



BUILDING AND CONSUMER



MEDICAL

*Cyanamid
is a diversified pharmaceutical
and consumer-oriented company,
active in leading growth areas
of the economy
and responsive
to basic human needs
throughout the world.*

CYANAMID



AGRICULTURAL



CHEMICAL



LAND DEVELOPMENT AND BUILDING

N9488

American Cyanamid Company

Report of the Board of Directors
for the Year Ended December 31, 1972

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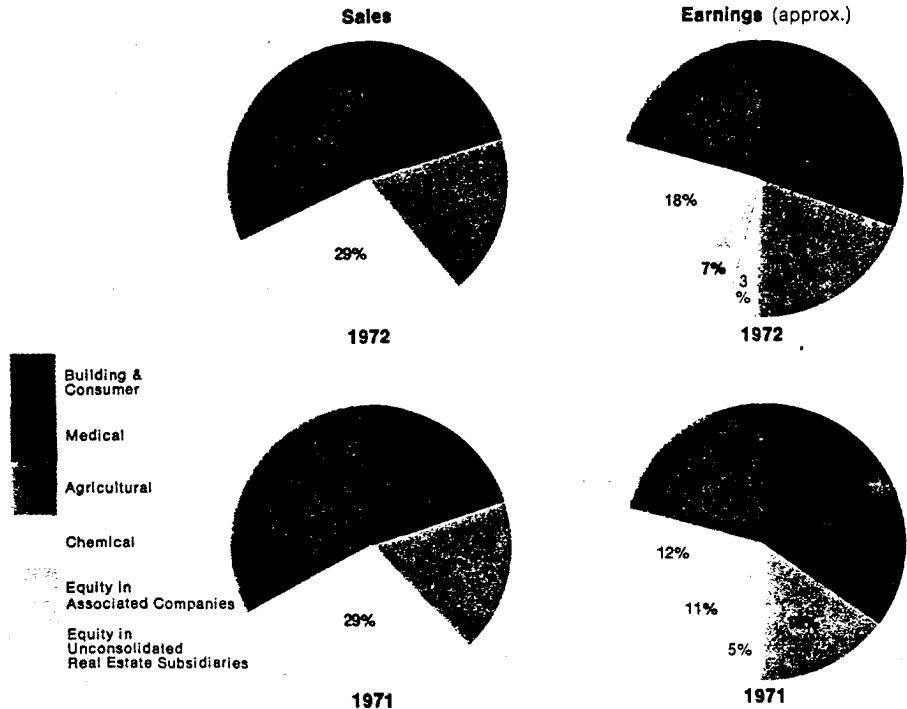
Plants, Laboratories and Offices
back cover

FINANCIAL HIGHLIGHTS

(Dollars in thousands except earnings and dividends per common share)

	1972	1971
Operating Results		
Sales	\$1,358,852	\$1,283,485
Earnings before income taxes	184,180	156,411
Income taxes	75,400	62,300
Net earnings	108,780	94,111
Dividends on common stock paid in cash	60,376	59,422
Net earnings per share common stock	2.24	1.95
Dividends per share common stock	1.25	1.25
Depreciation and depletion	68,350	63,615
Additions to plants, equipment and facilities	72,174	110,869
Year-End Position		
Total assets	\$1,388,806	\$1,281,238
Funded debt	236,579	213,198
Shareholders' equity	897,509	845,525
Shares outstanding at end of year:		
common stock (excluding treasury shares)	48,732,844	48,360,296
Number of shareholders	104,652	111,845
Number of employees	41,380	41,385

Contributions of Major Segments to Sales and Earnings



To Our Shareholders:

I am pleased to report that Cyanamid's 1972 worldwide sales and earnings, shown on the opposite page, reached all-time highs. Our earnings have now broken out of the plateau of the previous six years to a new earnings base. This has been achieved in spite of net selling price declines for our products since 1966 of more than \$115 million.

All four of our major market segments—building and consumer, medical, agricultural, and chemical—contributed to the sales increase in 1972, and record highs were achieved for sales and earnings in markets outside the United States. These foreign sales accounted for 28% of total company sales, indicating the growth and maturity of Cyanamid operations abroad and their importance to the company. In addition, sales of our land development and building business, which are not consolidated with the rest of Cyanamid's, showed a substantial rise over 1971, although earnings were below those of the previous year. Detailed results by quarters appear in the Financial Review section of this report.

Included in the 1972 earnings of \$2.24 per share was a gain amounting to 8¢ per share which resulted from the sale of two wholly owned subsidiaries discussed more fully on page 11 of this report. Even with this 8¢ excluded, the year's earnings were \$2.16 per share, up 11% from \$1.95 in 1971 and above the previous high of \$2.13 in 1966, when fewer shares were outstanding.

Earnings for the fourth quarter of 1972 were \$28,794,000 or 59¢ per share, as compared to \$27,325,000 or 56¢ per share for the same period of 1971. Fourth-quarter sales were \$341,262,000, up 3% from \$330,283,000 a year earlier. In this year-to-year comparison of the fourth-quarter performance, it should be noted that Cyanamid's 1971 quarter was

favorably affected by exchange gains resulting from revaluation of foreign currencies.

For the year 1972 as a whole, the most important factor in the rise of operating earnings above those of 1971 was the higher sales volume. This more than offset increased operating expenses and continued selling price erosion. Year-to-year price declines totaled more than \$15 million, with the declines occurring chiefly in Formica® brand laminated plastics, some antibiotics, and medicated animal feed supplements.

Cyanamid's important acquisitions of 1970 and 1971 deserve particular mention. While the contribution to our 1972 earnings made by Ervin Industries, Inc., our land development and building subsidiary, was less than in 1971, we regard this business as having a high potential for future earnings growth.

Shulton, acquired in 1971, again made a positive contribution to our total 1972 earnings, but its dilution of our per-share earnings has not yet been overcome. As a result of significant marketing gains in several major product lines and the elimination of some less important products, we believe that Shulton now provides us with an excellent base on which to build.

In recent years, our building and consumer segment (Formica, Fibers, Consumer Products, and Shulton) has grown faster than the rest of Cyanamid, as a result of acquisitions as well as internal growth. Our medical segment, of major importance for two decades, remains a substantial contributor. In combination, these two segments now account for more than half our total sales and earnings. In view of this change in the character of our business, we should now be viewed primarily as a worldwide, diversified, pharmaceutical and consumer-oriented company, rather than as a chemical company.



Clifford D. Siverd, Chairman of the Board and Chief Executive Officer

We see attractive and profitable growth prospects throughout Cyanamid in businesses highly diverse in character and worldwide in scope. In many of these businesses we have already achieved leadership—by strength in research, by new product introduction, and by competitiveness in price, customer service, and marketing effort. In these we will maintain market leadership. In those businesses where we have not yet achieved a leading position but where we feel that we have real growth potential, we will intensify our competitive drives. In businesses where greater competitive effort would yield only minor returns, we will maintain our present posture. In a few areas failing to meet our standards of profitability and growth, we will phase out our operations in order to redeploy our resources in businesses promising greater reward, just as we have in the past.

Cyanamid's long-term goals are to generate rewarding profits for its shareholders and at the same time to make substantial contributions to social welfare and progress. Our earnings progress will reflect contributions to health, safety, human dignity, and the quality of our environment throughout the world. We consider a positive social contribution the best way to assure the continued customer loyalty, public acceptance, and

To Our Shareholders (continued)

freedom from undue governmental restraints needed to assure profitable growth.

I have been Cyanamid's president and chief executive officer since September 1967. In October 1972, the board of directors elected me chairman and chief executive officer and named Dr. James G. Affleck president of the company, with primary responsibility for administering Cyanamid's present businesses. This will give me more time to implement strategy and long-range plans which will accelerate the company's future expansion.

Effective January 1, 1973, in order to better reflect their management functions, the following vice presidents of the company were designated senior vice

presidents: J. F. Bourland, T. P. Forbath, B. R. Putnam, G. W. Russell, and N. B. Sommer. Effective on the same date, the titles of the general manager and the assistant general manager of each operating division were changed, respectively, to president and vice president. The latter titles are more appropriate to the size and importance of the businesses carried on by the divisions. See page 24 for a list of the operating divisions and their presidents.

Ernest G. Hesse, a vice president and director, retired in August, after 26 years of loyal and distinguished service to Cyanamid.

The record results of 1972 are now history. The point of real significance is

that our 1972 per-share earnings have broken out of the plateau of recent years. Having achieved this, we are optimistic for the future.

We are sincerely grateful for the continued loyalty of the company's employees, shareholders, customers, and suppliers.

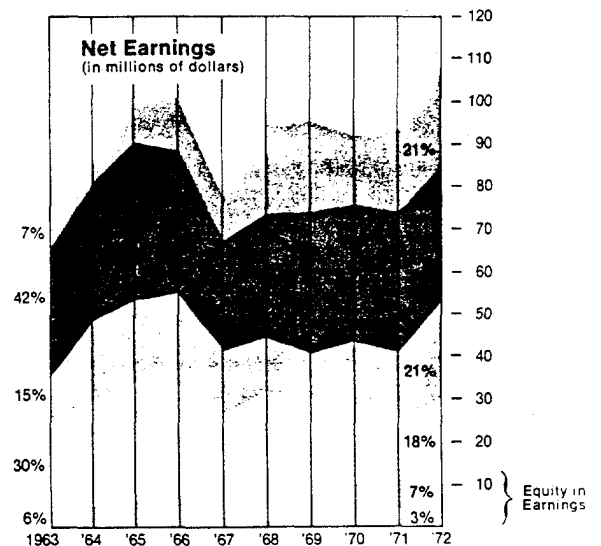
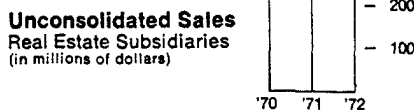
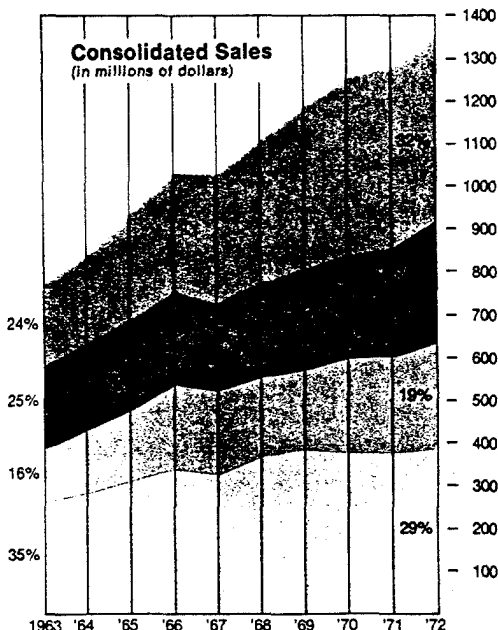
For the Board of Directors



CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Wayne, New Jersey
February 6, 1973

Cyanamid's Major Markets, 1963-1972



The highlights of 1972 in Cyanamid's major market segments, as well as its unconsolidated land development and building business, are given in the following pages. Additional information on sales and earnings appears in the Financial Review on page 16. Page 24 contains a list of Cyanamid's operating divisions and principal subsidiaries and their more important product lines.

