

FINANCES: ONCE AGAIN PRICES SPUR GAINS

Cost cutting also helped chemical companies overcome increases in raw material costs

DESPITE MUCH HIGHER RAW MATERIAL and energy costs in most parts of the world in 2005, chemical industries managed to post financial results that continued the improvement seen over the past few years.

Prices that chemical producers received for their products in North America and Europe were primarily above their 10-year averages last year. In the U.S., the average producer price index for all chemicals for 2005 was 133.7 (all indexes are 1997 = 100), up 10.1% from the previous year and more than three times the average annual gain of 3.0% between 1995 and 2005.

Within the overall chemical sector, industrial chemicals were probably affected most by higher costs. They saw a 15.8% producer price index jump from 2004, compared with a 10-year average increase of just 3.9%.

In Canada, the price index for all chemicals increased 6.3% year-to-year, beating its decade-long average growth of 1.7%. The index for inorganic industrial chemicals rose 8.3% from 2004, while prices for or-

ganic industrial chemicals increased 13.6%. Average annual growths over the past 10 years for these two categories were 1.6% and 4.3%, respectively.

In Europe's seven major chemical producing countries, the increases in price indexes ranged from just 2.7% in France to 8.0% in the Netherlands. In all countries surveyed, the increases were again above the average growth for the decade.

The rise in prices was a key factor driving increases in the value of shipments for the year. In the U.S., the value of all chemical shipments rose 8.5% to \$549.1 billion. In Canada, chemical shipments were up 4.8% to \$39.5 billion. And in Europe, the three countries with the highest growth were Italy, up 9.1% to \$95.5 billion; the Netherlands, up 8.6% to \$49.2 billion; and Germany, up 6.9% to \$189.3 billion.

The rise in shipments translated into an increase in company sales in most cases. And this gain, along with cost cutting at many chemical companies, led to higher earnings and profitability.

In the U.S., for a group of 30 large- and medium-sized chemical companies, the

average profit margin rose to 6.9% in 2005 from 5.8% the year before. Return on investment was 5.5%, up from 3.9% in 2004, and return on stockholders' equity improved to 21.0% from 15.5%.

In Canada, four major chemical companies had an aggregate profit margin of 6.3%, down from 6.6% in 2004. But the decline was largely the result of a \$109 million loss at Nova Chemicals. Without Nova, the cumulative profit margin for the other three was 11.5%, up from 9.7% for the year before.

IN EUROPE, profits were usually substantially better than they were in 2004. Restructuring costs caused net losses at some companies, but in newly established firms in particular, the absolute value of these losses is declining as companies inch toward profitability.

Japanese companies continued to build on past success. Combined 2005 sales for 12 firms grew 11.6% from 2004 sales to \$122.1 billion, while earnings increased 33.2% to \$5.1 billion. This gain follows earnings increases of 56.4% in 2004 and 149.6% in 2003.

The increase in demand for chemicals and the industry's improving financial fortunes led companies to boost capital spending. In the U.S., expenditures for new plants and equipment among a group of 22 chemical companies rose for only the second time in the past seven years. In 2005, capital expenditures increased 16.6% to a total of \$6.8 billion.

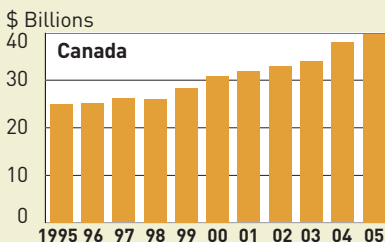
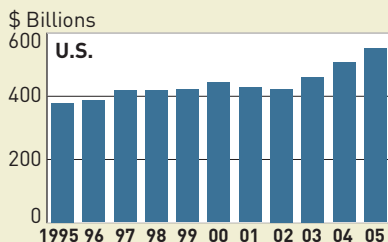
Four Canadian companies bumped capital spending up by 56.0% to \$1.1 billion, sparked by increases of 113.4% at Agrium, 73.3% at Potash Corp. of Saskatchewan, and 73.1% at Nova Chemicals. In Europe, the 19 chemical companies surveyed expanded capital spending by 26.9% to \$13.5 billion. And in Japan, plant and equipment spending rose 18.3% to \$7.5 billion.

Research and development, the other leg of spending for the future, also got a boost. In the U.S., R&D spending at the 22 chemical companies surveyed for capital spending increased 6.4% to \$4.8 billion. However, because of the large increase in sales among U.S. companies, R&D as a percentage of sales fell to 3.1% from 3.3% in 2004.

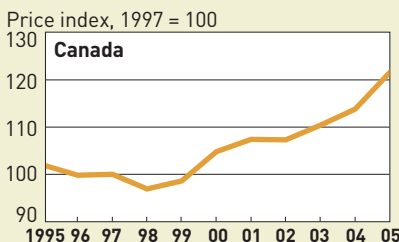
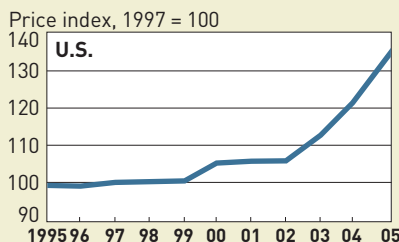
In Europe, R&D spending for the 19 companies sampled increased just 1.5% to \$9.5 billion. Meanwhile, in Japan, R&D spending rose 5.5% to \$3.9 billion.

