



First Quarter 2011 Earnings Review

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April 25, 2011

During the course of this meeting we may make forward-looking statements. All statements that address expectations or projections about the future are forward-looking statements.

Some of these statements include words such as “expects”, “anticipates,” “plans,” “intends,” “projects,” and “outlook.” Although they reflect our current expectations, these statements are not guarantees of future performance because they involve a number of risks, uncertainties, and assumptions.

Included in this presentation are estimates for full year 2011 sales and earnings. These were included in our April 21, 2011 press release, which was also furnished as an exhibit to a current report on Form 8-K. These estimates set forth the Company’s assumptions and management’s best estimate of the full year 2011 sales and earnings at that time based on various assumptions set forth in the press release. There can be no assurance that sales or earnings will develop in the manner then projected or that the results for the year will be consistent with the results then projected. Actual results may differ materially.

We recommend that you review Cytec’s SEC filings for a discussion of some of the factors which could cause actual results to differ materially from its expectations and projections. This and other Cytec information may be accessed at www.cytec.com.

In sections of this presentation certain “non-GAAP” measures are provided and identified as such. We believe that the “non-GAAP” measures can more accurately reflect comparisons of year to year trends and is consistent with how we review the information. A reconciliation of “non-GAAP” measures to the applicable GAAP measure is provided in the appendix at the end of this presentation.

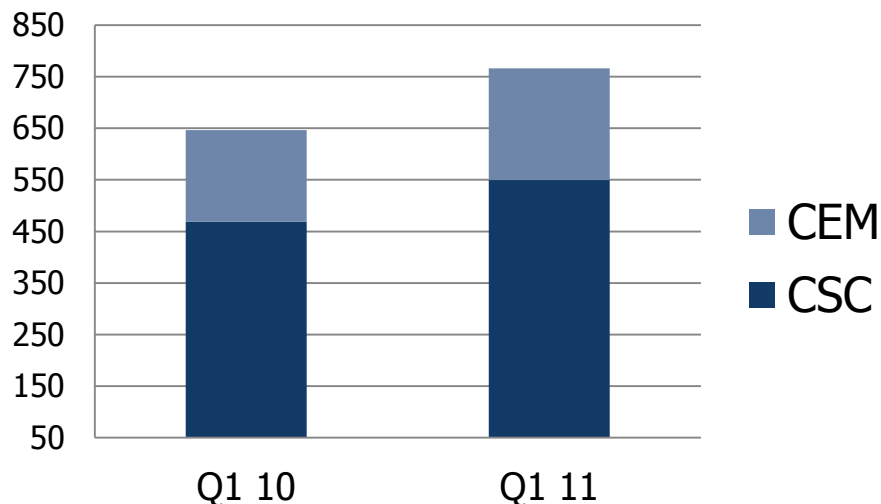
1st Quarter 2011:

Sales of \$766 million

Net Earnings of \$0.78
per diluted share

*(Continuing operations attributable
to Cytec, excluding special items)*

Cytec Sales by Quarter (\$M)



- Overall sales up 18% year on year
 - Volume growth across all segments and regions indicating stronger demand from continued global economic improvement
 - Selling prices cover raw material cost increases
- Overall as-adjusted diluted per share earnings up 34% year on year
 - Improved earnings across all segments
- Sale of Building Block Chemicals completed

