder; or

a successor of a director described above who is recommended or elected to succeed a director described above by the vote of a majority of the directors then on the board.

Dow s certificate of incorporation defines an interested stockholder as any person or entity other than Dow, any subsidiary of Dow, any employee benefit plan of Dow or a subsidiary of Dow or any trustee or fiduciary with respect to any employee benefit plan when acting in a fiduciary capacity, that:

is, or was at any time within the two-year period prior to the date in question, the direct or indirect beneficial owner of 10% or more of the voting power of the then-outstanding voting stock of Dow;

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is an affiliate of Dow and, at any time within the two-year period immediately prior to the date in question, was the direct or indirect beneficial owner of 10% or more of the voting power of the outstanding voting stock of Dow; or

is an assignee of, or has otherwise succeeded to, any shares of voting stock of Dow of which an interested stockholder was the direct or indirect beneficial owner, at any time within the two-year period immediately prior to the date in question, if the assignment or succession occurred in the course of a transaction or series of transactions not involving a public offering under the Securities Act of 1933.

For purposes of determining whether a person is an interested stockholder, the outstanding voting stock of Dow includes unissued shares of voting stock of Dow beneficially owned by the interested stockholder but not other shares of voting stock of Dow that may be issuable pursuant to an agreement, arrangement or understanding or upon the exercise of conversion rights, warrants or options, or otherwise, to any person who is not an interested stockholder.

DESCRIPTION OF DEPOSITARY SHARES

The following summarizes briefly the material provisions of the deposit agreement and the depositary shares and depositary receipts. You should read the particular terms of any depositary shares and any depositary receipts that are offered by us, and any deposit agreement relating to a particular series of preferred stock, which will be described in more detail in an applicable prospectus supplement. A copy of the form of deposit agreement, including the form of depositary receipt, is incorporated by reference as an exhibit in the registration statement of which this prospectus is a part.

General

We may, at our option, elect to offer fractional shares of preferred stock, rather than full shares of preferred stock. In the event we exercise this option, we will issue receipts for depositary shares, each of which will represent a fraction, to be described in an applicable prospectus supplement, of a share of a particular series of preferred stock as described below.

The shares of each series of preferred stock represented by depositary shares will be deposited under a deposit agreement between us and a bank or trust company selected by us and having its principal office in the United States and having a combined capital and surplus of at least $50,000,000. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled to all of the rights and preferences of the preferred stock in proportion to the applicable fraction of a share of preferred stock represented by the depositary share, including dividend, voting, redemption, conversion and liquidation rights.

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Depositary receipts will be distributed to those persons purchasing the fractional shares of preferred stock in accordance with the terms of the offering.

Pending the preparation of definitive depositary receipts, the depositary may, upon our written order, execute and deliver temporary depositary receipts which are substantially identical to, and which entitle the holders to all the rights pertaining to, the definitive depositary receipts. Depositary receipts will be prepared thereafter without unreasonable delay, and temporary depositary receipts will be exchangeable for definitive depositary receipts at our expense.

Dividends and Other Distributions

The depositary will distribute all cash dividends and other cash distributions received in respect of the deposited preferred stock to the record holders of depositary shares relating to the preferred stock, in proportion to the numbers of the depositary shares owned by such holders.

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In the event of a non-cash distribution, the depositary will distribute property it receives to the appropriate record holders of depositary shares. If the depositary determines that it is not feasible to make a distribution, it may, with our approval, sell the property and distribute the net proceeds from the sale to the holders.

Redemption of Stock

If a series of preferred stock represented by depositary shares is to be redeemed, the depositary shares will be redeemed from the proceeds received by the depositary resulting from the redemption, in whole or in part, of each series of preferred stock held by the depositary. The depositary shares will be redeemed by the depositary at a price per depositary share equal to the applicable fraction of the redemption price per share payable in respect of the shares of preferred stock so redeemed. Whenever we redeem shares of preferred stock held by the depositary, the depositary will redeem, as of the same date, the number of depositary shares representing shares of preferred stock redeemed. If fewer than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by the depositary by lot or pro rata or by any other equitable method as may be determined by the depositary.

Withdrawal of Stock

Any holder of depositary shares may, upon surrender of the depositary receipts at the corporate trust office of the depositary, unless the related depositary shares have previously been called for redemption, receive the number of whole shares of the related series of preferred stock and any money or other property represented by the depositary receipts. Holders of depositary shares making withdrawals will be entitled to receive whole shares of preferred stock on the basis described in an applicable prospectus supplement for such series of preferred stock, but holders of whole shares of preferred stock will not thereafter be entitled to deposit the preferred stock under the deposit agreement or to receive depositary receipts therefor. If the depositary shares surrendered by the holder in connection with a withdrawal exceed the number of depositary shares that represent the number of whole shares of preferred stock to be withdrawn, the depositary will deliver to the holder at the same time a new depositary receipt evidencing the excess number of depositary shares.

Voting Deposited Preferred Stock

Upon receipt of notice of any meeting at which the holders of any series of deposited preferred stock are entitled to vote, the depositary will mail the information contained in the notice of meeting to the record holders of the depositary shares relating to such series of preferred stock. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the relevant series of preferred stock, will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the amount of the preferred stock represented by the holder s depositary shares.

The depositary will attempt, insofar as practicable, to vote the amount of such series of preferred stock represented by the depositary shares in accordance with the instructions, and we will agree to take all reasonable actions that may be deemed necessary by the depositary to enable the depositary to do so. The depositary will refrain from voting shares of the preferred stock to the extent it does not receive specific instructions from the holder of depositary shares representing the preferred stock.