DEMAND

Growth in chemical shipments continued in the U.S. and Canada ...



... but again, the credit goes to higher pricing



SOURCES: Departments of Labor and of Commerce, Statistics Canada

U.S. SHIPMENTS

Demand growth rose moderately for most chemicals

\$ BILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	ANNUAL CHANGE	
												2004-05	1995-05
All chemicals	\$377.8	\$385.3	\$415.6	\$416.6	\$419.5	\$442.2	\$427.4	\$420.5	\$459.1	\$506.1	\$549.1	8.5%	3.8%
Chemicals, excluding pharmaceuticals	297.2	299.3	322.7	313.2	311.7	320.4	307.7	315.1	341.4	389.2	411.2	5.7	3.3
Agricultural chemicals	23.0	23.5	24.2	24.2	21.6	20.3	20.7	19.7	18.7	20.7	24.8	19.8	0.8
Coatings & adhesives	23.8	24.7	26.4	26.8	27.5	29.7	30.0	28.4	28.5	30.5	30.4	-0.3	2.5
All other chemicals	250.5	251.0	272.1	262.1	262.5	270.3	256.9	267.0	294.2	338.0	356.0	5.3	3.6
Pharmaceuticals	80.6	86.0	92.9	103.4	107.8	121.8	119.7	105.4	114.3	116.9	137.9	18.0	5.5

NOTE: Totals may not sum because of rounding. SOURCE: C&EN calculations using Department of Commerce data

CANADA SHIPMENTS

Nearly every category saw a healthy increase in 2005

\$ BILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	ANNUAL CHANGE	
												2004-05	1995-05
All manufacturing	\$321.7	\$330.3	\$352.0	\$364.2	\$421.4	\$463.3	\$448.5	\$455.4	\$451.3	\$489.9	\$504.7	3.0%	4.6%
Chemical manufacturing	24.8	25.0	26.8	25.9	28.2	30.7	31.7	32.7	33.8	37.7	39.5	4.8	4.8
Basic chemicals	7.3	6.7	7.4	7.0	7.6	9.1	9.5	9.4	9.9	11.3	11.7	3.6	4.9
Petrochemicals	2.1	2.0	2.3	2.1	2.5	3.7	3.6	3.3	3.6	4.5	4.8	5.5	8.4
Resins & synthetic rubber	4.1	4.3	4.9	4.6	5.0	5.8	5.4	5.3	5.5	6.5	7.1	8.9	5.6
Pesticide, fertilizer & other agricultural chemicals	2.0	2.1	2.2	2.2	2.1	2.1	2.1	1.9	2.3	2.6	2.9	12.9	3.8
Pharmaceuticals & medicine	3.9	3.9	4.0	4.0	4.2	4.5	5.6	6.7	7.0	7.5	7.8	3.3	7.2
Paints, coatings & adhesives	1.7	1.8	1.9	2.0	2.1	2.1	2.1	2.2	2.3	2.4	2.6	6.9	4.5
Soaps, cleaners & toilet preparations	2.6	2.5	2.5	2.5	3.1	2.8	2.6	2.6	2.3	2.3	2.2	-3.6	-1.4

NOTE: Monetary statistics for all years were converted on the basis of the 2005 average exchange rate of \$1.00 U.S. = \$1.212 Canadian.

SOURCE: Statistics Canada

EUROPE SHIPMENTS

Growth rebounded strongly in Italy, the Netherlands, and Germany

\$ BILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	ANNUAL CHANGE	
												2004-05	1995-05
Belgium	\$33.5	\$34.1	\$36.8	\$36.1	\$36.7	\$44.0	\$52.8	\$53.3	\$55.1	\$58.9	\$59.8	1.5%	6.0%
France	80.6	81.4	86.3	87.8	91.3	102.3	106.0	105.5	109.7	116.7	120.3	3.1	4.1
Germany	139.9	137.3	147.1	145.5	151.2	168.2	166.7	165.0	169.9	177.0	189.3	6.9	3.1
Italy	62.8	68.9	71.4	71.4	72.8	80.8	82.2	84.7	84.9	87.6	95.5	9.1	4.3
Netherlands	26.9	27.8	31.2	30.0	31.5	40.3	40.0	40.2	42.3	45.3	49.2	8.6	6.2
Spain	31.5	32.4	34.9	37.0	38.6	44.5	46.7	47.2	49.0	51.9	54.5	5.2	5.7
U.K.	55.6	56.1	67.3	64.4	68.3	73.2	70.5	66.7	61.0	63.7	65.8	3.2	1.5

NOTE: Monetary statistics for all years were converted to U.S. dollars on the basis of the 2005 average exchange rates of \$1.00 U.S. = 0.803 euros and 0.549 pounds sterling.