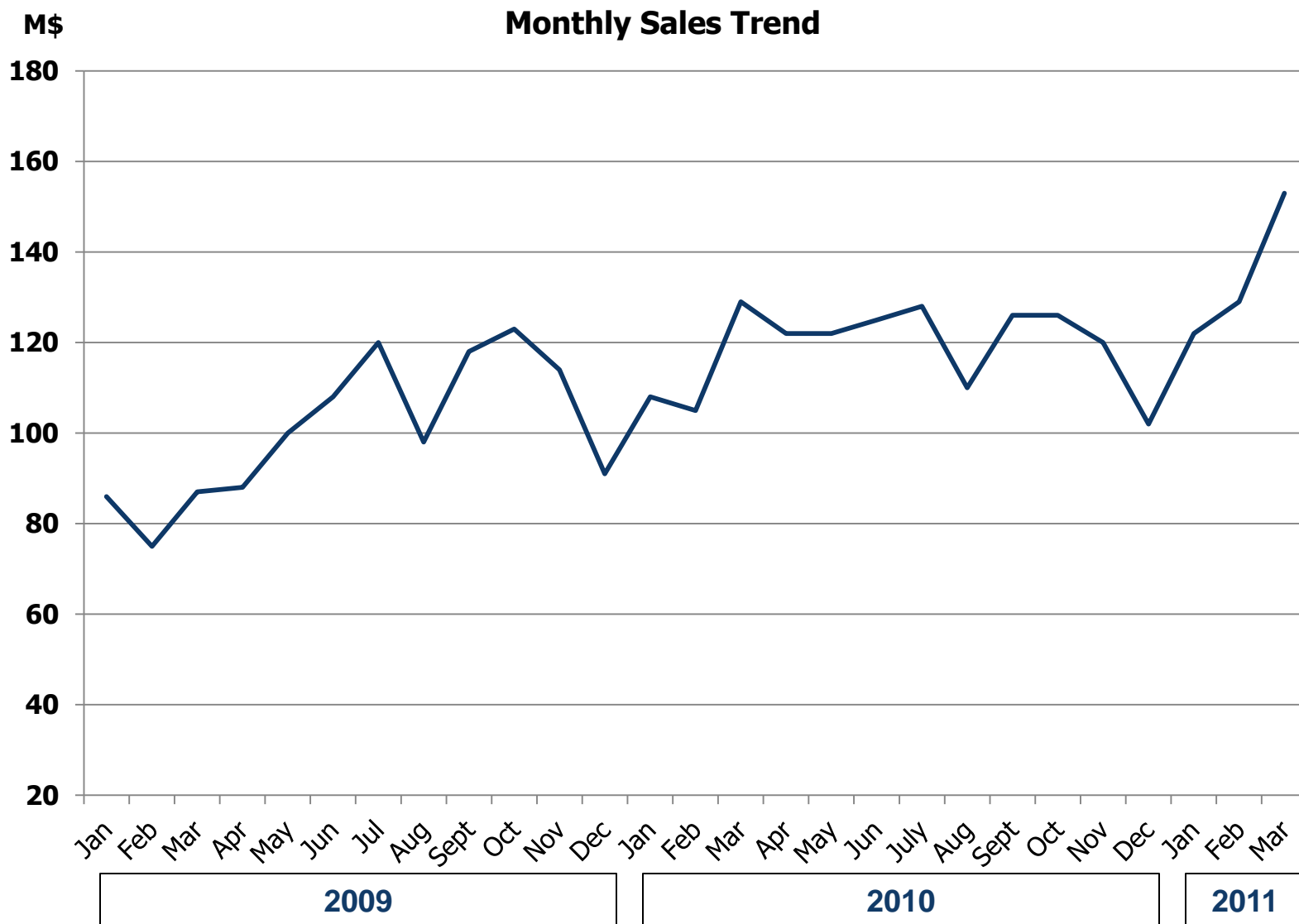
Coating Resins

\$MM USD	Q1 11	Q1 10	% chg
Sales	403.6	341.4	18%
Operating Earnings	18.8	16.8	12%
% Sales	5%	5%	

- Demand improvement led by powder and waterborne resins with strongest growth in Asia and Europe
- Strong sales in March reflecting robust underlying and seasonal demand
- \$36 million in higher raw material costs

Sales Comparison Q1 YOY

Sales Growth	18%
Volume	5%
Price	12%
Currency	1%



Additive Technologies

\$MM USD	Q1 11	Q1 10	% chg
Sales	67.4	62.3	8%
Operating Earnings	8.0	8.4	-5%
% Sales	12%	13%	

- Volume growth lead by specialty additives across most regions
- Lower polymer additives volume due to capacity constraints
- Operating earnings slightly down in the quarter due to higher manufacturing costs related to maintenance

Sales Comparison Q1 YOY

Sales Growth	8%
Volume	3%
Price	4%
Currency	1%

In Process Separation

\$MM USD	Q1 11	Q1 10	% chg
Sales	78.4	65.1	20%
Operating Earnings	16.4	14.9	10%
% Sales	21%	23%	

- Volume growth of 16% led by strong demand in mining chemicals reflecting higher production rates from base metal customers as well as new product commercializations