Building and Consumer

	1972	1971
Worldwide Sales (\$ millions)	\$442	\$427
% Total Sales (approx.)	32%	33%
Earnings (\$ millions—approx.)	\$ 23	\$ 20
% Total Earnings (approx.)	21%	21%

Worldwide sales of building and consumer products were higher in 1972 than in 1971, with the principal contributors to the sales increase being the specialty building products marketed by Formica Corporation and Creslan® acrylic and I R C polyester fibers. Sales of the Breck® hair-care preparations and the household products were about the same as a year ago, as were sales of the Shulton cosmetics and toiletries. Shulton's sales performance was affected by the elimination of some of the less important products from its line.

Despite price declines for Formica® brand laminated plastics and increased expenditures for advertising and sales promotion for Shulton, 1972 earnings for the building and consumer segment rose. The principal contributors to the earnings increase were fibers, Breck hair-care preparations, and Formica brand products.

Joining the well-known line of Breck hair-care products in 1972 were, top, Breck creme rinse spray and Breck Basic® hair spray with protein texturizers. Shulton products include the Nina Ricci L'Air du Temps® fragrance with familiar Laliqne crystal dove, above left, popular Old Spice men's toiletries, sold in London department store, above right, and complete line of Pierre Cardin toiletries for men.



Formica Corporation: Domestic sales of Formica® brand laminates and panel products set new highs in 1972, reflecting the continued strength of home building and remodeling. The market showed enthusiasm for Formica's new dimensionally surfaced laminates. The Formica brand line of textured, deep-etched, and embossed laminates achieved substantial sales volume.

Throughout the year, design presentations to various furniture and fixture manufacturers were made which resulted in additional business with these increasingly important market segments.



Creslan acrylic fibers are used in hand-knitting yarns and colorful knit apparel, above, and in recently introduced printed carpets, below.



Panel products made an increased contribution to Formica's overall sales. Expansion of wholesale distribution and market exposure of Formica's moisture-resistant wall-paneling added impetus to sales for use in such high-humidity areas as bathrooms. Sales of Sanitas® and Wallclad® vinyl-coated wall coverings also increased.

In markets abroad, sales of Formica products in Canada rose sharply, as did sales in Latin America. During the year a new printing facility was completed to support Cyanamid de Mexico's production of Formica decorative laminates. A significant contribution to earnings in this area was made also by an associated company, Formica International Limited, and its subsidiaries, which manufacture and market Formica laminates in countries outside the Western Hemisphere.

Agreement in principle has been reached with Powers Regulator Company of Skokie, Illinois, for the acquisition for cash by Powers of Cyanamid's Fiat facilities in the United States and Canada, subject to final approval of both companies. Fiat manufactures and sells a line of laundry and bathroom fixtures.

Fibers: Sales in 1972 established new highs for both Creslan® acrylic fibers and I R C polyester yarns for tire and industrial applications.

For Creslan fibers, apparel sales were strong throughout the year, with important gains continuing in the knitwear and hand-knitting yarn markets. The addition of major new accounts contributed to this performance.

Creslan carpet fiber sales were slightly lower than in 1971. We are encouraged, however, by our new, highly resilient acrylic carpet fiber and by the increased use of Creslan in the growing, luxurious plush carpet constructions. Sales of acrylic fibers into other home-furnishings markets increased during 1972.

The expansion completed during 1971 at the acrylic fibers plant near Pensacola, Florida, provided increased production of Cyanamid's newer acrylic fibers to meet the higher market demands in 1972.

For I R C, the additional polyester production facilities completed late in 1971 enabled us to meet increased customer requirements in 1972 and put us in



Increased television advertising and new container sizes helped to promote these household products.

a position to satisfy increased demands projected for 1973. I R C discontinued rayon production during the fourth quarter of 1972, as scheduled, and many of the end-use requirements for rayon are now being satisfied by I R C polyester yarns. The effect on earnings of the discontinuance of rayon production was minor.

Fiber sales and profitability outside the United States were bolstered by the continued growth of a 40%-owned associated company, Cyanenka, S.A., the leading supplier of acrylic fibers in Spain. Cyanenka serves a market that shows a steadily increasing demand for high quality home furnishings and apparel made from acrylics. Production capacity has been increased several times since Cyanenka was organized in 1966.

Consumer Products: Breck maintained its position as one of the leaders in the

At new training center in Sao Paulo, Brazilian workers learn correct techniques for application and use of Formica decorative laminates.



hair-care field in 1972. While Breck® hair-care preparations as a group failed to achieve a year-to-year sales gain, there was a substantial rise for Breck's Gold Formula line of shampoos. This was significant, since this Breck line continued to outpace the overall growth of the shampoo market. Sales of Breck® hair sprays also showed increases.

Among the household products, sales of Pine-Sol® liquid cleaner rose substantially, and despite growing competition it maintained its top dollar position in the U.S. liquid cleaner market for the third consecutive year.

Aggressive advertising and promotion were continued for both Breck and household products, with major brands receiving top attention. Commercial messages were carried on a wide variety of television programs, including many of the most popular shows on the major networks. Balancing its television advertising, Breck continued its famous Breck Girl pastel series in the most widely read women's magazines.

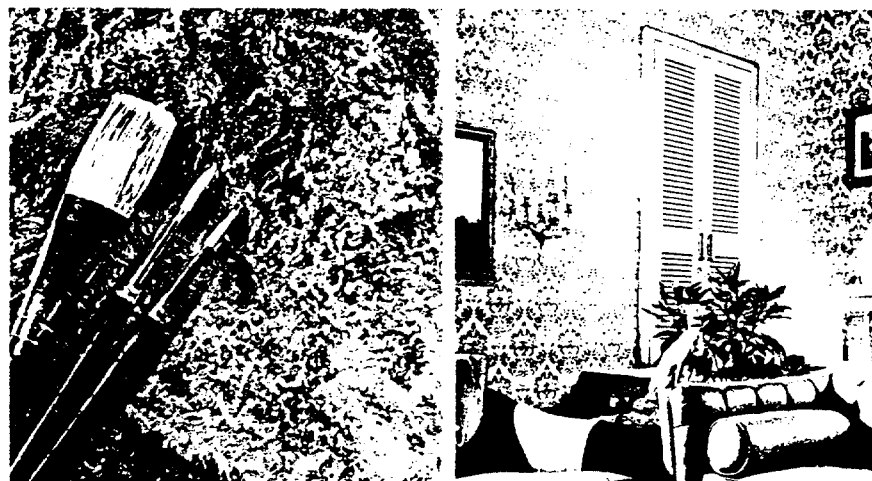
Shulton: Worldwide sales of Shulton cosmetics and toiletries in 1972 showed a small year-to-year increase. However, worldwide sales of Shulton's most important products, Old Spice® after-shave lotion and cologne, ran well ahead of the 1971 level.

Distribution of fine fragrances through Shulton's subsidiary, Jacqueline Cochran, Inc., has become an excellent growth area for Shulton. In 1972, as in each of the past several years, sales of Nina Ricci* perfumes climbed sharply, and this brand has now achieved one of the leading positions in its field. Bigarade*, a new, light Nina Ricci fragrance created in Paris, was launched in the United States during 1972, and response is most encouraging. In addition, first-year national sales of the Pierre Cardin* collection of prestige grooming aids for men exceeded expectations.

The announcement by the Food and Drug Administration in September banning all further manufacture and shipment of over-the-counter drugs and cosmetics containing more than 0.1% of hexachlorophene affected a number of Shulton products, particularly deodor-

ants, antiperspirants, and Christmas gift sets. Shulton had already developed new product formulations without hexachlorophene and had initiated production of them. However, its stock of these new formulations was insufficient to meet retailer demand, and the resulting sales and inventory losses, plus some reworking costs, adversely affected Shulton's earnings.

Operating economies within Shulton were accomplished in a variety of ways. One was the elimination of some marginal products from Shulton's extremely broad line, thus making possible inventory reductions, more efficient production runs, and greater stress on Shulton's more important products. In addition, there has been a consolidation of Shulton's manufacturing facilities.



"Quatramatic" wood grain stylings, new colors and patterns for counter and table tops, above, and dimensional laminates like the "Bronze Tableau" pattern, left, were introduced by Formica in 1972. "Triumphe," right, is a new flocked design from Sanitas and Wallclad vinyl-coated wall coverings.

*Trademark



Medical

	1972	1971
Worldwide Sales (\$ millions)	\$273	\$256
% Total Sales (approx.)	20%	20%
Earnings (\$ millions—approx.)	\$ 33	\$ 33
% Total Earnings (approx.)	30%	35%

U.S. sales of medical products in 1972 were about the same as in 1971. In markets abroad, medical sales increased substantially. Even though there were selling price declines for some antibiotics, worldwide medical earnings were approximately the same as in 1971.

In the United States, most major product groups contributed to the sales increase, but total sales of antibiotics were down owing to the loss of Achrocidin® tetracycline-antihistamine-analgesic compound, an important combination drug product removed from the U.S. market by order of the Food and Drug Administration in December, 1971. However, 1972 sales of Lederle's other broad-spectrum antibiotics were higher than the year before, with Minocin® minocycline, introduced during the fourth quarter of 1971, an important contributor. There was also a year-to-year sales gain for Achromycin® tetracycline resulting from new marketing approaches instituted at the beginning of 1972.

The year 1972 marked the twenty-fifth since Lederle introduced the first of the broad-spectrum antibiotics, Aureomycin® chlortetracycline, initially marketed in 1948. Minocin represents the fourth major

Intravenous preparation of Minocin minocycline for hospital use, top, was one of two new dosage forms approved by the FDA for the fourth in the series of broad-spectrum antibiotics from Lederle research. Demand for Myambutol ethambutol in places such as Taiwan, left center, increased worldwide sales of the anti-TB drug. Diagnostic test kits, right center, and several new steroids and hematinics, left foreground, were added to the established Lederle product line.

product resulting from Lederle's quarter-century of effort in this field.

Late in 1972 the Food and Drug Administration approved two important new dosage forms of Minocin, an intravenous preparation and a syrup, an action which is expected to increase the market penetration of this latest of the semi-synthetic broad-spectrum antibiotics. In addition, the FDA approved additional claims for Minocin for treatment of syphilis and for treatment of human carriers of the organism which causes meningococcal meningitis. These approvals are expected to further broaden its use.

Overseas, Minocin sales showed significant gains in the first full year this new antibiotic was on the market. Additional sales increases are anticipated in 1973 as Minocin moves closer to full potential with its introduction in several new major markets in Europe.

Lederle's line of vitamins and hematinics and its steroid products also enjoyed sales gains, with both groups strengthened by introduction of several new products.

The Food and Drug Administration has recently been directed by court order to observe a timetable in completing implementation of its Drug Efficacy Study. An estimate of the final effect upon the Lederle products affected cannot now be made. As previously reported, among the products involved, four have been considered most immediately important. Sales of Achrocidin, removed from the market in 1971, were by far the largest of the group. The three presently remaining on the market are Achrostatin® tetracycline and nystatin, Declostatin® demeclocycline and nystatin, and Aristomin® steroid-antihistamine. New studies have been submitted to the FDA by Lederle with respect to Achrostatin and Declostatin, and protocols for further study are being designed for Aristomin.

In the field of Davis & Geck's surgical products, there has been a continuing accumulation of successful clinical experience with Dexon®, the only synthetic

absorbable sutures commercially available. The result was a sizable increase in 1972 U.S. sales of Dexon over those of the introductory year 1971. Many large hospitals, including major teaching institutions, significantly broadened their usage of Dexon in 1972.