SOURCES: European Chemical Industry council, national agencies

U.S. PRICE INDEX

Industrial chemicals and plastics saw the largest price gains

PRODUCER PRICE INDEX, 1997 = 100	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	ANNUAL CHANGE	
												2004-05	1995-05
All commodities	97.7	100.1	100.0	97.5	98.4	104.0	105.2	102.7	108.2	115.0	123.4	7.3%	2.4%
Industrial commodities	98.3	99.7	100.0	97.7	99.1	105.6	106.3	103.7	108.9	115.6	125.5	8.5	2.5
Finished goods	97.0	99.6	100.0	99.2	100.9	104.7	106.8	105.4	108.7	112.7	118.1	4.8	2.0
Chemicals & allied products	99.2	99.0	100.0	100.2	100.4	105.2	105.7	105.8	112.7	121.4	133.7	10.1	3.0
Industrial chemicals	101.6	100.2	100.0	96.0	94.1	102.1	101.6	100.7	112.1	128.8	149.1	15.8	3.9
Prepared paint	93.4	96.8	100.0	101.8	103.5	105.7	108.1	109.7	112.3	115.5	123.5	6.9	2.8
Paint materials	98.5	99.9	100.0	101.6	101.8	104.9	105.9	117.2	122.2	127.0	134.6	6.0	3.2
Drugs & pharmaceuticals	96.3	98.0	100.0	110.7	114.8	117.5	119.5	121.4	125.4	129.8	136.1	4.8	3.5
Fats & oils, inedible	95.9	100.8	100.0	88.3	66.9	53.0	58.7	68.3	93.3	116.2	111.1	-4.4	1.5
Agricultural chemicals	98.0	100.8	100.0	96.8	93.1	93.8	98.6	93.3	101.9	108.4	115.3	6.3	1.6
Plastic resins & materials	104.5	96.9	100.0	91.3	91.6	103.1	97.7	95.2	106.4	118.8	140.6	18.3	3.0
Other chemicals & products	98.0	99.3	100.0	101.1	101.5	102.9	104.7	104.8	105.9	107.9	113.2	4.9	1.5

SOURCE: Department of Labor

CANADA PRICE INDEX

The chemical sector showed a strong rise in 2005

PRODUCER PRICE INDEX, 1997 = 100	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	ANNUAL CHANGE	
												2004-05	1995-05
All commodities	98.9	99.3	100.0	100.4	102.2	106.5	107.6	107.6	106.2	109.5	111.2	1.6%	1.2%
Chemicals & chemical products	101.8	99.8	100.0	96.9	98.6	104.8	107.4	107.3	110.4	113.8	121.0	6.3	1.7
Inorganic industrial chemicals	101.0	102.9	100.0	99.7	97.7	98.6	104.4	104.9	106.7	109.1	118.2	8.3	1.6
Sulfuric acid	99.5	103.6	100.0	87.5	84.4	82.1	91.1	90.9	87.4	88.4	91.2	3.2	-0.9
Caustic soda	125.9	117.7	100.0	100.4	90.2	91.3	118.6	101.4	99.4	90.8	102.0	12.3	-2.1
Ammonia	102.9	106.6	100.0	88.4	84.0	86.5	91.4	89.4	97.8	100.6	115.4	14.7	1.2
Organic industrial chemicals	107.1	97.2	100.0	91.6	98.4	119.1	128.3	123.8	133.4	144.1	163.7	13.6	4.3
Benzene-toluene-xylene	93.5	92.0	100.0	80.2	90.4	144.3	119.8	107.3	122.7	207.9	226.9	9.1	9.3
Olefins	101.7	100.3	100.0	95.7	115.3	142.4	158.3	145.0	169.8	183.4	227.0	23.8	8.4
Synthetic resins	106.9	98.0	100.0	90.6	92.8	103.2	100.7	99.0	101.3	104.0	111.0	6.7	0.4
Polyethylene ^a	104.5	96.3	100.0	87.7	91.2	97.3	94.7	91.0	96.2	96.0	102.6	6.9	-0.2
Polystyrene	122.8	106.7	100.0	96.2	95.8	100.9	100.4	100.0	103.6	111.8	116.5	4.2	-0.5
Thermosets	101.7	99.1	100.0	98.4	93.9	103.2	133.1	108.4	108.4	107.8	107.8	0.0	0.6
Agricultural chemicals	94.2	99.3	100.0	105.0	103.8	103.7	103.7	103.7	104.1	104.9	105.0	0.1	1.1
Pharmaceuticals	100.3	100.5	100.0	99.8	100.6	101.2	101.8	105.9	107.4	108.3	109.2	0.8	0.9
Paints & varnishes	94.3	97.7	100.0	101.4	102.9	106.0	109.8	111.9	113.8	117.0	122.7	4.9	2.7
Soaps & cleaners	100.3	101.3	100.0	99.3	100.0	100.3	101.5	100.7	100.7	100.7	100.7	0.0	0.0
Toilet preparations	98.7	98.5	100.0	102.6	104.8	107.4	108.9	110.4	111.5	110.7	109.5	-1.1	1.0
Pigments, lakes & toners	90.6	96.2	100.0	103.4	105.2	107.0	105.2	103.3	101.3	101.5	106.8	5.2	1.7

