

CYTEC INDUSTRIES INC/DE/  
Form 10-Q  
May 03, 2013  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 10-Q

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QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended March 31, 2013  
Commission file number 1-12372

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CYTEC INDUSTRIES INC.  
(Exact name of registrant as specified in its charter)

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Delaware (State or other jurisdiction of incorporation or organization)	22-3268660 (I.R.S. Employer Identification No).
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Five Garret Mountain Plaza Woodland Park, New Jersey (Address of principal executive offices)	07424 (Zip Code)
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Registrant's telephone number, including area code (973) 357-3100

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See definition of "accelerated filer, large accelerated filer, and smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer

Non-accelerated filer  Small reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

There were 41,945,489 shares of common stock outstanding at April 30, 2013.

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CYTEC INDUSTRIES INC. AND SUBSIDIARIES

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## PART I – FINANCIAL INFORMATION

## Item 1. CONSOLIDATED FINANCIAL STATEMENTS

## CYTEC INDUSTRIES INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended		
	March 31,		
	2013	2012	
Net sales	\$477.4	\$378.1	
Manufacturing cost of sales	337.0	252.9	
Selling and technical services	39.5	33.1	
Research and process development	13.4	12.9	
Administrative and general	31.2	26.6	
Amortization of acquisition intangibles	3.7	0.8	
Earnings from operations	52.6	51.8	
Other (expense) income, net	(0.7	) 0.9	
Loss on early extinguishment of debt	39.4	—	
Equity in losses of associated companies	0.1	—	
Interest expense, net	6.8	8.7	
Earnings from continuing operations before income taxes	5.6	44.0	
Income tax (benefit) provision	(2.4	) 13.8	
Earnings from continuing operations	8.0	30.2	
Earnings from operations of discontinued business, net of tax	30.2	23.4	
Net loss on sale of discontinued operations, net of tax	(4.3	) —	
Earnings from discontinued operations, net of tax	25.9	23.4	
Net earnings	33.9	53.6	
Less: Net earnings attributable to noncontrolling interests	(0.4	) (0.5	)
Net earnings attributable to Cytec Industries Inc.	\$33.5	\$53.1	
Comprehensive income	\$13.3	\$88.5	
Less: Comprehensive income attributable to noncontrolling interest	(0.2	) (0.2	)
Comprehensive income attributable to Cytec Industries Inc.	\$13.1	\$88.3	
Earnings per share attributable to Cytec Industries Inc.			
Basic earnings per common share			
Continuing operations	\$0.18	\$0.66	
Discontinued operations (net of noncontrolling interests)	0.57	0.50	
	\$0.75	\$1.16	
Diluted earnings per common share			
Continuing operations	\$0.17	\$0.65	
Discontinued operations (net of noncontrolling interests)	0.56	0.49	
	\$0.73	\$1.14	
Dividends per common share	\$0.125	\$0.125	
See accompanying Notes to Consolidated Financial Statements			

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CONSOLIDATED BALANCE SHEETS

(Unaudited)

(Dollars in millions, except per share amounts)

	March 31, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$120.5	\$179.3
Trade accounts receivable, less allowance for doubtful accounts of \$4.9 and \$4.7 in 2013 and 2012, respectively	284.3	263.6
Other accounts receivable	40.3	39.1
Inventories	281.5	267.2
Deferred income taxes	37.4	37.8
Other current assets	21.3	18.9
Current assets held for sale	478.9	410.8
Total current assets	1,264.2	1,216.7
Investment in associated companies	1.4	1.7
Plants, equipment and facilities, at cost	1,354.5	1,310.4
Less: accumulated depreciation	(482.4	) (475.1
Net plant investment	872.1	835.3
Acquisition intangibles, net of accumulated amortization of \$47.4 and \$43.9 as of March 31, 2013 and December 31, 2012, respectively	174.1	183.7
Goodwill	517.3	525.3
Deferred income taxes	9.8	8.9
Other assets	80.6	88.7
Non-current assets held for sale	1,041.7	1,061.8
Total assets	\$3,961.2	\$3,922.1
Liabilities		
Current liabilities		
Accounts payable	\$216.9	\$176.4
Short-term borrowings	7.9	3.0
Current maturities of long-term debt	0.6	136.1
Accrued expenses	145.6	174.0
Income taxes payable	27.2	51.4
Deferred income taxes	0.6	0.6
Current liabilities held for sale	245.8	265.9
Total current liabilities	644.6	807.4
Long-term debt	851.8	