Amendment and Termination of the Deposit Agreement

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may at any time be amended by agreement between us and the depositary. However, any amendment which materially and adversely alters the rights of the holders of the depositary shares representing preferred stock of any series will not be effective unless the amendment has been approved by the holders of at least the amount of the depositary shares then outstanding representing the minimum amount of preferred stock of such series necessary to approve any amendment that would materially and adversely affect the rights of the holders of the

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preferred stock of such series. Every holder of an outstanding depositary receipt at the time any amendment becomes effective, or any transferee of the holder, will be deemed, by continuing to hold the depositary receipt, or by reason of the acquisition thereof, to consent and agree to the amendment and to be bound by the deposit agreement as amended thereby. The deposit agreement may be terminated by us or the depository only after:

- all outstanding depositary shares have been redeemed; or
- a final distribution in respect of the preferred stock has been made to the holders of depositary shares in connection with any liquidation, dissolution or winding up of Dow.

Charges of Depositary

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay all charges of the depositary in connection with the initial deposit of the relevant series of preferred stock and any redemption of the preferred stock. Holders of depositary receipts will pay other transfer and other taxes and governmental charges and other charges or expenses as are expressly provided in the deposit agreement.

Resignation and Removal of Depositary

The depositary may resign at any time by delivering to us notice of its election to do so, and we may at any time remove the depositary, any resignation or removal to take effect upon the appointment of a successor depositary and its acceptance of the appointment. The successor depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50,000,000.

Miscellaneous

The depositary will forward all reports and communications from us which are delivered to the depositary and which we are required to furnish to the holders of the deposited preferred stock.

Neither we nor the depositary will be liable if we are or it is prevented or delayed by law or any circumstances beyond our or its control in performing any obligations under the deposit agreement. Our and its obligations under the deposit agreement will be limited to performance in good faith of our and its duties under the deposit agreement and neither we nor it will be obligated to prosecute or defend any legal proceeding in respect of any depositary shares, depositary receipts or shares of preferred stock unless satisfactory indemnity is furnished. The depositary and we may rely upon written advice of counsel or accountants, or upon information provided by holders of depositary receipts or other persons believed to be competent and on documents believed to be genuine.

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DESCRIPTION OF DEBT SECURITIES

The following description of the debt securities summarizes the material terms and provisions of the debt securities to which a prospectus supplement may relate. Each time Dow offers debt securities, the prospectus supplement related to that offering will describe the terms of the debt securities Dow is offering.

The debt securities offered by this prospectus will be unsecured obligations of Dow and will be either senior or subordinated debt. The senior debt securities will be issued under an indenture, which we refer to as the senior indenture, between Dow and The Bank of New York Trust Company, N.A., as trustee. The subordinated debt securities will be issued under an indenture, which we refer to as the subordinated indenture, between Dow and The Bank of New York Trust Company, N.A., as trustee. We refer to the senior indenture and the subordinated indenture collectively as the indentures. The following summary of the debt securities and the indentures does not purport to be complete and is subject to the provisions of the indentures, including the defined terms. Whenever we refer to particular defined terms of the indentures, those defined terms are incorporated by reference in this prospectus and prospectus supplement. For additional information, you should review the forms of indentures that are filed as an exhibit to the registration statement of which this prospectus forms a part.

General

Dow may issue debt securities from time to time in one or more series without limitation as to aggregate principal amount. The indentures do not limit the amount of other indebtedness or securities that Dow may issue.

The debt securities will be unsecured obligations. The senior debt securities will rank equally with all of Dow s other unsecured and unsubordinated indebtedness. The subordinated debt securities will rank equally with all of Dow s other unsecured and subordinated indebtedness, except for a series of subordinated debt securities that is by its terms junior to such subordinated debt securities.

The prospectus supplement will describe the following terms of the debt securities Dow is offering:

- the title of the debt securities or the series in which the debt securities will be included;
- whether such debt securities will be senior debt securities or subordinated debt securities;
- any limit on the aggregate principal amount of the debt securities of that series;
- the price or prices at which the debt securities will be issued;
- if other than the principal amount, the portion of the principal amount of the debt securities payable if the maturity is accelerated;
- the date or dates on which the principal amount of the debt securities is payable;
- the interest rate or rates, or the formula by which the interest rate or rates will be determined, if any, the date from which any interest will accrue and the circumstances, if any, in which the Company may defer interest payments;
- the interest payment dates on which any interest will be payable, the regular record date for any interest payable on any debt securities that are registered securities on any interest payment date, and the extent to which, or the manner in which, any interest payable on a global security on an interest payment date will be paid if different from the manner described below under Global

Securities ;

any mandatory or optional sinking fund or analogous provisions;

each office or agency where the principal of and any premium and interest on the debt securities will be payable and each office or agency where the debt securities may be presented for registration of transfer or exchange;

the date, if any, after which and the price or prices at which the debt securities may, pursuant to any optional or mandatory redemption provisions, be redeemed, in whole or in part, and the other detailed terms and provisions of any optional or mandatory redemption provisions;

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the denominations in which Dow may issue any debt securities which are registered securities, if other than denominations of $1,000 and any integral multiple thereof;

if other than U.S. dollars, the currency or currencies of payment of principal of and any premium and interest on the debt securities;

if the amount of any payment may be determined with reference to an index or formula based on securities, commodities, intangibles, articles or goods, or any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance, the manner in which the amount will be determined;

any additional covenants applicable to the debt securities; and

any other terms and provisions of the debt securities not inconsistent with the terms and provisions of the indenture.

The terms on which debt securities may be convertible into or exchangeable for common stock or other securities of Dow or a third party will be set forth in the prospectus supplement relating to such offering. Such terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at the option of Dow. The terms may include provisions pursuant to which the number of shares of common stock or other securities to be received by the holders of such debt securities may be adjusted.

The prospectus supplement also will describe any special provisions for the payment of additional amounts with respect to the debt securities.