^a Includes high- and low-density polyethylene. SOURCE: Statistics Canada

EUROPE PRICE INDEX

Producer price increases reflected impact of higher raw material prices

CHEMICAL PRODUCER PRICE INDEX, 1997 = 100	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	ANNUAL CHANGE	
												2004-05	1995-05
Belgium	106.7	102.5	100.0	99.0	99.1	105.7	111.9	112.2	106.3	107.3	111.8	4.2%	0.5%
France	102.5	101.5	100.0	98.9	98.6	103.0	104.2	103.5	105.1	108.3	111.2	2.7	0.8
Germany	107.4	101.8	100.0	99.1	98.3	103.0	105.1	104.0	109.4	110.4	113.7	3.0	0.6
Italy	90.5	96.6	100.0	97.8	98.5	107.0	107.5	110.1	109.9	113.8	117.9	3.6	2.7
Netherlands	103.2	99.2	100.0	95.6	94.3	110.1	109.1	109.4	112.7	120.0	129.6	8.0	2.3
Spain	101.6	101.1	100.0	95.9	96.2	105.7	105.9	106.8	109.9	113.0	117.9	4.3	1.5
U.K.	85.9	86.5	100.0	98.9	100.0	108.3	111.6	111.8	115.6	115.6	120.6	4.3	3.5

SOURCES: European Chemical Industry Council, national chemical associations, Eurostat, C&EN estimates

ANOTHER GOOD YEAR

Profits for U.S. chemical producers were even stronger in 2005 than they were in 2004