To aid in the U.S. marketing of Dexon, the domestic sales force is being significantly expanded and supplied with increased technical support and promotional material. Research and testing programs are now under way to further broaden the use of Dexon in surgery. We have set our sights on obtaining a significant increase in Davis & Geck's share of the worldwide sutures market, and we are making the capital investment and marketing effort necessary to achieve this.

Outside the United States, Davis & Geck sales rose considerably, largely because of increased sales of Dexon sutures, mostly in European markets. During the year Dexon was introduced in all major distributor markets in Europe. An additional factor was growing acceptance in the United Kingdom and Germany as surgeons became more familiar with the distinct advantages of Dexon.

Ground was broken in Puerto Rico during the fourth quarter of 1972 for a major new plant to produce Dexon. A fully integrated facility, it will be an important factor in the supply of worldwide Dexon suture requirements, supplementing other extensive suture-producing facilities in the United States and abroad. The new plant will cost over \$10 million and will be the first built exclusively for the production of Dexon.

The year brought further increases in sales of Cyanamid's antituberculosis drug, Myambutol® ethambutol, both in the U.S. and abroad, with high demand in those countries where tuberculosis still is a major health problem. To aid in meeting local demands, production units were completed in Venezuela and Taiwan.

The addition of Lederle products to the Lederle Novalis line in France has enabled that subsidiary to begin making

important contributions to international performance. Full-scale marketing of Minocin and Dexon resulted in substantial increases in medical sales in Germany. Lederle Japan, an associated company, also continued to maintain its high sales level during the year, particularly after Minocin was approved for use under the government health insurance program.

During the year our medical research effort was further expanded. There has been a significant change in the general profile of disease problems. The lengthening of the life span resulting from the progress which has been made in the treatment and prevention of infectious disease problems has resulted in a shift to the challenges posed by the chronic and degenerative diseases, which usually require long-term therapy. Lederle's present research emphasis reflects this. We are looking for the kind of drugs that will help prolong life and make the added years more productive and meaningful. Progress is being made with the new research approaches required in seeking agents effective in these types of disease. A number of promising products are now under investigation although many are still some distance from the market.

Lederle President Robert A. Schoellhorn, right, and Governor Luis A. Ferré inaugurate the groundbreaking ceremonies held in October, 1972, for a major new plant to produce Dexon synthetic absorbable sutures, in Manati, Puerto Rico.



Agricultural

	1972	1971
Worldwide Sales (\$ millions)	\$256	\$228
% Total Sales (approx.)	19%	18%
Earnings (\$ millions—approx.)	\$ 23	\$ 15
% Total Earnings (approx.)	21%	16%

Agricultural products in 1972 showed higher year-to-year increases in world-wide sales and earnings than any of the other three major segments of Cyanamid's business. Gains were strong both in the United States and abroad.

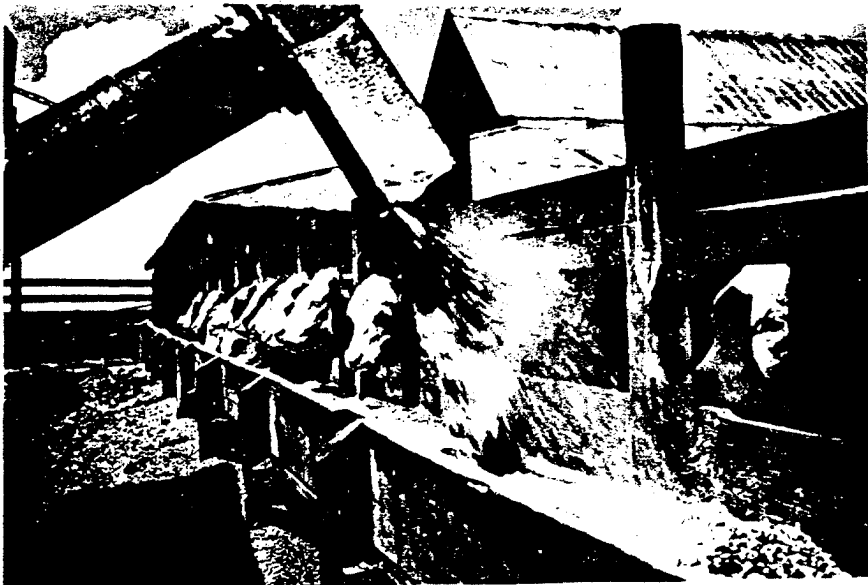
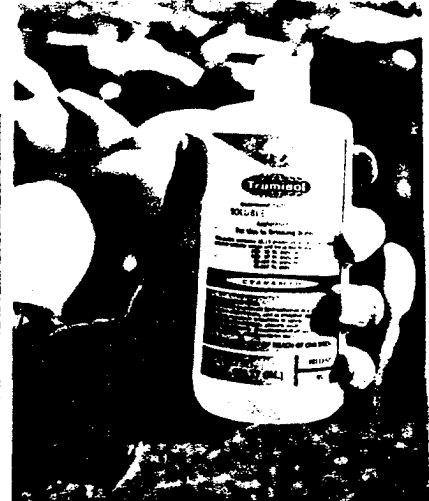
Domestic sales of animal industry products substantially exceeded those of 1971. The principal gains were made in animal health products, paced by Tramisol® levamisole, Cyanamid's broad-spectrum dewormer for cattle and swine. Tramisol, the only dewormer effective against the lungworm, a widespread infection in these animals, has a broader spectrum than any competing product. Two new dosage forms were introduced during 1972: a feed form for cattle and swine, and a drinking-water preparation for swine.

The line of professional veterinary pharmaceuticals, introduced late in 1971, continued its success with veterinarians.

In December the U.S. Food and Drug Administration approved Robenz® robenidine, a new high-potency coccidiostat active against an unusually wide spectrum of microscopic intestinal parasites, known as coccidia, which cause growth-impairment and even death in poultry. Marketing began in January 1973 in the United States, where the total market for coccidiostats is about \$28 million.

This product was introduced during 1972 in a number of important foreign

Agricultural products helping to increase the world's food supply and protect the environment include, from top, Robenz robenidine, a new high-potency poultry coccidiostat; Abate® larvicide, used in mosquito control programs in the Middle East; non-persistent Cygon systemic insecticide for tomatoes and other vegetable crops; Tramisol levamisole broad-spectrum dewormer, available in new dosage forms; and medicated feed additives for preventing disease and promoting growth in livestock.



markets, where it met with excellent reception. The overseas market for coccidiostats is about the same size as in the U.S. Following the first full year of marketing in the United Kingdom, it is estimated that robenidine, sold under the Cycostat® trademark, is now being fed to 50% of the broilers being raised there commercially. Cycostat also has been well accepted in Brazil, Argentina, Ireland, Spain, and the Middle East. Registrations by national health boards indicate robenidine will be available in all major poultry-producing nations by the end of 1973. A rapid expansion of global sales is expected.

A high level of demand continued for Payzone® nitrovin, a non-antibiotic growth promoter sold in many countries outside the United States. Marketing efforts have been concentrated in Europe, and more than half the broilers being raised for consumption there are now receiving Payzone in their diets. Payzone has also been effective in promoting more rapid weight increase in swine.

Following extensive field trials, Payzone was registered for the swine market in the United Kingdom, Sweden, and France during 1972 with gratifying initial sales. Registrations have been completed in other major swine markets and additional product launches are scheduled for 1973.

In the important medicated animal-feed-supplement business, domestic physical volume was higher than in 1971, but dollar sales were lower because of lower selling prices. A new unit for production of feed-grade Aureomycin® chlortetracycline was completed during the year at Hannibal, Missouri, to enable Cyanamid to meet future increases projected in the demand for medicated feed supplements. A new plant for production of Cyphos® feed phosphates was completed during 1972 at the same location to support the continued rise in domestic sales of these feed minerals, and production from the new Cyphos plant completed at the end of 1971 in the Welland plant near Niagara Falls, Ontario, contributed to an increase in 1972 Canadian sales of agricultural products.

A pending policy statement and proposed new regulations by the U.S. Food and Drug Administration are expected to require additional research to demon-

strate again the safety of disease-preventive levels of antibiotics and sulfonamides used in feeds for livestock and poultry. However, the results of twenty-five years of research already available in scientific literature support the belief that there is no hazard to humans or animals in the continued use of these products in animal feeds—a belief further supported by a recent statement made by a special committee of the Agricultural Research Institute, a unit of the National Research Council of the National Academy of Sciences.

Domestic shipments of pesticides in pounds were higher than in 1971, but dollar sales were about the same in both years because of changes in the product mix. Market-share increases were achieved for Cythion® insecticide 'The Premium Grade Malathion'*, Thimet® soil and systemic insecticide, and Cygon® systemic insecticide. This increased acceptance reflected concern over the impact of certain competitive insecticides on the environment because of their persistence or toxicity.

Sales of pesticides overseas were above those of the previous year. Large quantities of Cyolane® and Cytrolane® insecticides were shipped to the Middle East for use by cotton farmers. Malathion ULV was in heavy demand in public health programs. Large quantities were used, for example, to control malaria in Iran and to prevent a recurrence of equine encephalitis in Latin America. And because of its safety, malathion is used frequently in combination products formulated locally, particularly in Latin American countries.

Although major federal pesticide legislation enacted in 1972 will increase the

time and expense required to develop and market new insecticides, fungicides, and herbicides, Cyanamid is increasing its research effort in the plant industry field, both in the U.S. and abroad. If the world's food supply is to be increased to meet the needs of the rapidly growing world population, development of environmentally acceptable chemicals for controlling plant pests and diseases and for regulating plant growth must be continued. In Cyanamid's view, research in this field, while difficult, can be rewarding.

Overseas, the new Cyanamid agricultural experiment station at Los Baños, The Philippines, began operation in 1972. Potential new plant products and pesticides are being tested there on crops and insects indigenous to tropical and subtropical climates.

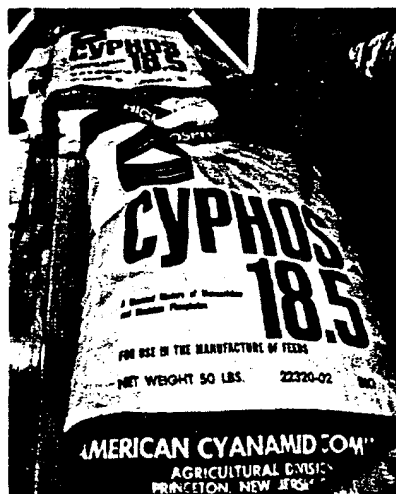
Domestic sales of fertilizers were higher than in 1971. Prices strengthened throughout the year, although price controls limited the degree of improvement. A worldwide shortage of phosphate fertilizers created high demand in export markets, resulting in prices considerably higher than those permitted domestically, and sales of these products increased abroad.

Brewster Phosphates, the partnership with Kerr-McGee Corporation formed during 1971, is functioning well and is providing the economic advantages anticipated from its formation.

On August 8, 1972, the company announced that negotiations were under way with C F Industries, Inc., a major farm cooperative organization, for the sale of our U.S. retail and wholesale plant food business. In the course of these negotiations the decision was made to sell separately the 120 retail Farm Service Centers to a number of other buyers. We expect to complete the disposition of all of these units during the first quarter of 1973.

On January 29, 1973, the company decided to continue operation of the wholesale portion of the business, and accordingly negotiations with C F Industries were terminated.

New production units for Cyphos phosphates, a mineral nutrient used in animal feeds, and for feed-grade Aureomycin chlortetracycline were completed at Hannibal, Mo., in 1972.