If the purchase price of any of the debt securities is denominated in one or more foreign currencies or if the principal of, or any premium and interest on, any series of debt securities is payable in one or more foreign currencies, the restrictions, elections, general tax considerations, specific terms and other information with respect to such debt securities and such foreign currency or currency units will be set forth in the related prospectus supplement.

Some of the debt securities may be issued as original issue discount securities (bearing no interest or bearing interest at a rate which at the time of issuance is below market rates) to be sold at a substantial discount below their principal amount. The prospectus supplement will describe the federal income tax considerations and other special considerations which apply to any original issue discount securities.

Dow may, without notice to or consent of the holders or beneficial owners of a series of debt securities, issue additional debt securities having the same ranking, interest rate, maturity and other terms as the debt securities initially issued. Any such debt securities could be considered part of the same series of debt securities as the debt securities initially issued.

Denominations, Registration and Transfer

The debt securities may be issued as registered securities. Debt securities may be issued in the form of one or more global securities, as described below under the section of this prospectus captioned Global Securities. Unless otherwise provided in the prospectus supplement, registered securities denominated in U.S. dollars will be issued only in denominations of $1,000 or any integral multiple thereof. A global security will be issued in a denomination equal to the aggregate principal amount of outstanding debt securities represented by that global security. The prospectus supplement relating to debt securities denominated in a foreign or composite currency will specify the denominations in which the debt securities will be issued.

Registered securities of any series may be exchanged for other registered securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations.

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Debt securities may be presented for exchange as described in the previous paragraph, and registered securities, other than a global security, may be presented for registration of transfer, with the form of transfer duly executed, at the office of the security registrar designated by Dow or at the office of any transfer agent designated by Dow for that purpose, without service charge and upon payment of any taxes and other governmental charges as described in the indenture. The transfer or exchange will be effected when the security registrar or the transfer agent is satisfied with the documents of title and identity of the person making the request. Dow has initially appointed the trustee as the security registrar under the indenture. If a prospectus supplement refers to any transfer agent initially designated by Dow with respect to any series of debt securities, Dow may at any time cancel the designation of the transfer agent or approve a change in the location through which the transfer agent acts, except that Dow will be required to maintain a transfer agent in each place of payment for the series.

Dow may at any time designate additional transfer agents with respect to any series of debt securities.

In the event of any redemption in part, Dow will not be required to:

- issue, register the transfer of or exchange debt securities of any series during a period beginning at the opening of business 15 days before the date of the mailing of a notice of redemption of debt securities of that series selected to be redeemed and ending at the close of business on the day of mailing of the relevant notice of redemption; or

- register the transfer of or exchange any registered security or portion of any registered security called for redemption, except the unredeemed portion of any registered security being redeemed in part.

Payments and Paying Agents

Unless otherwise indicated in the prospectus supplement, Dow will pay the principal of and any premium and interest on registered securities other than a global security at the office of one or more paying agents designated by Dow. At Dow s option, however, Dow may pay any interest by check mailed to the address of the payee entitled to the interest at the address which appears in the security register. Unless otherwise indicated in the prospectus supplement, payment of any installment of interest on registered securities will be made to the person in whose name the registered security is registered at the close of business on the record date for the applicable interest payment.

Unless otherwise indicated in the prospectus supplement, the principal office of the trustee in New York City will be Dow s sole paying agent for payments with respect to debt securities which may be issued only as registered securities. Any paying agent outside the United States and any other paying agent in the United States initially designated by Dow for the debt securities will be named in the prospectus supplement. Dow may at any time designate additional paying agents, or cancel the designation of any paying agent or approve a change in the office through which any paying agent acts, except that Dow will be required to maintain a paying agent in each place of payment for the series.

All amounts paid by Dow to a paying agent for the payment of principal of and any premium and interest on any debt security that remain unclaimed at the end of two years after the principal, premium or interest has become due and payable will be repaid to Dow and after the repayment the holder of the debt security or any coupon related to the debt security may look only to Dow for the payment of principal of and any premium and interest on the debt security.

Global Securities

The debt securities of a series may be issued in whole or in part in the form of one or more global securities that will be deposited with, or on behalf of, a depositary identified in the prospectus supplement. Global securities may be issued in registered form and in either temporary or permanent form. Unless and until it is

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exchanged for debt securities in definitive form, a temporary global security in registered form may not be transferred except as a whole by:

- the depositary for the global security to a nominee of the depositary;
- a nominee of the depositary for the global security to the depositary or another nominee of the depositary; or
- the depositary for the global security or the nominee to a successor of the depositary or a nominee of the successor.

Unless otherwise indicated in the prospectus supplement, registered debt securities issued in global form will be represented by one or more global securities deposited with, or on behalf of, The Depository Trust Company, New York, New York, which we refer to as DTC, or another depositary appointed by Dow, and registered in the name of the depositary or its nominee. The debt securities will not be issued in definitive form unless otherwise provided in the prospectus supplement.

DTC will act as securities depositary for the securities. The debt securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC s partnership nominee). One fully registered global security will be issued with respect to each $500 million of principal amount and one or more additional certificates will be issued with respect to any remaining principal amount of debt securities.

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants accounts, thereby eliminating the need for physical movement of securities certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and other similar organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to indirect participants such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of debt securities under the DTC system must be made by or through direct participants, which will receive a credit for the debt securities on DTC s records. The ownership interest of each actual purchaser of each debt security is in turn to be recorded on the direct and indirect participants records. These beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive a written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participants through which the beneficial owner entered into the transaction. Transfers of ownership interests in the debt securities are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in debt securities, except in the event that use of the book-entry system for the debt securities is discontinued.