RANK		COMPANY	CHEMICAL SALES (\$ MILLIONS) 2005	CHANGE FROM 2004	CHEMICAL SALES AS % OF TOTAL SALES	HEADQUARTERS	CHEMICAL OPERATING PROFITS ^a (\$ MILLIONS)	CHANGE FROM 2004	CHEMICAL OPERATING PROFITS AS % OF TOTAL OPERATING PROFIT	OPERATING PROFIT MARGIN ^b	IDENTIFIABLE CHEMICAL ASSETS (\$ MILLIONS)	CHEMICAL ASSETS AS % OF TOTAL ASSETS	OPERATING ASSETS AS % OF TOTAL CHEMICAL ASSETS ^c	RETURN ON ASSETS ^d
2005	2004													
1	1	Dow Chemical	\$46,307.0	15.3%	100.0%	Midland, Mich.	\$5,413.0	56.5%	100.0%	11.7%	\$45,934.0	100.0%	11.8%	
2	3	ExxonMobil ^d	31,186.0	12.3	8.7	Irving, Texas	3,943.0	15.0	10.9	12.6	19,496.0	9.4	20.2	
3	2	DuPont ^e	28,114.0	-6.7	99.8	Wilmington, Del.	na	na	na	na	18,155.0	98.3	na	
4	13	Lyondell Chemical	18,606.0	211.8	100.0	Houston	1,487.0	1,316.2	100.0	8.0	14,794.0	98.8	10.1	
5	4	Huntsman Corp.	12,961.6	13.4	100.0	Salt Lake City	979.7	56.4	100.0	7.6	8,870.5	100.0	11.0	
6	6	Chevron Phillips	10,707.0	15.9	100.0	The Woodlands, Texas	934.0	32.1	100.0	8.7	6,960.0	100.0	13.4	
7	8	PPG Industries	7,964.0	9.0	78.1	Pittsburgh	1,060.0	-0.7	99.5	13.3	5,622.0	64.8	18.9	
8	9	Air Products ^f	7,742.5	9.8	95.1	Allentown, Pa	998.5	8.9	99.6	12.9	9,776.2	93.9	10.2	
9	10	Praxair ^e	7,656.0	16.1	100.0	Danbury, Conn.	1,948.0	17.3	100.0	25.4	10,491.0	100.0	18.6	
10	12	Rohm and Haas	7,064.0	9.2	88.4	Philadelphia	na	na	na	na	6,555.0	67.4	na	
11	11	Eastman Chemical	7,059.0	7.3	100.0	Kingsport, Tenn.	788.0	110.7	100.0	11.2	5,773.0	100.0	13.6	
12	7	General Electric	6,606.0	8.9	4.4	Fairfield, Conn.	867.0	53.2	3.7	13.1	na	na	na	
13	15	Celanese	6,070.0	19.7	100.0	Dallas	644.0	157.6	100.0	10.6	7,445.0	100.0	8.7	
14	16	Occidental Petroleum	4,641.0	26.3	30.5	Los Angeles	607.0	46.6	8.3	13.1	3,845.0	14.7	15.8	
15	34	Hexion Specialty Chemicals	4,470.0	121.4	100.0	Columbus, Ohio	262.0	269.0	100.0	5.9	3,209.0	100.0	8.2	
16	14	Mosaic ^g	4,396.7	85.2	100.0	Plymouth, Minn.	318.5	314.7	100.0	7.2	8,444.0	100.0	3.8	
17	20	Lubrizol	4,039.2	28.0	100.0	Wickliffe, Ohio	417.8	38.9	100.0	10.3	4,366.3	100.0	9.6	
18	18	Dow Corning	3,878.7	15.0	100.0	Midland, Mich.	na	na	na	na	5,144.8	100.0	na	
19	21	Nalco	3,312.4	9.2	100.0	Naperville, Ill.	424.9	45.7	100.0	12.8	5,552.4	100.0	7.7	
20	17	Honeywell	3,234.0	-7.5	11.7	Morristown, N.J.	257.0	39.7	7.5	7.9	4,732.0	14.7	5.4	
21	19	Monsanto ^h	3,042.0	-4.3	48.3	St. Louis	na	na	na	na	4,199.0	39.7	na	
22	23	Chemtura	2,938.3	23.2	98.4	Middlebury, Conn.	377.3	101.4	100.8	12.8	4,986.0	100.0	7.6	
23	33	Cytec Industries	2,925.7	70.0	100.0	West Paterson, N.J.	190.8	15.5	100.0	6.5	3,810.5	100.0	5.0	
24	22	Solutia	2,825.0	4.7	100.0	St. Louis	53.0	nm	100.0	1.9	1,984.0	100.0	2.7	
25	36	Rockwood Specialties	2,751.6	72.3	88.2	Princeton, N.J.	na	na	na	na	4,158.2	86.4	na	
26	24	W.R. Grace	2,569.5	13.7	100.0	Columbia, Md.	339.4	1.5	100.0	13.2	3,517.2	100.0	9.6	
27	30	Westlake Chemical	2,441.1	23.0	100.0	Houston	367.0	51.1	100.0	15.0	1,827.2	100.0	20.1	
28	27	Sunoco	2,440.0	11.1	7.2	Philadelphia	152.0	-0.7	9.6	6.2	1,583.0	15.9	9.6	
29	26	Engelhard	2,421.9	9.9	52.7	Iselin, N.J.	304.5	4.1	102.0	12.6	2,313.9	59.7	13.2	
30	25	Georgia Gulf	2,273.7	3.1	100.0	Atlanta	162.7	-14.5	100.0	7.2	1,001.0	100.0	16.3	
31	28	FMC Corp.	2,150.2	4.8	100.0	Philadelphia	279.9	22.3	100.0	13.0	2,740.0	100.0	10.2	
32	31	Cabot Corp. ^f	2,125.0	9.9	100.0	Boston	134.0	-35.3	100.0	6.3	2,374.0	100.0	5.6	
33	38	Albemarle	2,107.5	39.2	100.0	Richmond, Va.	162.0	31.4	100.0	7.7	2,547.2	100.0	6.4	
34	29	Hercules	2,068.8	3.6	100.0	Wilmington, Del.	238.8	-8.9	100.0	11.5	2,568.8	100.0	9.3	
35	39	Terra Industries	1,930.6	28.1	100.0	Sioux City, Iowa	83.8	-26.9	100.0	4.3	1,523.6	100.0	5.5	
36	—	CF Industries	1,908.4	15.6	100.0	Long Grove, Ill.	152.2	-12.7	100.0	8.0	1,228.1	100.0	12.4	
37	41	Ashland ^f	1,763.0	27.2	19.0	Covington, Ky.	134.0	54.0	18.0	7.6	997.0	14.6	13.4	
38	40	H.B. Fuller ^l	1,512.2	7.3	100.0	St. Paul, Minn.	87.3	28.0	100.0	5.8	1,107.6	100.0	7.9	
39	46	ISP	1,385.0	16.1	100.0	Wayne, N.J.	na	na	na	na	na	na	na	
40	42	Wellman	1,376.9	5.5	100.0	Shrewsbury, N.J.	54.7	127.9	100.0	4.0	1,098.7	100.0	5.0	
41	43	Tronox	1,364.0	4.8	100.0	Oklahoma City	105.0	360.5	100.0	7.7	1,758.3	100.0	6.0	
42	45	Arch Chemicals	1,305.1	16.4	100.0	Norwalk, Conn.	63.2	40.8	100.0	4.8	1,061.9	100.0	6.0	
43	44	Kronos Worldwide	1,196.7	6.0	100.0	Dallas	176.1	55.4	100.0	14.7	1,298.9	100.0	13.6	
44	48	Stepan	1,078.4	15.2	100.0	Northfield, Ill.	25.5	32.8	100.0	2.4	516.2	100.0	4.9	
45	49	NewMarket Corp.	1,075.5	20.3	100.0	Richmond, Va.	38.1	136.6	100.0	3.5	701.5	100.0	5.4	
46	—	Sigma-Aldrich	999.9	29.0	60.0	St. Louis	na	na	na	na	na	na	na	
47	—	Kraton Polymers	952.9	20.4	100.0	Houston	110.7	320.9	100.0	11.6	966.5	100.0	11.5	
48	—	Petrochemicals ^j	936.3	43.3	100.0	Houston	57.4	76.1	100.0	6.1	303.8	100.0	18.9	
49	—	Arsenal Capital	880.0	24.1	60.0	New York City	na	na	na	na	na	na	na	
50	—	Phelps Dodge	743.3	10.3	9.0	Phoenix	34.7	0.3	2.0	4.7	650.4	6.3	5.3	