*Trademark

Chemical

	1972	1971
Worldwide Sales (\$ millions)	\$388	\$372
% Total Sales (approx.)	29%	29%
Earnings (\$ millions—approx.)	\$ 19*	\$ 12
% Total Earnings (approx.)	18%	12%

*Includes \$4,051,000 resulting from gain on sale of Farmer Electric Products Co., Inc., and Control Print Corporation.

Sales of chemicals showed a year-to-year rise in 1972 both in the U.S. and abroad. This growth would have been substantially greater except that some marginal product lines were eliminated, with greater concentration placed on high-technology specialty products.

The year-to-year increase in earnings for 1972 resulted from higher volume coupled with stringent programs of cost-control. The comparison year, 1971, included a flood loss in excess of insurance proceeds of approximately \$1.7 million.

The domestic sales increase, reflecting the strengthening of the U.S. economy, was spread over many product lines. Sales volumes of both titanium dioxide and colored pigments in 1972 reached record levels. Demand for titanium dioxide was strong, with resulting firm prices and occasional product shortages.

Cyanamid's plastics business showed an outstanding recovery from the depressed levels of 1971. Sales of Acrylite® cast acrylic sheet, molding compounds, polyester resins, and coating resins all registered excellent gains.

Shipments of mining chemicals rose, and sales of water-treating chemicals showed sizable growth as Cyanamid

New chemical plants were completed at Andersonville, top, for processing bauxitic ore used in making alum, and Azusa, left center, where hydrotreating and desulfurization catalysts are produced. Increased emphasis on industrial safety stimulated demand for safety hats, ear protectors, and other safety devices made by Glendale Optical Co., Inc. Dredge and floating wet mill, left, are part of joint venture with Union Camp Corporation in northern Florida for titanium ore production.

continued to capitalize upon its basic position in flocculating polymers for water- and waste-treatment. Sales of rubber chemicals, specialty elastomers, and plastics additives rose also.

Sales of catalysts to the U.S. petroleum industry declined substantially as a result of the lull in new refinery construction—a lull which will apparently persist throughout 1973. Fortunately, the domestic decline was offset in part by increased sales of refinery catalysts abroad. Sales of adhesives and honeycomb core to the U.S. aerospace industry declined also.

As part of Cyanamid's program of withdrawing from businesses failing to meet its standards of profitability and growth, U.S. sale of dynamite and blasting caps was discontinued in April. However, Cyanamid continues with the sale of ammonium nitrate in various forms for industrial explosives use.

As part of the same program, Cyanamid announced the phasing out of the Decision Making Systems Department. Two wholly owned subsidiaries which formed part of this department were sold—Farmer Electric Products Co., Inc., and Control Print Corporation. The gain on these sales amounted to \$4,051,000 or 8¢ per share.

A number of new chemical production facilities were completed or under construction during 1972. Among the more important, construction was begun at Willow Island, West Virginia, on an installation to produce beta-naphthol and certain of its derivatives, used principally as intermediates in the manufacture of dyes, pigments, and rubber chemicals. Cyanamid is the only manufacturer of beta-naphthol in the United States.

Operation of the new melamine unit in the Fortier plant at New Orleans, Louisiana, made it possible to close small, obsolete melamine units at Wallingford, Connecticut, and in the Welland plant near Niagara Falls, Ontario. Melamine, which was pioneered by Cyanamid, is used for manufacture of resins for a wide variety of applications.

During 1972 Cyanamid strengthened its position as a leading worldwide supplier of acrylamide, which it likewise pioneered. Acrylamide is used to manufacture products important in paper manufacture and in water purification and waste treatment. The increasing emphasis by industry and government on pollution control is enlarging the market for our water and waste treatment products.

Construction of a new multimillion-dollar acrylamide monomer unit at Fortier, using new catalytic technology developed by Cyanamid, was announced in June. Overseas, ground was broken for a new polyacrylamide flocculant plant near Melbourne, Australia, and the plant was in operation before the end of the year. In addition, construction of another polyacrylamide flocculant unit was begun at Witbank, South Africa, that will be capable of supplying all of the polyacrylamide flocculants required by the mining, paper, sugar, and water-treating industries in both South Africa and South West Africa. These new facilities supplement existing units at Warners, New Jersey, and Bradford, England.

Construction of a new desulfurization and hydrotreating catalyst plant was completed in Azusa, California, and an associated company began construction of another such plant at Tahara, Japan. An expansion of capacity for reforming catalyst production is nearing completion at Willow Island, West Virginia. These units, with Cyanamid's two other catalyst plants in the U.S., one in Canada, one in England, and one owned by an associated company in Holland, will assure Cyanamid's ability to meet the rapidly growing needs of the petroleum industry as it moves to meet the energy requirements of the 1970's.

New equipment was placed in operation at Azusa to produce polyester resins. The new capacity will be required to meet increased demand for these resins in leisure vehicles and boats as well as in furniture and housing.

Construction was begun at Charlotte,

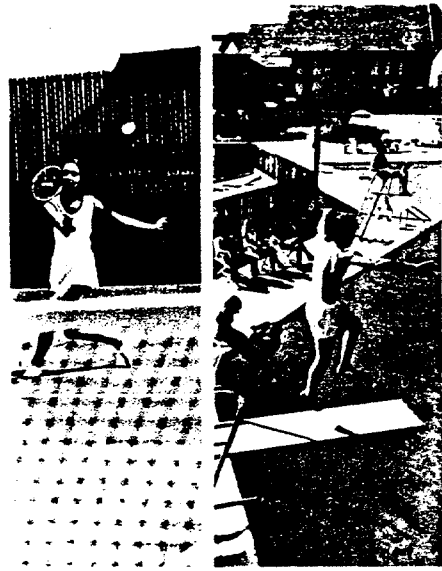
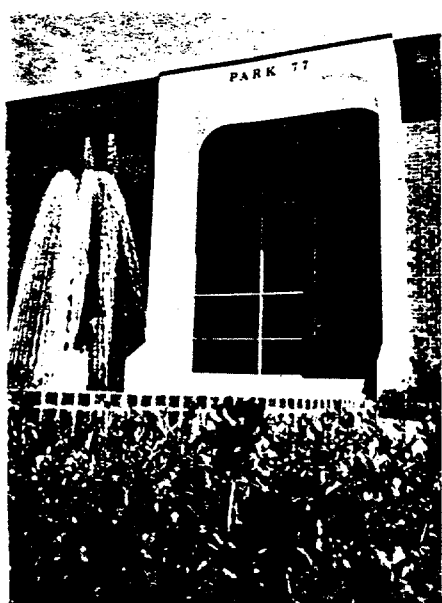


Storm window replacement and patio doors are growing safety glazing applications for shatter-resistant Acrylite cast acrylic sheet.

North Carolina, on a multimillion-dollar plant to produce glyoxal by an improved new process. Most of the output will be used captively in the manufacture of durable-press finishes for textiles and a variety of other resins.

Titanium Enterprises, Cyanamid's joint venture with Union Camp Corporation for the production of titanium ores in northern Florida, achieved its scheduled start-up date and initial shipments of ore arrived at Cyanamid's titanium dioxide plant at Savannah, Georgia, in July. The operation is still experiencing start-up difficulties normally associated with an installation of this size and complexity.

The active research and development program on automobile-exhaust catalysts which Cyanamid has carried on for more than ten years was continued, supplemented in 1972 by a joint development program with Japan Catalytic Chemical Industries. J.C.C.I. has demonstrated a very high degree of research competence in the area of catalysts, and the combination of Cyanamid and J.C.C.I. technologies will accelerate progress in this field. Should catalysts be required in 1974 for 1975-model automobiles, we have the unique capability to supply up to ten million pounds per year from existing facilities beginning in 1973.



Land Development and Building

Sales of Cyanamid's land development and building subsidiaries, under the management of Ervin Industries, Inc., were \$161,432,000 in 1972, about 33% higher than \$121,297,000 in 1971. Ervin's earnings, however, were lower than in 1971—\$3,475,000 in 1972 as compared with \$4,755,000 a year ago. While this performance involved no dilution of Cyanamid's per-share earnings, it was below expectations.

Sales of these land development and building subsidiaries are not consolidated with the rest of Cyanamid's, since Ervin's real estate operations differ significantly in nature from Cyanamid's other activities. In keeping with practices in its field, Ervin operates with a high ratio of debt to equity and manages its own borrowings with the traditional real estate lending institutions. Cyanamid does not guarantee the Ervin loans.

Among the factors adversely affecting Ervin's 1972 earnings were lower lot sales and construction delays, particularly in the multifamily and residential areas. In addition, Ervin's activities, to a greater extent than in the past, were channeled into a few, new, large planned-unit-development projects—totally planned communities accommodating residential, commercial, and recreational properties to provide for optimal use of the land. Such projects produce only minor earnings in their early stages.

The land development and building business is still a new one for Cyanamid, but one which we consider desirable to be in, both now and in the future. We are

Ervin Industries' Southeast Division covers a broad cross-section of real estate projects. Pictured, clockwise from top left, are a modern office building and a luxury rental apartment unit, The Lake, both located in Charlotte; Raintree, an award-winning planned community in Matthews, North Carolina; Polynesian-style Tega Cay, a recreational community on Lake Wylie in South Carolina; outdoor sports facilities at Ervin communities.



Townhouse condominiums reflect a new living style at Carrollwood Village, a \$75-million totally planned community in Tampa, which is being developed by Sunstate Builders, Inc., for Ervin's Florida Division.

managing Ervin for sustained growth by keeping its operations concentrated in a few key market areas, and by establishing an effective planning and reporting structure.

Operations in the Washington and Baltimore markets showed strong growth in 1972, and the year ended with Ervin one of the largest building operators in the area. In metropolitan Washington, awards for architectural quality and value were won in the categories of town houses, single-family traditional, and single-family contemporary styling.

During the year, work began on major planned-unit-development projects in Norfolk and Richmond, and work continued on such projects in Charlotte and Tampa. The Raintree project in Charlotte has received one national and four state

awards for architectural excellence and land planning.

September brought the opening of the first phase of Carrollwood Village, a \$75-million totally planned community in Tampa. This project represents the largest venture in community development to date by Cyanamid's land development and building subsidiaries. When complete, it will encompass some 1800 acres and 5000 homes. Some homes in the first phase, which will include 2500 families, are now occupied. Construction features midrise condominiums, town houses, cluster houses, garden villas, and conventional single-family homes. The project will include an office park, of which a portion is already occupied, a shopping center, extensive recreational areas, and space for schools.

Spacious, single-family home in Montgomery County, Maryland, was built by Croyder, Irvin & Co., part of Ervin's Mid-Atlantic Division, which also includes Edmund J. Bennett Associates, a developer of townhouse and garden apartment communities for the "new towns" of Reston, Virginia, and Columbia, Maryland.



Activities Outside the United States

The figures already given for Cyanamid's sales in its major market segments include its sales outside the United States, which in 1972 reached another record high. Such sales abroad were \$385,814,000 in 1972, up 12% from 1971. These sales in 1972 represented 28% of the Cyanamid total. There were strong sales gains in Europe and Canada, with increases for Latin America and the Far East also.