To facilitate subsequent transfers, all debt securities deposited by participants with DTC are registered in the name of DTC s partnership nominee, Cede & Co. The deposit of debt securities with DTC and their registration in the name of Cede & Co. will effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the debt securities; DTC s records reflect only the identity of the direct participants to whose accounts the debt securities are credited, which may or may not be the beneficial owners. The participants will remain responsible for keeping account of their holdings on behalf of their customers.

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Delivery of notices and other communications by DTC to direct participants, by direct participants to indirect participants, and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the debt securities within an issue are being redeemed, DTC s practice is to determine by lot the amount of the interest of each direct participant in the issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to debt securities. Under its usual procedures, DTC mails an omnibus proxy to Dow as soon as possible after the record date. The omnibus proxy assigns Cede & Co. s consenting or voting rights to those direct participants to whose accounts the debt securities are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal and interest payments, if any, on the debt securities will be made to Cede & Co., as nominee of DTC. DTC s practice is to credit direct participants accounts, upon DTC s receipt of funds and corresponding detail information from Dow or the trustee, on the applicable payable date in accordance with their respective holdings shown on DTC s records. Payments by participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers registered in street name, and will be the responsibility of that participant and not of DTC, the trustee or Dow, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. is Dow s responsibility or the trustee s, disbursement of payments to direct participants shall be the responsibility of DTC, and disbursement of payments to beneficial owners is the responsibility of direct and indirect participants.

A beneficial owner must give notice to elect to have its debt securities purchased or tendered, through its participant, to a tender agent, and shall effect delivery of debt securities by causing the direct participants to transfer the participant s interest in the debt securities, on DTC s records, to a tender agent. The requirement for physical delivery of debt securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the debt securities are transferred by direct participants on DTC s records and followed by a book-entry credit of tendered debt securities to the tender agent s account.

DTC may discontinue providing its services as securities depository with respect to the debt securities at any time by giving reasonable notice to Dow or the trustee. Under these circumstances, in the event Dow does not appoint a successor securities depository, debt security certificates will be printed and delivered.

Dow may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, debt security certificates will be printed and delivered.

The information in this section concerning DTC and DTC s book-entry system has been obtained from sources that Dow believes to be reliable, but Dow takes no responsibility for their accuracy.

Certain Covenants Applicable to Senior Debt Securities

Limitations on Liens

The senior indenture provides that, subject to the exceptions described below and those set forth under Exempted Indebtedness, Dow may not, and may not permit any restricted subsidiary to, create or permit to exist any lien on any principal property, additions to principal property or shares of capital stock of any restricted subsidiary without equally and ratably securing the debt securities. This restriction will not apply to permitted liens, including:

liens on principal property existing at the time of its acquisition or to secure the payment of all or part of the purchase price;

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liens existing on the date of the indenture;

liens on property or shares of capital stock, or arising out of any indebtedness of any corporation existing at the time the corporation becomes or is merged into Dow or a restricted subsidiary;

liens which secure debt owing to Dow or a subsidiary by a restricted subsidiary;

liens in connection with the issuance of tax-exempt industrial development or pollution control bonds or other similar bonds issued pursuant to Section 103(b) of the Internal Revenue Code to finance all or any part of the purchase price of or the cost of construction, equipping or improving property; provided that those liens are limited to the property acquired or constructed or the improvement and to substantially unimproved real property on which the construction or improvement is located; provided further, that Dow and its restricted subsidiaries may further secure all or any part of such purchase price or the cost of construction of any improvements and personal property by an interest on additional property of Dow and restricted subsidiaries only to the extent necessary for the construction, maintenance and operation of, and access to, the property so acquired or constructed or the improvement;

liens arising from assignments of money due under contracts with the United States or any State, or any department, agency or political subdivision of the United States or any State;

liens in favor of any customer arising in respect of payments made by or on behalf of a customer for goods produced for or services rendered to customers in the ordinary course of business not exceeding the amount of those payments;

any extension, renewal or replacement of any lien referred to in any of the previous clauses; and

statutory liens, liens for taxes or assessments or governmental charges or levies not yet due or delinquent or which can be paid without penalty or are being contested in good faith, landlord s liens on leased property, easements and liens of a similar nature as those described above.

Limitation on Sale and Lease-Back Transactions

The senior indenture provides that, subject to the exceptions set forth below under the section of this prospectus captioned Exempted Indebtedness, sale and lease-back transactions by Dow or any restricted subsidiary of any principal property are prohibited (except for temporary leases for a term, including any renewal thereof, of not more than three years and except for leases between Dow and a subsidiary or between subsidiaries) unless the net proceeds of the sale and leaseback transaction are at least equal to the fair value of the property.

Exempted Indebtedness

Dow or any restricted subsidiary may create or assume liens or enter into sale and lease-back transactions not otherwise permitted under the limitations on liens and sale and lease-back transactions described above, so long as at that time and after giving effect to the lien or sale and lease-back transaction, the sum of:

(1) the aggregate outstanding indebtedness of Dow and its consolidated subsidiaries incurred after the date of the indenture and secured by the liens relating to principal property; plus

(2) the aggregate discounted value of the obligations for rental payments in respect to the sale and lease-back transactions relating to principal property;

does not exceed 10% of consolidated net tangible assets.

There are no covenants or provisions contained in the indenture which protect holders of debt securities in the event of a highly leveraged transaction.

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Certain Definitions

The following are the meanings of terms that are important in understanding the covenants previously described:

Consolidated net tangible assets means the total assets of Dow and its consolidated subsidiaries as shown on or reflected in its balance sheet, less:

- all current liabilities, excluding current liabilities that could be classified as long-term debt under generally accepted accounting principles and current liabilities that are by their terms extendible or renewable at the obligor s option to a time more than 12 months after the time as of which the amount of current liabilities is being computed;
- advances to entities accounted for on the equity method of accounting; and
- intangible assets.