^a Operating profit is sales less administrative expenses and cost of sales. ^b Chemical operating profit as a percentage of sales. ^c Chemical operating profit as a percentage of identifiable chemical assets. ^d Profits and profitability ratios are after tax. ^e Sales include a significant amount of nonchemical products. ^f Fiscal year ended Sept. 30. ^g Fiscal year ended May 31. ^h Fiscal year ended Aug. 31. ⁱ Fiscal year ended Dec. 31. ^j Fiscal year ended June 30. **na** = not available. **nm** = not meaningful.

U.S. FINANCIAL ANALYSIS

High costs and harsh weather contributed to uneven results for chemical companies

	YEAR	PROFIT MARGIN ^a	RETURN ON INVESTMENT ^b	RETURN ON EQUITY ^c	DEBT AS % OF DEBT PLUS EQUITY	SALES PER EMPLOYEE ^d	CAPITAL SPENDING			SALES AS % OF ASSETS	NET PLANT AS % OF GROSS PLANT	
							DIVIDENDS AS % OF EARNINGS	AS % OF SALES	AS % OF NET PLANT			
Air Products & Chemicals ^e	2005	8.7%	4.6%	15.6%	31.0%	\$403	38.8%	11.4%	15.8%	1.6%	78.2%	45.4%
	2004	8.2	4.1	13.6	32.8	372	36.2	9.5	12.4	1.7	73.8	46.7
	2003	7.4	3.4	12.3	36.4	340	40.4	9.7	10.9	1.9	66.8	48.1
Albemarle	2005	5.5	3.7	12.4	45.5	570	23.0	3.3	7.3	2.0	82.7	44.1
	2004	3.6	2.0	7.7	55.9	409	54.5	3.8	6.5	2.1	62.0	43.1
	2003	7.3	3.9	12.7	26.4	370	28.6	3.7	7.8	1.6	80.0	32.8
Arch Chemicals	2005	3.1	3.2	10.9	37.4	479	47.5	1.4	9.6	1.6	128.3	25.1
	2004	1.5	1.4	4.7	37.4	419	108.8	1.6	8.5	4.7	101.9	28.0
	2003	1.5	1.1	4.4	39.3	349	120.0	2.0	7.1	6.3	103.4	30.9
Cabot ^e	2005	3.4	3.0	9.6	28.4	710	48.1	6.0	22.4	1.9	131.6	36.8
	2004	6.3	3.4	10.2	29.8	450	37.7	6.2	13.0	2.7	79.7	38.8
	2003	4.2	2.2	7.0	32.4	408	48.0	7.2	14.1	3.6	77.8	41.5
Calgon Carbon	2005	def	def	def	35.8	242	def	5.5	14.7	1.6	83.6	30.0
	2004	1.8	1.1	3.6	33.6	293	78.2	3.6	9.3	1.5	92.6	33.2
	2003	1.4	0.8	2.5	25.0	297	84.9	3.2	7.0	1.8	92.1	35.4
Chemtura ^f	2005	4.8	4.0	8.1	42.5	454	24.8	3.5	8.8	1.7	59.9	58.0
	2004	def	def	def	72.4	531	def	2.5	8.8	2.0	95.2	45.5
	2003	def	def	def	71.3	397	def	4.0	11.4	2.4	86.4	48.3
Cytec Industries	2005	4.9	4.5	11.5	49.7	401	12.5	3.6	9.8	2.3	76.8	52.1
	2004	7.3	5.0	13.9	24.9	382	12.5	5.2	13.1	2.3	77.3	41.7
	2003	6.2	4.1	12.1	35.5	327	—	6.4	14.2	2.4	72.7	43.1
Dow Chemical	2005	9.8	7.7	29.7	37.5	1,092	28.3	3.4	11.8	2.3	100.8	32.3
	2004	7.0	4.8	22.8	48.7	930	44.8	3.3	9.6	2.5	87.5	33.0
	2003	3.9	7.5	14.0	56.2	703	95.6	3.4	7.7	3.0	77.9	348.4
DuPont ^g	2005	7.7	5.5	23.1	43.2	444	70.1	5.0	13.0	5.0	80.1	41.3
	2004	9.0	6.2	21.5	32.8	456	57.4	4.5	12.1	4.9	76.7	42.6
	2003	6.2	3.9	17.1	30.5	333	84.3	6.3	17.3	5.0	72.9	41.0
Eastman Chemical	2005	10.7	6.6	47.0	50.1	588	18.8	4.9	10.8	2.3	122.3	32.9
	2004	2.6	1.5	14.4	63.5	548	80.6	3.8	7.8	2.3	112.1	33.2
	2003	1.4	0.7	8.1	66.7	387	161.9	4.0	6.7	3.0	93.1	34.7
Engelhard	2005	7.2	7.3	22.2	22.4	648	17.5	3.1	15.1	2.4	118.0	39.7
	2004	5.7	6.1	16.7	26.7	641	23.0	3.0	13.5	2.4	131.1	40.4
	2003	6.4	6.8	18.4	23.3	573	21.5	3.1	12.9	2.5	126.7	41.7
FMC Corp.	2005	2.2	2.8	11.6	40.0	1,030	—	1.8	9.2	1.8	188.0	35.7
	2004	8.6	4.4	20.1	48.4	402	—	4.1	7.6	4.5	68.9	37.4
	2003	3.5	1.8	11.6	63.7	363	—	4.5	7.7	4.5	67.9	39.4
H.B. Fuller ^h	2005	3.8	4.1	9.8	16.1	380	24.5	1.6	8.2	1.1	136.5	36.4
	2004	2.6	2.6	6.5	20.0	313	36.4	2.2	8.9	1.1	124.2	40.7
	2003	3.4	3.4	8.6	24.0	286	28.8	3.0	11.2	1.4	127.7	42.1
Georgia Gulf	2005	4.2	6.9	26.3	38.7	2,025	11.4	1.4	8.0	0.0	227.2	38.7
	2004	4.8	7.6	39.6	32.5	1,828	10.0	1.0	5.4	0.0	228.8	41.2
	2003	0.9	1.0	9.6	75.8	1,205	79.9	1.7	5.2	0.0	168.5	45.2
W.R. Grace	2005	2.6	2.1	-11.3	0.0	402	—	3.1	13.7	2.3	73.1	30.2
	2004	def	def	def	-0.2	353	—	2.8	9.8	2.3	63.9	32.7
	2003	def	def	def	0.0	314	—	4.3	13.1	2.6	68.9	35.1
Hercules	2005	1.0	0.8	-81.8	102.3	445	—	3.3	12.6	2.0	80.5	32.2
	2004	1.4	0.9	27.8	92.6	399	—	3.9	11.1	2.2	73.7	33.3
	2003	4.0	2.6	112.1	95.3	362	—	2.6	7.1	2.1	66.7	33.2