Europe continues to be the most important area of Cyanamid's activities overseas, and a number of factors contributed to growth there in 1972. New product introductions in the medical and agricultural areas contributed significantly and are indicators of the growing sophistication of Cyanamid's overseas operations. With increasing frequency, major new products are being first introduced in markets abroad. Recent examples are the Dexon® suture, robenidine coccidiostat, and Payzone® nitrovin, the non-antibiotic growth promoter for animals, which were launched initially in Europe.

Another factor was the rise in sales in Eastern Europe, where positive results are beginning to accrue from earlier marketing groundwork in that area.

A significant additional part of Cyanamid's business abroad is conducted through several associated companies in which our interest is from 40% to 50%. Total 1972 sales of such companies, which are not consolidated with the rest of Cyanamid's, were \$181,000,000 as compared to \$151,000,000 in 1971.

Activities Outside the United States *(continued)*

Operating earnings from Cyanamid's business abroad, including its equity in the earnings of the associated companies, were higher than in 1971. The profit margin on Cyanamid's sales outside the United States is now higher than on its domestic sales, primarily because of a favorable product mix.

In addition to the new overseas plants already discussed, during 1972 construction was completed to modernize and consolidate plant and management facilities, and to increase production capacity, by Cyanamid subsidiaries in England, Spain, and Italy.

Domestic Associated Companies

Jefferson Chemical Company, Inc., owned jointly with Texaco Inc., achieved record sales in 1972. In spite of the higher sales and continuing cost-reduction programs, however, operating earnings were down from 1971. This decline resulted primarily from unusual operating difficulties and an explosion at the Port Neches, Texas, plant.

Jefferson's recently modernized propylene oxide unit performed well, and capacity for producing polyols for flexible urethane foam was expanded. Construction of a polymeric isocyanate unit was completed and undergoing start-up at the end of 1972. With this new facility,

Montreal International Airport contains the largest single application of Formica® Panel System 202 in Canada, custom-made at Cyanamid of Canada's St. Jean, Que., plant.



Chairman of the Board C. D. Siverd and local officials break ground for mining chemicals and polyacrylamide flocculant plant in Derrimut, Australia.

Jefferson will be able to supply a broad line of chemicals to the urethane industry.

Arizona Chemical Company, owned jointly with International Paper Company, showed year-to-year increases in both sales and earnings. The terpene resins plant completed in 1971 was in operation in 1972, and sales development is progressing on a number of types of these resins. Plans were announced during 1972 for a new unit to be built at Panama City, Florida, in 1973 for the continuous production of crude tall oil. The new unit will not only be more efficient than the existing installation, but it will eliminate an air- and water-pollution problem as well.

Public Affairs and Employee Relations

Cyanamid remains fully aware of its obligations as a corporate citizen and discharges them conscientiously. In order to minimize the impact of its own operations on the environment, Cyanamid has, in the past, made capital expenditures for pollution-control equipment through 1971 amounting on a cumulative basis to approximately \$58 million, and during 1972 such expenditures were approximately \$11 million more. The costs of operating this equipment and of Cyanamid's 1972 pollution-control research were \$11 million.

The standards imposed by law for air and water quality are becoming increas-

ingly stringent. The importance of a healthy environment is apparent to everyone. However, the costs incurred by industry in meeting these environmental-quality standards are mounting steadily, and it is essential that those responsible for setting such standards make certain in each case that the benefits that can reasonably be expected justify the costs involved.

Among the larger pollution-control installations completed or under construction in 1972 were a \$4-million waste-treatment unit installed in the plant of the Lederle Laboratories Division at Pearl River, New York, a \$5-million waste-treatment system to be completed in 1973 at Wallingford, Connecticut, and a \$4.3-million facility to provide complete secondary treatment at Willow Island, West Virginia.

As a logical extension of such programs, the company made an initial grant during 1972 for establishment of an American Cyanamid Company Professorship in Environmental Studies at Princeton University. This move will promote a heightened awareness of the problems of environmental control, and—it is hoped—new and better solutions of them.

As in the past, the company continued to develop and market products useful in the pollution-control efforts of others. Examples are Cyanamid's non-persistent insecticides, polyacrylamide flocculants for water purification and waste treatment, catalysts used in producing low-sulfur refinery streams and low-sulfur fuel oil for power plants and other industrial installations, and reforming catalysts for manufacture of high-octane motor fuel without the use of lead additives.

In charitable contributions, Cyanamid continued its awards to colleges and universities with which it enjoys close relations, including colleges for minority groups, and it maintained its support of health and welfare organizations, particularly those in communities in which it carries on its operations.

In minority hiring, Cyanamid has broadened its programs to place increased stress on hiring professional, office and clerical, and sales personnel in addition to plant operating and maintenance staffs.

As for labor relations, negotiations were completed during 1972 with 34 U.S. union locals. There were no significant work interruptions at our major plants, although there were stoppages in the plant of Springfield Gravure Corporation at Springfield, Ohio, and in the Shulton plant at Moosic, Pennsylvania.

Cyanamid also responded quickly and played a leading role in shaping industry's reaction to the Burke-Hartke Bill which would limit imports into the United States and curb the international opera-



Frequent effluent measurements are part of environmental controls for new waste treatment facility at Hannibal, Mo., plant.

tions of U.S. companies. The tax proposals of the bill would increase the effective tax rate on foreign earnings to more than 70%, thereby threatening the existence of U.S. foreign business activities. Such proposals will probably be taken up again by Congress in 1973.

Despite continued emphasis on employee safety, the number of disabling injuries per million man-hours worked in Cyanamid installations rose to 2.30 in 1972 from 1.52 in 1971. There was an increase in the severity of accidents also, with 616 days lost per million man-hours worked in 1972 compared to 405 in 1971, and four fatalities in 1972 compared to three in 1971.

In the face of these increases, we find little satisfaction in the knowledge that Cyanamid's safety record is better than that of many other industrial concerns. Employees are our most important resource, and preventing injury and illness among them is our highest priority and their paramount concern. This goal will receive additional attention at all levels of Cyanamid management, from senior executives to supervisors.

Antibiotics Litigation

Early in 1972, the U.S. Supreme Court affirmed the decision of the U.S. Court of Appeals in New York reversing the 1967 antitrust conviction of the company and two other drug companies and ordering a new trial in the case, which involves broad-spectrum antibiotics. This new trial has been set for April.

The 155 treble-damage suits against the three defendant companies and two other drug companies which grew out of the government's antitrust charges are in various stages of settlement or litigation. Ninety-three of these suits, involving the claims of almost all states, counties, cities, consumers, wholesalers, and retailers, and all private hospitals and Blue Cross plans, have, as previously reported, been settled for approximately \$117,500,000 (of which Cyanamid's share was approximately \$47,000,000). These settlements were for substantially less than the amounts claimed by plaintiffs' counsel. Escrow deposits covering these settlements have been charged against the \$54,000,000 accrual made by the company as of September 30, 1969, to cover its share of the settlement proposals, plus certain legal expenses. This accrual, less the related tax reduction, was charged against earnings of appropriate prior years. A few miscellaneous cases have been settled or dismissed outside of the main settlement agreements and the relatively small amounts paid were also charged against the accrual.

The principal plaintiffs and classes represented in the 50 other pending

cases are the states of California, Hawaii, Kansas, North Carolina, Oregon, Utah, and Washington and the consumers and governmental subdivisions they purport to represent, health benefit and insurance organizations which allegedly reimbursed individuals, purchasers of animal feed and veterinary products, competitors, the U.S. Government, and the governments of Vietnam and the Philippines. These actions are being vigorously defended by the company and the other defendants and have been assigned for trial to a single judge. A trial date has not yet been set. While the complaints in these actions generally do not specify the amounts of damages claimed, the company presently understands, on the basis of allegations in a few complaints which do specify such amounts and assertions made by the plaintiffs during the last half of 1971, that the claims in these actions against all the defendants may aggregate several hundred million dollars. Due to the uncertainty necessarily inherent in litigated matters of this sort, the eventual cost of this litigation to the company, and its disposition, cannot be accurately predicted, and therefore the company has not accrued any additional amounts with respect thereto despite the magnitude of the amounts claimed and the possibility that large amounts may eventually be paid. Any additional amounts which may become payable by the company with respect to these claims would be charged against earnings of appropriate prior years (generally prior to 1966), following the accounting practices recommended by the American Institute of Certified Public Accountants. However, the company believes, on the basis of information and advice presently available, that any additional liability with respect to this antitrust litigation will be substantially less than the amounts claimed and will not have a material adverse effect upon the consolidated financial position of the company and its subsidiaries.

Financial Review

Sales volume — Consolidated sales in 1972 were \$1,358,852,000 compared with \$1,283,485,000 in 1971. Comparative quarterly sales for the two years were:

Quarter	1972		1971	
	Amounts in thousands	% of total	Amounts in thousands	% of total
First	\$ 323,601	24	\$ 307,407	24
Second	365,005	27	339,867	26
Third	328,984	24	305,928	24
Fourth	341,262	25	330,283	26
	<u>\$1,358,852</u>	<u>100%</u>	<u>\$1,283,485</u>	<u>100%</u>

Earnings — Pre-tax earnings for 1972 were \$184,180,000 compared with \$156,411,000 in the previous year. After provision for Federal and foreign income taxes of \$75,400,000, consolidated earnings for 1972 were \$108,780,000 compared with \$94,111,000 in 1971. Earnings in 1972 include an after-tax gain of \$4,051,000 or 8¢ per share (5¢ in the second quarter and 3¢ in the third quarter) from the sale of two wholly owned subsidiaries — Farmer Electric Products Co. Inc., and Control Print Corporation. Provision for Federal and foreign taxes has been reduced by the amount of the current investment tax credit which has benefited earnings by 7¢ per share in 1972 and 3¢ per share in 1971. Per share earnings for 1972 were \$2.24 compared to \$1.95 in 1971 based on the average number of shares of common stock (excluding treasury shares) outstanding for each year.

Comparative earnings with earnings per share by quarter for the two years are:

Quarter	1972		1971	
	Amounts in thousands	Per share	Amounts in thousands	Per share
First	\$ 24,721	\$.51	\$23,000	\$.48
Second	30,927	.64	24,447	.51
Third	24,338	.50	19,339	.40
Fourth	28,794	.59	27,325	.56
	<u>\$108,780</u>	<u>\$2.24</u>	<u>\$94,111</u>	<u>\$1.95</u>

The average number of shares (excluding treasury shares) outstanding for 1972 was 48,605,765 compared to 48,285,185 for 1971.

Capital stock — As of December 31, 1972 there were 48,905,128 shares of common stock outstanding compared to

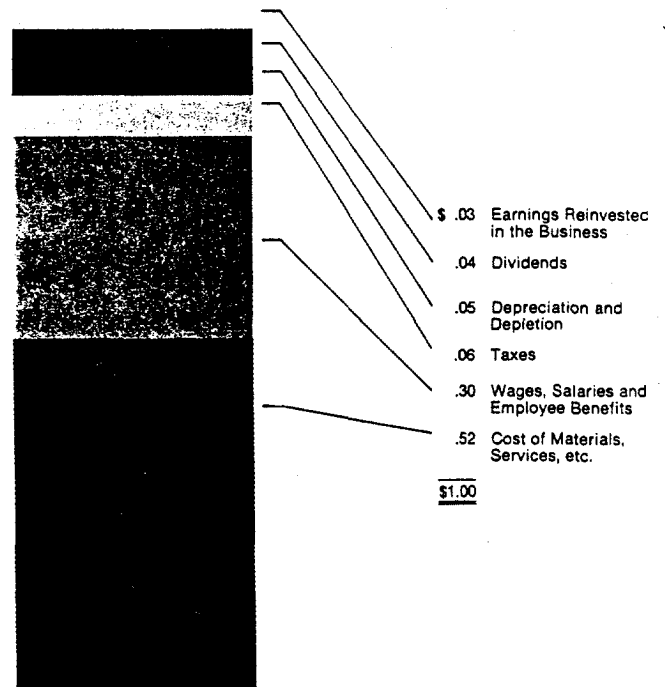
48,547,116 shares outstanding at the end of 1971. This includes treasury stock of 172,284 shares at December 31, 1972 and 186,820 shares at December 31, 1971.