Intangible assets means the aggregate value, net of any applicable reserves, as shown on or reflected in Dow s balance sheet, of:

- all trade names, trademarks, licenses, patents, copyrights and goodwill;
- organizational and development costs;
- deferred charges, other than prepaid items such as insurance, taxes, interest, commissions, rents and similar items and tangible assets being amortized; and
- amortized debt discount and expense, less unamortized premium.

Principal property means any manufacturing facility having a gross book value in excess of 1% of consolidated net tangible assets that is owned by Dow or any restricted subsidiary and located within the United States, excluding its territories and possessions and Puerto Rico, other than any facility or portion of a facility which Dow s board of directors reasonably determines is not material to the business conducted by Dow and its subsidiaries as a whole.

Restricted subsidiary means any subsidiary:

- of which substantially all of the property of is located, and substantially all of the business is carried on, within the United States, excluding its territories and possessions and Puerto Rico; and
- that owns or operates one or more principal properties; provided, however, restricted subsidiary shall not include a subsidiary that is primarily engaged in the business of a finance or insurance company, and branches of that finance or insurance company.

Subsidiary means each corporation of which more than 50% of the outstanding voting stock is owned, directly or indirectly, by Dow or one or more of its subsidiaries, or by Dow and one or more of its subsidiaries.

Subordination of Subordinated Debt Securities

Unless otherwise indicated in an applicable prospectus supplement, the following provisions will apply to the subordinated debt securities.

The subordinated debt securities will, to the extent described in the subordinated indenture, be subordinate in right of payment to the prior payment in full of all senior indebtedness (as defined below). Upon any payment or distribution of assets to creditors pursuant to any liquidation, dissolution, winding up, reorganization, assignment for the benefit of creditors, marshaling of assets or any bankruptcy, insolvency, debt restructuring or similar proceedings in connection with any insolvency or bankruptcy proceeding of ours, the holders of senior indebtedness will be entitled to payment in full of any principal, premium, if any, and interest on such senior

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indebtedness, before the holders of the subordinated debt securities will be entitled to any payment in respect of any principal, premium, if any, or interest on the subordinated debt securities. Because of the subordination, our creditors may ratably recover less than the holders of senior indebtedness, and more than the holders of the subordinated debt securities, upon liquidation or insolvency.

If the maturity of any subordinated debt securities is accelerated, the holders at that time of all senior indebtedness then outstanding will first be entitled to receive payment in full of all amounts due thereon, before the holders of the subordinated debt securities will be entitled to receive any payment of any principal, premium, if any, and interest on the subordinated debt securities.

No principal, premium or interest payments may be made in respect of the subordinated debt securities if:

- a default beyond any grace period in any payment of principal, interest or any other monetary amounts has occurred and is continuing regarding any senior indebtedness;
- an event of default resulting in the acceleration of the maturity of any senior indebtedness has occurred and is continuing;
- any judicial proceeding is pending regarding any such default; or
- Dow dissolves, winds-up, liquidates or reorganizes, whether in bankruptcy, insolvency or otherwise.

For purposes of the subordination provisions of the subordinated indenture, the payment, issuance and delivery of cash, property or securities, other than stock and our specified subordinated securities, upon conversion of a subordinated debt security, is a principal payment in respect of the subordinated debt security.

The subordinated indenture does not limit or prohibit the incurrence of additional senior indebtedness, including indebtedness that is senior to the subordinated debt securities, but subordinate to our other obligations. The senior debt securities constitute senior indebtedness under the subordinated indenture.

The term senior indebtedness includes all amounts due on and obligations incurred in connection with any of the following, whether outstanding at the date the subordinated indenture is executed, or incurred or created after the subordinated indenture is executed, unless the instrument creating or evidencing the obligation provides that it is not senior in right of payment to the subordinated debt securities, or is equally senior with or junior to the subordinated debt securities:

- our indebtedness, obligations and other liabilities, contingent or otherwise, incurred for money borrowed or evidenced by bonds, debentures, notes or similar instruments;
- our reimbursement obligations and other liabilities, contingent or otherwise, regarding letters of credit, bankers acceptances issued for our account, interest rate protection agreements or currency exchange or purchase agreements;
- obligations and liabilities, contingent or otherwise, in respect of leases by us as lessee that are accounted for as capitalized lease obligations on our balance sheet in accordance with generally accepted accounting principles;
- all direct or indirect guarantees or similar agreements in respect of, and obligations or liabilities (contingent or otherwise) to purchase or otherwise acquire or assure a creditor against our loss in respect of, indebtedness, obligations or liabilities of another person described in any of the three immediately preceding provisions;

any indebtedness described in any of the four immediately preceding provisions and that is secured by any mortgage, pledge, lien or other encumbrance existing on property owned or held by us, regardless of whether the indebtedness secured thereby has been assumed by us; and

any deferrals, renewals, extensions and refunds of, or amendments, modifications or supplements to, any indebtedness, obligation or liability described in any of the five immediately preceding provisions.

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Senior indebtedness will not include trade accounts payable, accrued liabilities arising in the ordinary course of business or indebtedness to our subsidiaries.

The applicable prospectus supplement may further describe the provisions, if any, applicable to the subordination of the subordinated debt securities of a particular series.

Consolidation, Merger and Sale of Assets

Dow may not merge or consolidate or sell or convey all or substantially all of its assets unless:

- the successor corporation is Dow or is a domestic corporation that assumes Dow s obligations on the debt securities and under the indenture; and
- after giving effect to the transaction, Dow or the successor corporation would not be in default under the indenture.