	YEAR	PROFIT MARGIN ^a	RETURN ON INVESTMENT ^b	RETURN ON EQUITY ^c	DEBT AS % OF DEBT PLUS EQUITY	SALES PER EMPLOYEE ^d	CAPITAL SPENDING			R&D AS % OF SALES	SALES AS % OF ASSETS	NET PLANT AS % OF GROSS PLANT
							DIVIDENDS AS % OF EARNINGS	AS % OF SALES	AS % OF NET PLANT			
International Flavors & Fragrances	2005	10.5	9.4	22.8	12.5	386	32.5	4.7	18.7	9.0	75.6	48.7
	2004	10.9	10.8	23.7	42.3	379	29.3	3.6	14.2	8.9	83.4	48.5
	2003	10.5	10.5	26.9	48.2	349	29.1	3.5	12.9	8.4	82.4	50.6
Lubrizol ^l	2005	5.0	4.9	13.0	51.5	538	34.6	3.4	11.5	5.1	92.6	45.2
	2004	4.2	3.1	8.7	56.3	405	43.6	4.2	10.1	6.0	69.2	48.3
	2003	5.2	3.7	11.1	28.9	407	50.5	4.3	12.8	4.6	103.4	35.2
Lyondell ^l	2005	2.9	3.9	17.7	66.5	1,861	41.8	1.3	3.8	0.5	124.2	69.5
	2004	0.9	0.4	2.0	73.9	601	235.2	1.4	1.2	0.7	37.5	75.1
	2003	def	def	def	78.2	1,201	def	7.1	10.2	1.0	49.8	75.9
Monsanto ^k	2005	2.3	1.6	2.8	20.6	na	110.8	4.1	11.8	8.5	65.5	46.7
	2004	5.0	2.8	5.2	17.0	433	52.0	3.8	10.1	9.4	59.5	45.3
	2003	7.6	3.9	7.3	12.8	374	34.2	4.2	9.0	10.3	52.2	49.4
NewMarket Corp. ^l	2005	3.3	3.0	13.2	36.5	978	—	1.7	11.6	6.1	153.3	20.1
	2004	3.0	2.4	11.6	44.2	813	—	1.7	9.0	3.7	132.2	21.4
	2003	2.8	2.0	10.5	50.2	687	—	1.6	6.9	3.7	117.2	23.1
Polyone	2005	2.6	3.6	15.1	60.6	488	—	1.3	7.4	0.7	142.8	38.9
	2004	def	def	def	62.8	413	—	1.1	5.2	0.7	121.6	46.3
	2003	0.2	0.2	0.8	67.3	442	—	1.5	6.0	1.0	103.4	50.7
PPG Industries	2005	7.6	6.6	25.4	27.7	331	40.7	2.8	12.5	3.0	117.5	29.5
	2004	7.2	5.7	19.7	25.4	299	44.9	2.6	9.9	3.2	106.5	31.5
	2003	5.7	4.5	17.2	31.5	266	58.8	2.5	8.5	3.5	103.9	33.7
Praxair	2005	10.8	5.6	21.1	42.9	280	28.3	11.5	14.4	1.0	73.0	48.2
	2004	10.6	5.1	19.3	44.4	244	28.0	10.1	11.2	1.2	66.8	49.4
	2003	10.4	4.8	18.9	46.3	221	25.5	17.5	18.7	1.3	67.6	48.7
Quaker Chemical	2005	0.4	0.6	1.6	38.9	346	494.1	1.6	12.3	3.3	127.7	40.4
	2004	2.2	2.8	7.3	10.9	325	91.6	2.2	14.3	3.5	123.4	42.9
	2003	4.4	5.4	13.4	12.5	298	52.8	3.8	21.0	2.9	118.5	45.6
Rohm and Haas	2005	8.0	5.8	16.3	34.6	484	39.2	4.2	12.4	3.4	82.2	34.0
	2004	6.8	4.4	13.4	40.9	437	43.8	4.4	11.0	3.6	72.3	36.5
	2003	5.9	3.7	11.4	42.4	371	50.0	5.3	11.4	3.7	68.0	38.6
Sigma-Aldrich	2005	15.5	11.7	20.9	15.0	243	19.9	5.5	15.0	3.0	78.2	48.9
	2004	15.5	10.5	18.0	12.7	230	21.6	5.0	12.0	3.1	80.7	49.1
	2003	14.6	7.2	19.0	15.0	219	18.5	4.5	10.6	3.3	83.9	50.3
Solutia	2005	0.4	0.3	-0.8	-20.5	523	—	2.9	10.1	1.6	142.4	24.0
	2004	def	def	def	-24.6	473	—	2.3	7.3	1.6	129.9	25.1
	2003	def	def	def	-35.4	386	—	3.2	8.6	2.2	99.3	25.9
Stepan	2005	1.3	1.3	8.1	39.5	714	58.3	3.8	19.7	2.7	208.9	26.2
	2004	1.0	0.9	5.4	35.9	669	85.9	3.6	16.3	1.6	189.9	26.9
	2003	0.6	0.5	3.1	36.2	561	151.6	4.2	15.6	1.9	169.2	28.3
Terra Industries	2005	0.9	0.9	3.4	40.2	1,597	—	1.6	4.2	0.0	126.7	50.7
	2004	4.5	3.3	14.8	48.7	1,139	—	1.3	2.4	0.0	89.4	55.1
	2003	def	def	def	60.3	1,185	—	0.7	1.3	0.0	119.9	55.3
AVERAGE	2005	6.9%	5.5%	21.0%	41.2%	\$596	37.5%	4.1%	11.7%	2.8%	96.1%	39.8%
	2004	5.8%	3.9%	15.5%	44.7%	\$475	46.9%	4.0%	9.4%	3.2%	80.2%	40.8%
	2003	4.5%	3.4%	12.6%	45.7%	\$392	69.6%	5.1%	11.3%	3.5%	77.4%	53.0%