In July, 163,370 shares of common stock were issued to the former stockholders of The Ervin Company under the acquisition agreement of September 1970.

During the year 199,637 shares of common stock were issued to employees under stock option plans, including 4,995 treasury shares. 11,821 treasury shares were issued to retired participants in the Incentive Compensation Plan and 2,280 treasury shares were acquired.

Cash dividends paid in 1972 and 1971 amounted to \$60,376,000 and \$59,422,000 respectively.

Allocation of 1972 Revenue Dollar



CONSOLIDATED STATEMENTS OF EARNINGS

Years Ended December 31, 1972 and 1971

	1972	1971
	(Thousands of Dollars)	
NET SALES	\$1,358,852	\$1,283,485
Equity in net earnings of:		
Associated companies	8,759	11,048
Unconsolidated real estate subsidiaries (Note 4)	3,475	4,755
Interest	5,543	2,975
Royalties and licenses	6,606	6,895
Other income—net of other deductions	12,358	5,177
	<u>1,395,593</u>	<u>1,314,335</u>
 Deduct:		
Manufacturing cost of sales—less depreciation and depletion	725,872	696,526
Selling and advertising expenses	248,510	236,964
Administrative and general expenses	67,840	67,408
Depreciation and depletion	68,350	63,615
Research and process development expenses	44,156	42,667
Interest expense	15,760	13,617
Employees' benefits (Note 9)	40,925	37,127
	<u>1,211,413</u>	<u>1,157,924</u>
EARNINGS BEFORE TAXES ON INCOME	184,180	156,411
Provision for Federal and foreign taxes on income	75,400	62,300
NET EARNINGS	\$ 108,780	\$ 94,111
 Net earnings per share of common stock (Note 11)	<u>\$2.24</u>	<u>\$1.95</u>

See accompanying Statement of Accounting Policies and Notes to Consolidated Financial Statements

Accountants' Report

**THE BOARD OF DIRECTORS
AMERICAN CYANAMID COMPANY:**

We have examined the consolidated balance sheets of American Cyanamid Company and subsidiaries as of December 31, 1972 and 1971 and the related statements of earnings, earnings employed in the business, additional paid-in capital and changes in financial position for the respective years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, such consolidated financial statements present fairly the financial position of American Cyanamid Company and subsidiaries at December 31, 1972 and 1971 and the results of their operations and changes in financial position for the respective years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

New York, N.Y.
February 6, 1973

PEAT, MARWICK, MITCHELL & CO.

December 31, 1972 and 1971

	1972	1971
	(Thousands of Dollars)	
CURRENT ASSETS:		
Cash in banks and on hand	\$ 44,437	\$ 49,281
Marketable securities and time deposits, at cost and accrued interest (approximates market)	117,164	39,399
Accounts receivable, less allowances for doubtful accounts of \$5,839 (\$5,640 in 1971)	234,044	229,300
Inventories	227,841	227,960
TOTAL CURRENT ASSETS	<u>623,486</u>	<u>545,940</u>
INVESTMENTS AND ADVANCES:		
Equity in net assets of:		
Associated companies	58,769	59,626
Unconsolidated real estate subsidiaries (Note 4)	42,536	23,561
Other investments and advances	23,976	16,444
TOTAL INVESTMENTS AND ADVANCES	<u>125,281</u>	<u>99,631</u>
PLANTS, EQUIPMENT AND FACILITIES, at cost (Note 2)	1,176,128	1,156,550
Less accumulated depreciation and depletion	578,381	560,626
NET PLANT INVESTMENT	<u>597,747</u>	<u>595,924</u>
INTANGIBLES RESULTING FROM BUSINESS ACQUISITIONS	19,815	21,202
PREPAID EXPENSES AND DEFERRED CHARGES	22,477	18,541
	<u>\$1,388,806</u>	<u>\$1,281,238</u>
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 151,711	\$ 132,228
Short term borrowings	11,179	18,794
Funded debt installments due within one year	5,412	9,623
Federal and foreign income taxes payable	41,437	21,051
TOTAL CURRENT LIABILITIES	<u>209,739</u>	<u>181,696</u>
FUNDED DEBT NOT DUE WITHIN ONE YEAR (Note 3)	236,579	213,198
INCENTIVE COMPENSATION CONTINGENTLY PAYABLE (Note 5)	4,506	4,593
INCOME TAXES PAYABLE IN THE FUTURE	33,200	29,800
MINORITY SHAREHOLDERS' EQUITY IN FOREIGN SUBSIDIARIES	7,273	6,426
SHAREHOLDERS' EQUITY:		
Common stock—par value \$5 per share (Notes 6 and 10)		
Authorized—60,000,000 shares		
Outstanding—48,905,128 shares (1971—48,547,116 shares)	244,526	242,736
Additional paid-in capital	38,935	34,526
Earnings employed in the business (Note 7)	619,304	573,900
	<u>902,765</u>	<u>851,162</u>
Less cost of 172,284 shares of common stock held in treasury (1971—186,820 shares) (Note 8)	5,256	5,637
TOTAL SHAREHOLDERS' EQUITY	<u>897,509</u>	<u>845,525</u>
	<u>\$1,388,806</u>	<u>\$1,281,238</u>

See accompanying Statement of Accounting Policies and Notes to Consolidated Financial Statements

Consolidated Statements of Additional Paid-in Capital

Years Ended December 31, 1972 and 1971

	1972	1971
	(Thousands of Dollars)	
Balance at beginning of year.....	\$ 34,526	\$ 37,596
Add:		
Market value over par value of Shulton shares issued in payment of 2% stock dividend, prior to merger.....	—	1,183
Premium on common stock issued under employees' stock option contracts	5,226	371
	<u>39,752</u>	<u>39,150</u>
Deduct:		
Par value of 163,370 additional shares of common stock issued to former shareholders of The Ervin Company (195,090 in 1971)	817	975
Adjustments arising from poolings of interests.....	—	3,649
	<u>817</u>	<u>4,624</u>
Balance at end of year.....	<u>\$ 38,935</u>	<u>\$ 34,526</u>

Consolidated Statements of Earnings Employed in the Business

Years ended December 31, 1972 and 1971

	1972	1971
	(Thousands of Dollars)	
Balance at beginning of year as previously reported.....	\$573,900	\$541,779
Provision for taxes on earnings of foreign subsidiaries and associates applicable to prior years (Note 1)	3,000	3,000
Balance at beginning of year as restated	<u>570,900</u>	<u>538,779</u>
Net earnings for the year	108,780	94,111
	<u>\$679,680</u>	<u>\$632,890</u>
Deduct:		
Dividends:		
Paid by Shulton, Inc. prior to merger		
Stock	—	1,485
Cash	—	653
Paid by American Cyanamid Company—\$1.25 per share.....	60,376	58,769
Adjustments arising from poolings of interests.....	—	1,083
	<u>60,376</u>	<u>61,990</u>
Balance at end of year (Note 7).....	<u>\$619,304</u>	<u>\$570,900</u>

See accompanying Statement of Accounting Policies and Notes to Consolidated Financial Statements

Consolidated Statements of Changes in Financial Position

Years Ended December 31, 1972 and 1971

	1972	1971
	(Thousands of Dollars)	
SOURCE OF WORKING CAPITAL		
Net earnings	\$ 108,780	\$ 94,111
Items not requiring the use of funds:		
Depreciation and depletion	68,350	63,615
Income taxes payable in the future	2,000	7,100
Excess of earnings over dividends of associated companies and unconsolidated subsidiaries	(8,378)	(10,148)
Funds derived from operations	<u>170,752</u>	<u>154,678</u>
Increase in funded debt not due within one year	23,381	95,030
Equity arising from issuance of common stock	6,580	2,782
	<u>200,713</u>	<u>252,490</u>
USE OF WORKING CAPITAL		
Cash dividends on stock	60,376	59,422
Additions to plants, equipment and facilities—net	70,173	109,182
Additions to investments and advances—net	17,272	8,864
Increase in prepaid expenses and deferred charges	3,936	6,120
All other—net	(547)	946
	<u>151,210</u>	<u>184,534</u>
INCREASE IN WORKING CAPITAL	<u>\$ 49,503</u>	<u>\$ 67,956</u>
INCREASES (DECREASES) IN THE COMPONENTS OF WORKING CAPITAL:		
Cash and marketable securities	\$ 72,921	\$ 33,180
Accounts receivable	4,744	10,910
Inventories	(119)	(4,490)
Accounts payable and accrued expenses	(19,483)	3,393
Short term borrowings	7,615	24,545
Funded debt installments due in one year	4,211	(3,687)
Income taxes payable	(20,386)	4,105
INCREASE IN WORKING CAPITAL	<u>\$ 49,503</u>	<u>\$ 67,956</u>

See accompanying Statement of Accounting Policies and Notes to Consolidated Financial Statements

Statement of Accounting Policies

Consolidation — The consolidated financial statements include the accounts of American Cyanamid Company and all subsidiaries except real estate subsidiaries which are recorded on an equity basis. All significant intercompany transactions and balances have been eliminated upon consolidation. The equity method of accounting is used for investments in associated companies (20% to 50% owned). Principal associated companies are listed on the back page of this report.

Currency translation — Assets, other than plants and facilities, and liabilities of foreign subsidiaries are included in the consolidated balance sheets at official or prevailing rates of exchange at year-end; foreign plants and facilities are included at the exchange rates in effect at the time of acquisition. Income statement accounts are translated at the average rates of exchange in effect during the year except for depreciation and amortization which are translated at historical exchange rates. Translation gains and losses are included in consolidated income.

Inventories — Inventories are carried at the lower of cost (primarily first-in first-out or average method) or market.

Depreciation and amortization — Depreciation is provided on a straight-line composite method over the estimated remaining useful lives of various classes of assets. Intangibles resulting from business acquisitions are carried at cost and amortized over a period of forty years unless, in the opinion of management, their lives are limited, or they have sustained a permanent diminution in value in which case they are amortized over appropriate periods.

Income taxes — The provision for Federal income taxes is reduced by the investment tax credit using the flow-through method. Deferred income taxes are provided to recognize the effect of timing differences between financial statement and income tax accounting, principally differences in depreciation methods and rates. Taxes are provided on the earnings of foreign subsidiaries and associates which management anticipates will be transferred to the company, and are not provided on those which the company intends to reinvest in foreign operations.