Events of Default

With respect to any series of debt securities, any one of the following events will constitute an event of default under the indenture:

(1) default by Dow for 30 days in the payment of any installment of interest on the debt securities of that series;

(2) default by Dow in the payment of any principal on the debt securities of that series;

(3) default by Dow in the payment of any sinking fund installment;

(4) default by Dow in the performance, or breach by Dow, of any of the covenants or warranties contained in the indenture for the benefit of the debt securities of that series which is not remedied within a period of 90 days after receipt of written notice by Dow from the trustee or the holders of not less than 25% in principal amount of the debt securities of that series then outstanding;

(5) Dow commences bankruptcy or insolvency proceedings or consents to any bankruptcy relief sought against it;

(6) Dow becomes involved in involuntary bankruptcy or insolvency proceedings and an order for relief is entered against it, if that order remains in effect for more than 60 consecutive days; or

(7) any other event of default established in accordance with a supplemental indenture or board resolution with respect to any series of debt securities.

No event of default described in clauses (1), (2), (3), (4) or (7) above with respect to a particular series of debt securities necessarily constitutes an event of default with respect to any other series of debt securities.

The indenture provides that if an event of default under clauses (1), (2), (3), (4) or (7) above (but only if the event of default under clauses (4) or (7) is with respect to less than all series of debt securities then outstanding) shall have occurred and be continuing, either the trustee or the holders of not less than 25% in aggregate principal amount of the then-outstanding debt securities of the series affected by the event of default, each affected series treated as a separate class, may declare the principal of all the debt securities of each affected series, together with accrued interest, to be due and payable immediately. If an event of default under clauses (4) or (7) above (but only if the event of default under clauses (4) or (7) is with respect to all of the series of debt securities then outstanding) shall have occurred and be continuing, either the trustee or the holders of not less than 25% in the aggregate principal amount of all the debt securities then outstanding, treated as one class, may declare the

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principal of all the debt securities, together with accrued interest, to be due and payable immediately. If an event of default under clauses (5) or (6) above shall have occurred, the principal of all the debt securities, together with accrued interest, will become due and payable immediately without any declaration or other act by the trustee or any holder. If prior to any judgment or decree for the payment of money due being entered or obtained, Dow delivers to the trustee an amount of money sufficient to pay all interest then due and the principal of any securities that have matured (other than through acceleration) and the trustee s expenses and Dow has cured any defaults under the indenture, then such declaration (including a declaration caused by a default in the payment of principal or interest, the payment for which has subsequently been provided) may be rescinded and annulled by the holders of a majority in principal amount of the debt securities of the series then outstanding, each such series treated as a separate class, or all debt securities treated as one class, as the case may be, as were entitled to declare such default. In addition, past defaults may be waived by the holders of a majority in principal amount of the debt securities of the series then outstanding, each series treated as a separate class, or all debt securities treated as one class, as the case may be, as were entitled to declare such default, except a default in the payment of the principal of or interest on the debt securities or in respect of a covenant or provision of the indenture that cannot be modified or amended without the approval of the holder of each debt security so affected.

Notwithstanding the foregoing, at Dow s election, the sole remedy for an event of default specified in clause (4) above relating to the failure by Dow to comply with the covenant in the indenture requiring Dow to file with the trustee copies of the reports and other information it files with the SEC (Dow s SEC filing obligations) and for any failure by Dow to comply with the requirements of Section 314(a)(1) of the Trust Indenture Act of 1939, as amended (the TIA), which similarly requires Dow to file with the trustee copies of the reports and other information it files with the SEC, shall for the first 270 days after the occurrence of such an event of default consist exclusively of the right to receive additional interest on the debt securities of such series at an annual rate equal to 0.25% of the principal amount of the debt securities. This additional interest will accrue on the debt securities from and including the date on which an event of default relating to a failure to comply with Dow s SEC filing obligations or the failure to comply with the requirements of Section 314(a)(1) of the TIA first occurs to but not including the 270th day thereafter (or such earlier date on which the event of default shall have been cured or waived). On such 270th day (or earlier, if such event of default is cured or waived prior to such 270th day), such additional interest will cease to accrue and, if such event of default has not been cured or waived prior to such 270th day, then either the trustee or the holders of not less than 25% in the aggregate principal amount of the debt securities of such series then outstanding may declare the principal of all the debt securities of such series, together with accrued interest, to be due and payable immediately. This provision shall not affect the rights of holders in the event of the occurrence of any other event of default.

The indenture contains a provision entitling the trustee, subject to the duty of the trustee during default to act with the required standard of care, to be indemnified by the holders of debt securities before exercising any right or power under the indenture at the request of the holders of the debt securities. The indenture also provides that the holders of a majority in principal amount of the outstanding debt securities of all series affected, each series treated as a separate class, may direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of such series.

The indenture requires Dow to file annually with the trustee a certificate as to the absence of any default or specifying any default that exists.

Satisfaction and Discharge of Indenture

The indenture with respect to any series, except for the surviving obligations, including Dow s obligation to compensate the trustee and to pay the principal of and interest on the debt securities of that series, will be discharged and canceled upon the satisfaction of specified conditions, including:

payment of all the debt securities of that series; or

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the deposit with the trustee of cash or U.S. government obligations or a combination of cash and U.S. government obligations sufficient for the payment or redemption in accordance with the indenture and the terms of the debt securities of that series.

Modification and Waiver

Dow and the trustee may modify and amend the indenture with the consent of the holders of more than 50% of the principal amount of the outstanding debt securities of each series which is affected. No supplemental indenture may, without the consent of the holders of all outstanding debt securities:

extend the final maturity of, reduce the rate or extend the time of payment of interest on, reduce the principal amount of, or reduce any amount payable on any redemption of, any debt securities; or

reduce the percentage in principal amount of outstanding debt securities of any series, the consent of whose holders is required for any supplemental indenture.

Governing Law

The indenture and the debt securities will be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of laws principles thereof.