Sales Comparison Q1 YOY

Sales Growth	20%
Volume	16%
Price	3%
Currency	1%

Engineered Materials

\$MM USD	Q1 11	Q1 10	% chg
Sales	216.6	177.7	22%
Operating Earnings	26.7	21.0	27%
% Sales	12%	12%	

- Robust volume growth lead by higher build rates in large commercial transport, business jet, and rotorcraft markets
- Higher raw material costs of \$6 million primarily due to carbon fiber cost escalation as a result of tight global market supply
- Continued positive outlook and trends for aerospace markets

Sales Comparison Q1 YOY

Sales Growth	22%
Volume	21%
Price	1%
Currency	0%

First Quarter 2011

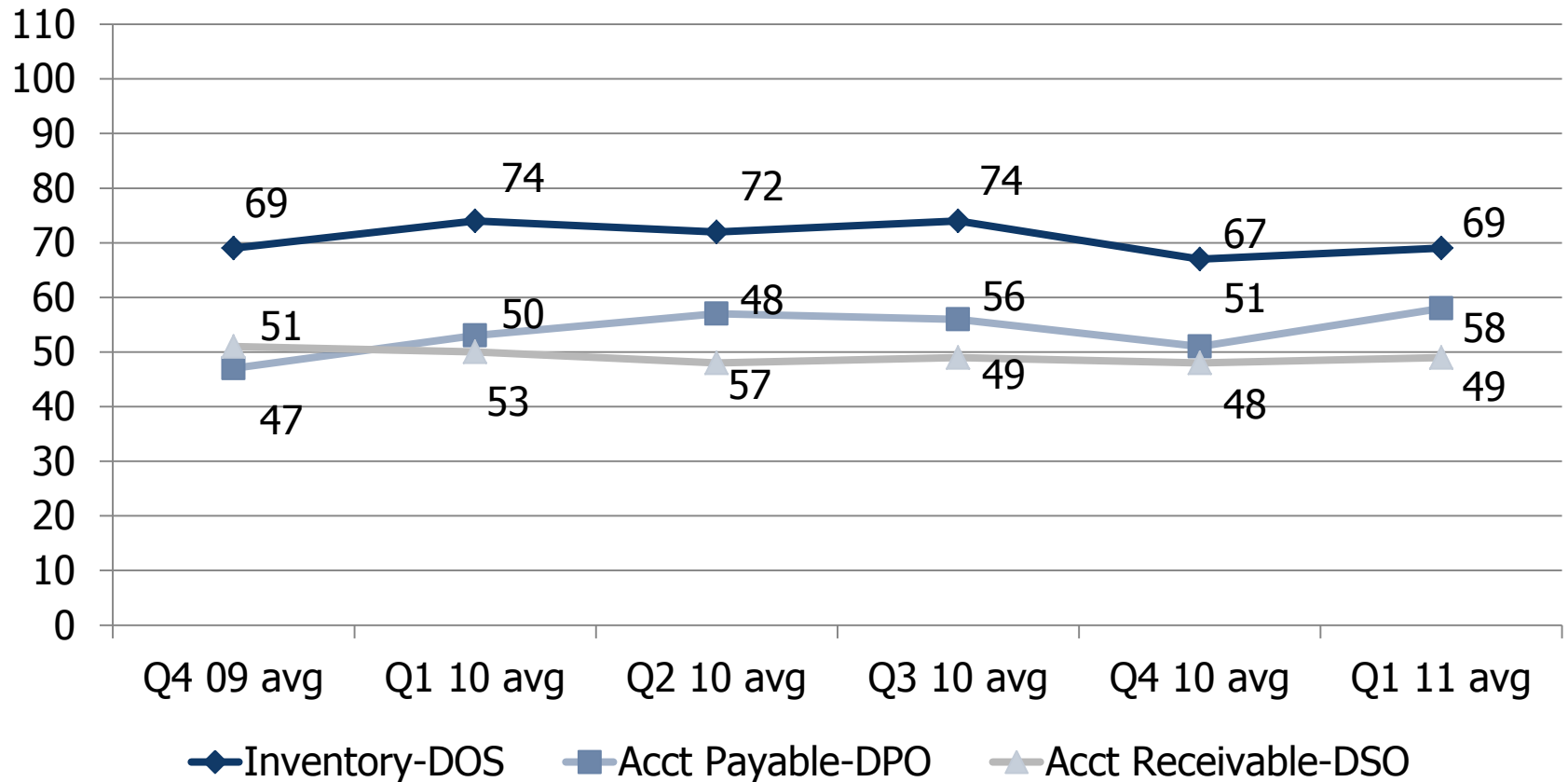
- Special Items:
 - Pre-tax net restructuring credit of \$0.7M
 - Pre-tax charge of \$3.2M related to an increase in environmental liability at an inactive site
 - Pre-tax gain of \$3.3M related to a sale of land at our manufacturing site in Colombia which was shutdown in the second half of 2009
- Discontinued Operations:
 - Completed divestiture of Building Block Chemicals in February 2011 with proceeds of \$145M after-tax (\$36.8M gain after-tax); greater focus on core growth platforms
 - Earnings from two months of operations of \$6.8M after-tax