Notes to Consolidated Financial Statements of 1972 and 1971

1. Foreign Operations Foreign operations included in the consolidated financial statements are as follows:

	1972	1971
	(In thousands of dollars)	
Net current assets	\$ 110,000	\$ 93,500
Net other assets (principally plants and facilities)	87,700	69,900
Net earnings of foreign subsidiaries	33,600	31,100
Equity in undistributed earnings of foreign subsidiaries	122,800	111,300

In accordance with Opinions No. 23 and No. 24 of the Accounting Principles Board, the Company provides for taxes on the undistributed earnings of subsidiaries and associates where the remittance of such earnings is not considered to be indefinitely postponed. Also in accordance with these Opinions, taxes aggregating \$3,000,000 relating to prior years earnings of subsidiaries and associates have been charged to earnings employed in the business. At December 31, 1972, the Company has no present intention of remitting undistributed earnings of subsidiaries and affiliates aggregating \$134,200,000 (\$116,900,000 in 1971).

2. Plants, Equipment and Facilities Plants, equipment and facilities are comprised of the following:

	1972	1971
	(In thousands of dollars)	
Land, including mining land	\$ 44,209	\$ 43,950
Buildings	245,407	242,527
Machinery and equipment	860,528	834,125
Uncompleted construction and installations	25,984	35,948
	<u>\$1,176,128</u>	<u>\$1,156,550</u>

3. Funded Debt A summary of long term debt, excluding the current portion, is as follows:

	1972	1971
	(In thousands of dollars)	
3¾% promissory notes due 1977 to 1987	\$ 75,000	\$ 75,000
5¾% guaranteed sinking fund debentures due 1980 of a subsidiary	14,500	16,000
5½% guaranteed Swiss franc debentures due 1987 of a subsidiary	26,455	—
5½% pollution control revenue bonds due 1997	9,300	—
7% sinking fund debentures due 2001	100,000	100,000
Sundry obligations	11,324	22,198
	<u>\$236,579</u>	<u>\$213,198</u>

4. Real Estate Operations Under the terms of the September 1970 acquisition agreement for The Ervin Company, the company issued 163,370 additional shares of common stock to the former shareholders of The Ervin Company during 1972 (195,090 in 1971) and is obligated to issue up to 129,344 additional shares based on future earnings of The Ervin Company.

The real estate subsidiaries, which have been combined into Ervin Industries, Inc. in 1972, are not consolidated with the

accounts of the company. Condensed consolidated financial statements are as follows:

BALANCE SHEET

	December 31,	
	1972	1971
	(In thousands of dollars)	
Assets:		
Cash	\$ 6,533	\$ 3,630
Mortgage notes and other receivables	33,709	20,674
Inventories, properties and equipment, net (substantially all pledged to secure mortgage and other notes payable)	172,295	104,193
Other assets	9,041	7,501
	<u>\$221,578</u>	<u>\$135,998</u>
Liabilities and shareholder's equity: (note)		
Liabilities, substantially all mortgage and other notes payable (note)	\$179,042	\$112,437
Notes payable to American Cyanamid Co.:		
10% note due January, 1973 (paid)	5,000	—
7½% subordinated note due March, 1977	10,000	—
Non-interest bearing notes due May and June, 1977	3,550	3,050
Shareholder's equity:		
Common stock and additional paid-in capital	8,733	8,733
Earnings employed in the business	15,253	11,778
Total shareholder's equity	<u>23,986</u>	<u>20,511</u>
	<u>\$221,578</u>	<u>\$135,998</u>

EARNINGS AND EARNINGS EMPLOYED IN THE BUSINESS

	Years ended	
	December 31,	December 31,
	1972	1971
Sales and revenues	\$161,432	\$121,297
Costs and operating expenses	154,422	111,825
Earnings before income taxes	7,010	9,472
Income taxes	3,535	4,717
Net earnings	3,475	4,755
Earnings employed in the business at beginning of year	11,778	7,023
Earnings employed in the business at end of year	<u>\$ 15,253</u>	<u>\$ 11,778</u>

Note—The company is contingently liable at December 31, 1972 for approximately \$94,100,000 of mortgage notes assumed by others arising from sales of real estate. Mortgage and other notes payable mature at various dates through the year 2020 and bear interest rates ranging from 4% to 12%. The company leases and operates certain rental properties under lease agreements expiring at various dates to 1995. Annual rentals on such leases aggregate approximately \$14,200,000 (\$9,400,000 in 1971).

Late in 1971 American Cyanamid Company issued 173,778 shares of common stock (including 109,091 treasury shares) in connection with the acquisition of two additional real estate companies, Edmund J. Bennett Associates, Inc. and Croyder, Irvin & Co., Inc. These acquisitions constitute poolings of interests and, accordingly, the above condensed combined financial statements of the real estate subsidiaries include the accounts of these companies for the entire year 1971.

Notes to Consolidated Financial Statements (continued)

5. Incentive Compensation The accounts include provision for incentive compensation to officers and other employees. A portion of such amount is not payable currently in cash but is contingently payable in common stock of the company after employment terminates; pending allotment of the amount available for 1972, the portion so contingently payable in common stock is not determinable. The amount contingently payable in respect of allotments for prior years is \$4,506,000.

6. Authorized Capital The authorized capital of the company includes 650,000 shares of preferred stock with a par value of \$1 per share, none of which is outstanding.

7. Dividend Restrictions The 3¾% promissory notes due 1977 to 1987 contain certain restrictions including restrictions on the payment of dividends. As a result of such restrictions, the amount of earnings employees in the business at December 31, 1972 which may be applied to the payment of cash dividends is limited to \$85,000,000.

8. Treasury Stock At December 31, 1972 the company owned and held in its treasury 172,284 shares of common stock compared to 186,820 shares at December 31, 1971.

From time to time the company has acquired shares of its own common stock which are then available to fulfill contingent obligations under the company's Incentive Compensation Plan, for stock option plans and for other corporate purposes. During 1972, 11,821 treasury shares were delivered to retired participants of the plan, 4,995 treasury shares were issued to employees under the stock option plan and 2,280 treasury shares were acquired.

9. Employees' Benefits Employees' benefits include the cost of pension, group insurance and social security programs. The company and its consolidated subsidiaries have various pension plans covering substantially all their employees, including certain employees in foreign countries. The company's policy generally is to accrue and fund pension costs over the service lives of the covered employees. The total pension expense was \$9,313,000 for 1972 and \$7,137,000 for 1971.

10. Stock Options Under the company's stock option plan key employees may be granted options to purchase common stock at no less than 100% of market value on the date of grant. 1,500,000 shares were originally reserved for stock options. In 1968 and 1969 qualified stock options were granted exercisable over a period of not more than five years from date of grant and, in 1970, 1971 and 1972 non-qualified stock options were granted exercisable over ten years from date of grant, all in cumulative installments of one-third of the number of shares commencing one year after date of grant and annually thereafter.

Details of stock option activity for 1972 and 1971 follow:

	Non-qualified		Qualified	
	Number of shares	Price per share	Number of shares	Price per share
1972				
Granted	201,350	\$35.75 to \$37.25	—	—
Exercised	9,928	\$31.00 and \$31.25	159,435	\$25.75 and \$33.50
Outstanding at year-end	530,083	\$31.00 to \$37.25	180,345	\$25.75 and \$33.50
1971				
Granted	184,395	\$31.25 and \$36.00	—	—
Exercised	—	—	15,000	\$33.50
Outstanding at year-end	349,630	\$31.00 to \$36.00	346,585	\$25.75 and \$33.50

At December 31, 1972, options for 336,458 shares were exercisable (398,787 in 1971).

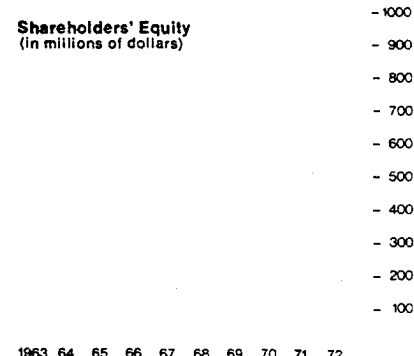
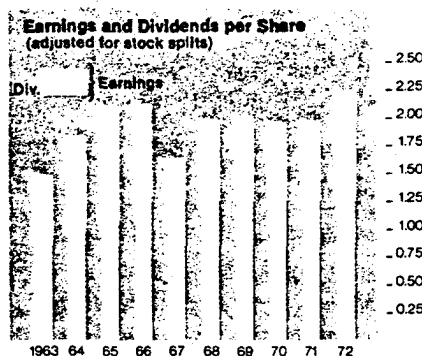
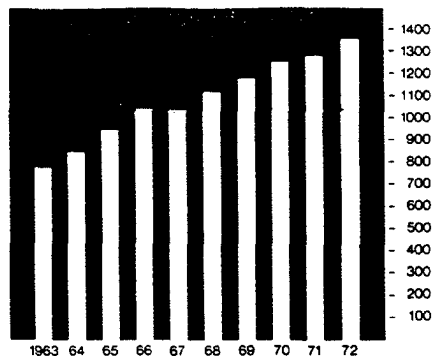
In connection with the Shulton merger the company assumed the obligations under various stock option and purchase plans of Shulton. At December 31, 1972 there were options outstanding to purchase 20,071 shares of Cyanamid's stock at prices from \$20.49 to \$45.52 per share of which options for 16,501 shares were exercisable. Options for 30,274 shares were exercised during the year (2,633 in 1971) at an average price of \$23.51 (\$26.69 in 1971).

11. Earnings Per Share The computation of earnings per share of common stock is based on the average number of shares (excluding treasury shares) outstanding during the year; 48,605,765 in 1972 and 48,285,185 in 1971 after giving effect to the shares issued in connection with the poolings of interests. The stock options described in Note 10 and the shares contingently issuable in connection with the acquisition of The Ervin Company (Note 4) do not result in dilution of earnings per share.

12. Shulton Merger In April 1971, the company issued 3,092,553 shares of common stock in connection with a statutory merger pursuant to which Shulton, Inc. became a wholly owned subsidiary of the company. The merger constituted a pooling of interests for accounting purposes and, accordingly, the 1971 financial statements include the accounts of Shulton for the entire year.

13. Contingent Liability The company is contingently liable as guarantor on loans outstanding of associated companies in the amount of \$30,200,000 at December 31, 1972.

14. Litigation Reference is made to the remarks under "Antibiotics Litigation" in the foregoing report of the Board of Directors, with respect to the antibiotics litigation in which the company is involved.



Ten-Year Summary of Financial Statistics

(Amounts in millions except earnings and dividends per common share)

	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963
Net sales	1,359	1,283	1,257	1,188	1,122	1,035	1,041	945	847	774
Earnings before taxes	184	156	161*	180	173	130	170	173	152	136
Provision for taxes	75	62	68	84	78	53	69	73	66	66
Net earnings	109	94	93*	96	95	77	101	100	86	70
Dividends (includes stock)	60	61	60	61	60	59	60	51	48	43
Earnings per share	2.24	1.95	1.93*	2.02	1.99	1.62	2.13	2.11	1.84	1.49
Dividends per share	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.07 1/2	1.00	.90
Depreciation and depletion	68	64	60	56	56	52	47	44	40	39
Gross additions to plant facilities (includes acquisitions)	72	111	94	99	60	60	111	133	51	51
Current assets	623	546	506	493	497	437	438	456	460	413
Current liabilities	210	182	210	188	203	165	184	189	175	151
Working capital	413	364	296	305	294	272	254	267	285	262
Equity in associated companies ..	59	60	53	55	55	49	47	43	39	37
Plants, equipment & facilities at cost	1,176	1,157	1,121	1,054	988	966	947	881	777	743
Net depreciated value	598	596	550	520	482	484	481	417	333	325
Funded debt not due within one year	237	213	118	119	105	111	111	102	81	88
Shareholders' equity:										
Common stock	245	243	242	239	239	238	238	237	237	236
Additional paid-in capital	39	35	37	35	32	30	28	27	25	21
Earnings employed in the business	619	571	539	500	467	435	417	375	329	291
Deduct treasury stock	(5)	(6)	(13)	(12)	(10)	(12)	(13)	(13)	(22)	(17)
Total equity	898	843	805	762	728	691	670	626	569	531
Average number of shares (excludes treasury shares)	48.6	48.3	48.0	47.6	47.7	47.4	47.4	47.1	46.9	47.0

*Exclusive of extraordinary gain (less related income tax)

Operating Divisions and Principal Subsidiaries

JAMES G. AFFLECK, President

JAMES G. AFFLECK, President

ERVIN INDUSTRIES, INC., E. Allen Brown, Jr., President

Land development and building in 16 cities in Southeastern United States; operations include land development, single- and multi-family housing, condominiums, offices and shopping centers; affiliated companies include Sunstate Builders, Inc., and Ervin Atlantic, Inc.