Information About the Trustee

The trustee s corporate trust office is located at 2 North LaSalle Street, Suite 1020, Chicago, Illinois 60602. The trustee s principal corporate trust office in New York City is located at 101 Barclay Street, New York, New York 10286.

DESCRIPTION OF WARRANTS

We may issue warrants, including warrants to purchase debt securities, as well as other types of warrants to purchase securities. Warrants may be issued independently or together with any securities and may be attached to or separate from the securities. The warrants are to be issued under warrant agreements to be entered into between us and a bank or trust company, as warrant agent. You should read the particular terms of the warrants, which will be described in more detail in the applicable prospectus supplement. The applicable prospectus supplement will also state whether any of the general provisions summarized below do not apply to the warrants being offered.

Debt Warrants

The applicable prospectus supplement will describe the terms of debt warrants offered thereby, the warrant agreement relating to the debt warrants and the certificates representing the debt warrants, including the following:

the title of the debt warrants;

the aggregate number of debt warrants;

the price or prices at which the debt warrants will be issued;

the currency or currencies, including composite currencies or currency units, in which the price of the debt warrants may be payable;

the designation, aggregate principal amount and terms of the debt securities purchasable upon exercise of the debt warrants, and the procedures and conditions relating to the exercise of the debt warrants;

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the designation and terms of any related debt securities with which the debt warrants are issued, and the number of the debt warrants issued with each debt security;

the currency or currencies, including composite currencies or currency units, in which any principal, premium, if any, or interest on the debt securities purchasable upon exercise of the debt warrants will be payable;

the date, if any, on and after which the debt warrants and the related debt securities will be separately transferable;

the principal amount of debt securities purchasable upon exercise of each debt warrant, and the price at which and the currency or currencies, including composite currencies or currency units, in which the principal amount of debt securities may be purchased upon exercise;

the date on which the right to exercise the debt warrants will commence, and the date on which the right will expire;

the maximum or minimum number of the debt warrants which may be exercised at any time;

a discussion of any material United States federal income tax considerations; and

any other terms of the debt warrants and terms, procedures and limitations relating to the exercise of the debt warrants.

Certificates representing debt warrants will be exchangeable for new certificates representing debt warrants of different denominations, and debt warrants may be exercised at the corporate trust office of the warrant agent or any other office indicated in the applicable prospectus supplement. Before the exercise of their debt warrants, holders of debt warrants will not have any of the rights of holders of the debt securities issuable upon exercise and will not be entitled to payment of principal of or any premium or interest on the debt securities issuable upon exercise.

Other Warrants

The applicable prospectus supplement will describe the following terms of any other warrants that we may issue:

the title of the warrants;

the securities (which may include common stock, preferred stock or depositary shares) for which the warrants are exercisable;

the price or prices at which the warrants will be issued;

the currency or currencies, including composite currencies or currency units, in which the price of the warrants may be payable;

if applicable, the designation and terms of the common stock, preferred stock or depositary shares with which the warrants are issued, and the number of the warrants issued with each share of common stock or preferred stock or each depositary share;

if applicable, the date on and after which the warrants and the related common stock, preferred stock or depositary shares will be separately transferable;

if applicable, a discussion of any material United States federal income tax considerations; and

any other terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants.

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Exercise of Warrants

Each warrant will entitle the holder to purchase for cash the principal amount of debt securities or the number of shares of common stock or preferred stock or depositary shares at the exercise price as will in each case be described in, or can be determined from, the applicable prospectus supplement relating to the offered warrants. Warrants may be exercised at any time up to the close of business on the expiration date described in the applicable prospectus supplement. After the close of business on the expiration date, unexercised warrants will become void.

Warrants may be exercised as described in the applicable prospectus supplement. Upon receipt of payment and the certificate representing the warrant properly completed and duly executed at the corporate trust office of the warrant agent or any other offices indicated in the applicable prospectus supplement, we will, as soon as practicable, forward the securities issuable upon exercise. If less than all of the warrants represented by the certificate are exercised, a new certificate will be issued for the remaining warrants.

DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS

Dow may issue stock purchase contracts that obligate you to purchase from Dow, and obligate Dow to sell to you, a specified or varying number of shares of common stock at a future date or dates. Alternatively, the stock purchase contracts may obligate Dow to purchase from you, and obligate you to sell to Dow, a specified or varying number of shares of common stock or preferred stock at a future date or dates. The price per share of common stock or preferred stock may be fixed at the time the stock purchase contracts are entered into or may be determined by reference to a specific formula set forth in the stock purchase contracts. Any stock purchase contract may include anti-dilution provisions to adjust the number of shares to be delivered pursuant to the stock purchase contract upon the occurrence of specified events.

The stock purchase contracts may be entered into separately or as a part of stock purchase units consisting of a stock purchase contract and, as security for your obligations to purchase or sell the shares of common stock or preferred stock, as the case may be, under the stock purchase contracts, either:

- common stock;
- preferred stock;
- debt securities; or
- debt obligations of third parties, including U.S. Treasury securities.

The stock purchase contracts may require Dow to make periodic payments to you or vice versa, and these payments may be unsecured or prefunded and may be paid on a current or deferred basis. The stock purchase contracts may require you to secure your obligations in a specified manner, and, in some circumstances, Dow may deliver newly issued prepaid stock purchase contracts upon release to you of any collateral securing your obligations under the original stock purchase contract.

The applicable prospectus supplement will describe the specific terms of any stock purchase contracts or stock purchase units and, if applicable, prepaid stock purchase contracts. However, that description will not purport to be complete and will be qualified in its entirety by reference to:

- the stock purchase contracts;
- the collateral arrangements and depositary arrangements, if applicable, relating to the stock purchase contracts or stock purchase units; and

if applicable, the prepaid stock purchase contracts and the document pursuant to which the prepaid stock purchase contracts will be issued.