First Quarter 2011

- As-Adjusted Comments:
 - Gross margin of 23.5% down slightly vs. prior year due to cost escalations
 - Lower Corporate and Unallocated vs. prior year due to reduced consulting costs. Also includes \$1.0 and \$1.4M of costs previously allocated to Building Block Chemicals for Q1 2011 and 2010, respectively.
 - Operating Expenses (as % of sales) are down 1% year on year
 - Estimated annual underlying income tax rate was 31.25%, down 1.25% vs. Q1 '10

Cash flow from continuing operations was \$22M in Q1'11 vs. \$32M in Q1'10

Working Capital Days



Continued Focus on Working Capital

Capital Expenditures

- Q1'11 capital expenditures of \$26M vs. Q1'10 of \$28M
- Outlook for Full Year 2011 is estimated to be \$170 to \$190M

Maintaining Liquidity and Returning Excess Cash to Shareholders

- Cash balance is \$522M, up by \$139M from year-end 2010
- Pension contribution of \$16.3M in the quarter vs. \$16.0M in prior year quarter
- Purchased 440 thousand shares of our common stock for \$24M
- Cash dividend of \$6M

We reiterate our outlook for 2011 full year adjusted continuing EPS of \$3.15 to \$3.50.

Outlook table in Millions

Business Segment	Net Sales	Operating Earnings Guidance
Coating Resins	\$1,500 to \$1,520	\$70 to \$80
Additive Technologies	\$260 to \$280	\$37 to \$40
In Process Separation	\$320 to \$330	\$60 to \$70
Engineered Materials	\$825 to \$845	\$130 to \$140
Total	\$2,905 to \$2,975	\$297 to \$330

Net sales and operating earnings guidance for all business segments remains unchanged

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CYT : NYSE

Reconciliation of “Non-GAAP” Measures to GAAP Measures

Management believes that net after-tax earnings and diluted earnings per share before special items, and gross margins adjusted for special items, which are non-GAAP measures, are meaningful to investors because they provide a view of the Company with respect to ongoing operations. Special items represent significant charges or credits that are important to an understanding of the Company’s overall operating results in the periods presented. Such measurements are not recognized in accordance with generally accepted accounting principles (GAAP) and should not be viewed as an alternative to GAAP measures of performance. The following table summarizes the net special items used to adjust reported net earnings and diluted earnings per share and gross margins for the quarters ended March 31, 2011 and 2010.

Period	Reported Net Earnings from Continuing Operations less Earnings Attributable to Noncontrolling Interests	Net Special Items	Non-GAAP Net Earnings from Continuing Operations Attributable to Cytec	Reported Diluted Continuing Earnings Per Share less Diluted Earnings Per Share Attributable to Noncontrolling Interests	Net Special Items	Non-GAAP Diluted Earnings per Share
Q1’11	\$ 39.6	\$ (0.5)	\$ 39.1	\$ 0.79	\$ (0.01)	\$ 0.78
Q1’10	\$ 21.0	\$ 7.9	\$ 28.9	\$ 0.42	\$ 0.16	\$ 0.58

Period	Reported Cost of Sales	Net Special Items	Adjusted Cost of Sales	GAAP Gross Margin	Net Special Items	Adjusted Gross Margin
Q1’11	\$ 585.6	\$ (0.1)	\$ 585.7	\$ 180.4	\$ (0.1)	\$ 180.3
Q1’10	\$ 488.7	\$ (0.3)	\$ 489.0	\$ 157.8	\$ (0.3)	\$ 157.5