JAMES F. BOURLAND, Senior Vice President

AGRICULTURAL, J. Clifford Blauvelt, President

Animal feed supplements and veterinary products, insecticides, fungicides, herbicides, nitrogen and phosphate fertilizer products, blended fertilizers.

LEDERLE LABORATORIES, Robert A. Schoellhorn, President

Antibiotics, steroids, biologicals, pharmaceuticals, vitamins and hematinics, vaccines; clinical laboratory diagnostic aids; fine chemicals and bulk pharmaceuticals; Davis & Geck surgical sutures and hospital specialties, including dressings, germicides and scrub sponges; clinical laboratories.

BORDEN R. PUTNAM, Senior Vice President

INDUSTRIAL CHEMICALS

AND PLASTICS, Howard E. Nehms, President

Industrial products for the paper-making industry and mining industry; flocculants and related chemical agents for industrial and municipal water and waste treatment. Chemical products for the chemical process industry; heavy chemicals, surfactants, acrylamide, acrylonitrile, melamine and specialty monomers. Plastics and resins for coatings, thermosetting and acrylic molding compounds, high performance bonding agents and adhesives, and Acrylite® acrylic sheet.

ORGANIC CHEMICALS, Ben H. Loper, President

Catalysts, dyes, elastomers, intermediates, plastic additives, refinery chemicals, rubber chemicals, textile chemicals, textile resins; industrial safety equipment from Glendale Optical Co., Inc.

PIGMENTS, John Ludden, Jr., President

Inorganic and organic chemical colors, Unitane® titanium dioxide.

CHEMICAL RESEARCH, Jason M. Salsbury, Director

GEORGE W. RUSSELL, Senior Vice President

CONSUMER PRODUCTS, Albert L. Munsell, President

Breck® preparations for care of the hair; Pine-Sol® cleaner-disinfectant-deodorizer; Formica® Floor Shine® finish; and other household maintenance and cleaning aids.

FIBERS, Philip G. Connell, Jr., President

Creslan® acrylic fiber for apparel, home furnishings and industrial applications; filament polyester for tire cord and industrial applications.

FORMICA CORPORATION, Wallace G. Taylor, President

Formica® brand decorative laminates; laminate cabinet surfacing; laminate-clad doors and toilet compartments; architectural and residential panel systems; adhesives; Sanitas® and Wallclad® vinyl-coated wall coverings from Standard Coated Products.

SHULTON, INC., Albert L. Munsell, President

Old Spice® men's toiletries; Desert Flower® fragrances, skin-care and toiletry products; Corn Silk® cosmetics; Flowing Velvet® skin lotions; imported Nina Ricci® and Carven® perfumes for women; Pierre Cardin® toiletries for men. Produces and markets Consumer and Shulton products outside the U.S. and Canada.

NOLAN B. SOMMER, Senior Vice President

CYANAMID OF CANADA LIMITED, Jan-Dlouhy, President

Produces for sale in Canada and for export and also imports and markets in Canada the products of Cyanamid and its subsidiaries.

CYANAMID INTERNATIONAL, Harry F. Bliss, Jr., President

Produces or imports and markets Cyanamid's products, except for Consumer and Shulton products, through subsidiaries and distributors in countries and territories outside the United States and Canada.

*Trademark

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THOMAS P. FORBATH, Senior Vice President

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CONTROLLER'S, Richard L. Martino, *Controller*

TREASURY, Leonard T. Murphy, *Treasurer*

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and General Counsel**

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PURCHASING, Phillip K. Langford, *Director*

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Washington Corporate Representative

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 NOLAN B. SOMMER



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 Chairman of the Board and
 Chief Executive Officer



J. G. Affleck
 President



J. F. Bourland
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 Chairman of the Board,
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T. P. Forbath
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L. E. Katzenbach
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 Shulton, Inc.



N. B. Sommer
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 THOMAS P. FORBATH
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 GEORGE W. RUSSELL
 NOLAN B. SOMMER

American Cyanamid Company and Subsidiaries

Akron, Ohio
Atlanta, Ga.
Azusa, Calif.
Boston, Mass.
Bound Brook, N.J.
Buffalo, N.Y.
Charlotte, N.C.
Chicago, Ill.
Cincinnati, Ohio
Clearwater, Fla.
Cleveland, Ohio
Clifton, N.J.
Dallas, Tex.

Danbury, Conn.
Denver, Colo.
Detroit, Mich.
Falls Church, Va.
Grand Rapids, Mich.
Greensboro, N.C.
Havre de Grace, Md.
Honolulu, Hawaii
Houston, Tex.
Indianapolis, Ind.
Jacksonville, Fla.
Kalamazoo, Mich.
Kansas City, Mo.

Knoxville, Tenn.
La Puente, Calif.
Linden, N.J.
Los Angeles, Calif.
Louisville, Ky.
Memphis, Tenn.
Miami, Fla.
Milwaukee, Wis.
Minneapolis, Minn.
Mobile, Ala.
Montgomery, Ala.
Nashville, Tenn.
New Orleans, La.

New York, N.Y.
Oakland, Calif.
Oklahoma City, Okla.
Omaha, Neb.
Painesville, Ohio
Pearl River, N.Y.
Philadelphia, Pa.
Phoenix, Ariz.
Pittsburgh, Pa.
Plainview, L.I., N.Y.
Portland, Ore.
Princeton, N.J.
Renton (Seattle), Wash.

Richmond, Va.
St. Louis, Mo.
Salt Lake City, Utah
San Francisco, Calif.
South Bend, Ind.
Springfield, Ohio
Tampa, Fla.
Tucson, Ariz.
Wallingford, Conn.
Washington, D.C.
Wayne, N.J.
Woodbury, L.I., N.Y.

Auckland, N.Z.
Bangkok, Thailand
Barcelona, Spain
Bogota, Colombia
Bombay, India
Brussels, Belgium
Buenos Aires, Argentina
Caracas, Venezuela
Catania, Italy
Copenhagen, Denmark

Frankfurt, Germany
Gosport, England
Guatemala City,
Guatemala
Hato Rey, Puerto Rico
Hong Kong
Johannesburg, S. Africa
Karachi, Pakistan
Kinshasa, Zaire (Congo)
Leiden, The Netherlands

Lima, Peru
London, England
Madrid, Spain
Makati Rizal, Philippines
Managua, Nicaragua
Manila, Philippines
Melbourne, Australia
Mexico D.F., Mexico
Milan, Italy
Montreal, Canada

Munich, Germany
Oullins (Lyon), France
Paris, France
Rio de Janeiro, Brazil
Rome, Italy
Rotterdam,
The Netherlands
San Juan, Puerto Rico
Sao Paulo, Brazil
Singapore

Stockholm, Sweden
Sydney, Australia
Taipei, Taiwan
Tilbury, Canada
Tokyo, Japan
Toronto, Canada
Vancouver, Canada
Zurich, Switzerland

Albany, Ga.
Alden, Iowa
Andersonville, Ga.
Azusa, Calif.
Benton, Ark.
Bound Brook, N.J.
Brewster, Fla.
Buchanan, N.Y.
Charlotte, N.C.
Chattanooga, Tenn.
Chicago, Ill.
Clifton, N.J.
Cloquet, Minn.
Columbus, Ohio

Coosa Pines, Ala.
Damascus, Va.
Danbury, Conn.
Demopolis, Ala.
DeRidder, La.
Escanaba, Mich.
Evendale
(Cincinnati), Ohio
Fort Madison, Iowa
Fort Worth, Tex.
Fortier (New
Orleans), La.
Georgetown, S.C.
Hamilton, Ohio

Hannibal, Mo.
Havre de Grace, Md.
Hazleton, Pa.
Hughestown, Pa.
Jackson, Miss.
Joliet, Ill.
Kalamazoo, Mich.
La Puente, Calif.
Longview, Wash.
Marietta, Ohio
Mays Landing, N.J.
Memphis, Tenn.
Miami, Fla.
Michigan City, Ind.

Mobile, Ala.
Monticello, Miss.
Nashville, Tenn.
Painesville, Ohio
Pearl River, N.Y.
Pensacola, Fla.
Perrysburg, Ohio
Philadelphia, Pa.
Plainview, L.I., N.Y.
Plymouth, N.C.
Sanford, Me.
Savannah, Ga.
Springfield, Ohio
Springhill, La.

Stamford, Conn.
Sunset/Whitney Ranch
(Sierra), Calif.
Tarboro, N.C.
Wallingford, Conn.
Warners, N.J.
Weeping Water, Neb.
West Springfield, Mass.
Willow Island, W.Va.
Woodbridge, N.J.
Woodbury, L.I., N.Y.

Beachville, Canada
Bogota, Colombia
Bradford, England
Brussels, Belgium
Buenos Aires,
Argentina (3)
Bulsar, India
Caracas, Venezuela (3)

Cartagena, Colombia
Catania, Italy
Gosport, England
Guadalajara, Mexico
Guatemala City,
Guatemala
Hsinchu, Taiwan
Johannesburg, S. Africa

Karachi, Pakistan
Leiden, The Netherlands
Madrid, Spain
Managua, Nicaragua
Melbourne, Australia
Mexico D.F., Mexico (2)
Milan, Italy
Montreal, Canada

Munich, Germany
Newcastle, England
Niagara Falls, Canada (2)
Orillia, Canada
Oullins (Lyon), France
Rezende, Brazil
Rio de Janeiro, Brazil

Rotterdam,
The Netherlands
St. Jean, Canada
Sao Paulo, Brazil
Sydney, Australia (2)
Tilbury, Canada
Toronto, Canada
Witbank, S. Africa

Bound Brook, N.J.
Bradford, England
Clifton, N.J.

Danbury, Conn.
Evendale, Ohio
Gosport, England

Los Baños, Philippines
Niagara Falls, Canada
Painesville, Ohio

Pearl River, N.Y.
Pensacola, Fla.
Porto Alegre, Brazil

Princeton, N.J.
Stamford, Conn.

(% owned)

Arizona Chemical Company (50%)
Cyanamid-Ketjen Katalysator B.V. (50%)
Cyanaquim, S.A. de C.V. (40%)
Cyanenka S.A. (40%)

Formica International Limited (40%)
Jefferson Chemical Company, Inc. (50%)
Lederle (Japan), Ltd. (50%)
Sherkat Sahami Cyanamid-KBC (50%)

Shulton Africa Ltd. (40%)
TDF Tiofine B.V. (50%)

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Printed in U.S.A.

CY0005475