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PLAN OF DISTRIBUTION

Dow may sell the securities:

- directly to purchasers, or
- through agents, underwriters or dealers, or
- through a combination of any of these methods of sale.

Dow may distribute the securities from time to time in one or more transactions at a fixed price or prices, which may be changed, or at market prices prevailing at the time of sale, at prices related to the prevailing market prices or at negotiated prices.

Dow may determine the price or other terms of the securities offered under this prospectus by use of an electronic auction. Dow will describe how any auction will determine the price or any other terms, how potential investors may participate in the auction and the nature of the underwriters obligations in the related supplement to this prospectus.

Dow may designate agents to solicit offers to purchase the securities from time to time. These agents may be deemed to be underwriters, as defined in the Securities Act of 1933, involved in the offer or sale of the securities. The prospectus supplement will name the agents and any commissions Dow pays them. Agents may be entitled to indemnification by Dow against certain liabilities, including liabilities under the Securities Act of 1933, under agreements between Dow and the agents, and the agents or their affiliates may extend credit to or engage in transactions with or perform services for Dow in the ordinary course of business. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a reasonable efforts basis for the period of its appointment.

If Dow uses any underwriters in the sale of any of the securities, Dow will enter into an underwriting agreement with them at the time of sale and the names of the underwriters and the terms of the transaction will be set forth in the prospectus supplement that the underwriters use to make resales of the securities. The underwriters may be entitled under the relevant underwriting agreement to indemnification by Dow against certain liabilities, including liabilities under the Securities Act of 1933, and the underwriters or their affiliates may extend credit to or engage in transactions with or perform services for Dow in the ordinary course of business.

If Dow uses dealers in the sale of the securities, Dow will sell the securities to those dealers, as principal. The dealers may then resell the securities to the public at varying prices to be determined by them at the time of resale. Dealers may be entitled to indemnification by Dow against certain liabilities, including liabilities under the Securities Act of 1933, and the dealers or their affiliates may extend credit to or engage in transactions with or perform services for Dow in the ordinary course of business.

Shares of Dow common stock are principally traded on the New York Stock Exchange. Shares of Dow common stock also are listed on the Chicago, Pacific, Amsterdam, Berlin, Brussels, Dusseldorf, Frankfurt, Hamburg, Hannover, London, Paris, Switzerland and Tokyo exchanges and are traded on the Toronto, Boston, Cincinnati and Philadelphia Exchanges. Each series of securities will be a new issue and, other than the common stock, will have no established trading market. Dow may elect to list any series of securities on an exchange, and in the case of the common stock, on any additional exchange, but, unless otherwise specified in the applicable prospectus supplement, Dow will not be obligated to do so. Dow can give no assurance as to the liquidity of the trading market for any of the offered securities.

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VALIDITY OF SECURITIES

In connection with particular offerings of the securities in the future, the validity of those securities, other than capital securities, will be passed upon for Dow by Kenneth D. Isley, Dow s Assistant General Counsel Corporate and Financial Law or another of Dow s lawyers named in the applicable prospectus supplement. Unless other indicated in the applicable prospectus supplement, Mayer, Brown, Rowe & Maw LLP, Chicago, Illinois, will act as legal counsel to the underwriters, agents or dealers. Mayer, Brown, Rowe & Maw LLP has from time to time acted as counsel for Dow and its subsidiaries and may do so in the future.

EXPERTS

The consolidated financial statements, the related financial statement schedule, and management s report on the effectiveness of internal control over financial reporting incorporated in this prospectus by reference from the Company s Annual Report on Form 10-K for the year ended December 31, 2006 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference, (which reports (1) express an unqualified opinion on the financial statements and financial statement schedule and include an explanatory paragraph referring to changes in the Company s method of accounting for defined benefit pension and other postretirement plans to conform to Statement of Financial Accounting Standards No. 158, (2) express an unqualified opinion on management s assessment regarding the effectiveness of internal control over financial reporting, and (3) express an unqualified opinion on the effectiveness of internal control over financial reporting), and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

Dow files reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended, or the Exchange Act. You may read and copy that information at the SEC s Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information relating to the Public Reference Room. You may also obtain copies of this information by mail from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, at prescribed rates.

The SEC also maintains an internet site that contains reports, proxy statements and other information about issuers, including Dow, that file electronically with the SEC. The address of that site is http://www.sec.gov.

You can also inspect reports, proxy statements and other information about Dow at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows Dow to incorporate by reference information into this prospectus. This means that Dow can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be a part of this prospectus, except for any information that is superseded by information that is included directly in this document.

This prospectus incorporates by reference Dow s Annual Report on Form 10-K for the year ended December 31, 2006.

Dow also incorporates by reference any future filings it makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until Dow has sold all of the securities to which this prospectus relates or the offering is otherwise terminated. Dow s subsequent filings with the SEC will automatically update and supersede information in this prospectus.

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You may obtain a copy of any of the documents incorporated by reference in this registration statement at no cost by writing to or telephoning Dow at the following address and telephone number:

Office of the Corporate Secretary

The Dow Chemical Company

2030 Dow Center

Midland, Michigan 48674

Telephone: 989-636-1792

Dow has not authorized anyone to give any information or make any representation about Dow that is different from, or in addition to, that contained in this prospectus or in any of the materials that have been incorporated into this document. Therefore, if anyone does give you information of this sort, you should not rely on it. This prospectus is an offer to sell or buy only the securities described in this document, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus speaks only as of the date of this document unless the information specifically indicates that another date applies.

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36,698,005 Shares

The Dow Chemical Company

Common Stock

PROSPECTUS SUPPLEMENT

May 11, 2009