NOTE: Earnings are from continuing operations but may include significant nonrecurring and extraordinary items. **a** Earnings as a percentage of sales. **b** Earnings as a percentage of current assets plus gross plant. **c** Earnings as a percentage of stockholders' equity. **d** Thousands of dollars. **e** Fiscal year ends on Sept 30. **f** In 2005, Crompton and Great Lakes Chemical merged to become Chemtura; earlier figures are for Crompton. **g** In 2004, sold majority of textile and interiors unit. **h** Fiscal year ends Nov. 30. **i** Acquired Noveon in 2004. **j** Acquired Millennium Chemicals in December 2004. **k** Fiscal year ends Aug. 31. **l** Formerly Ethyl Corp. **def** = deficit. **na** = not available.

EXPLANATION

Column Headings In Tables Of Company Results

Year. Data are for calendar year unless otherwise indicated. Data for earlier years are not restated to reflect subsequent acquisitions or divestitures.

Net sales. Gross sales, less discounts, allowances, and returns; generally excludes excise taxes and other operating income or revenues.

Earnings. Net sales and other income less operating costs, nonoperating charges, depreciation, depletion, interest expense, deferred charges, minority interest in income, and taxes. Nonrecurring or extraordinary credits and charges may be included.

Total assets. Sum at year's end of current assets, investments, prepaid expenses, net plant and equipment, and other tangible assets. Excludes insofar as possible intangible assets, including goodwill, value of patents, and the like.

Net plant and equipment. Value at year's end of fixed assets less accumulated depreciation, amortization, and depletion.

Capital expenditures. Total spending during the year for new fixed assets, such as plant, equipment, and land, and for replacement and modernization of facilities.

Stockholders' equity. Equity at year's end of preferred and common stockholders, including value of capital stock, capital and

earned surplus, and surplus reserves, as well as contingency and miscellaneous reserves for which no definite purpose is stated. Intangible assets are deducted insofar as possible.

Earnings (breakdown). Percent of sales: earnings divided by net sales. Percent of stockholders' equity: earnings divided by stockholders' equity. Dollars per share: earnings less preferred dividends, divided by the number of shares of common stock outstanding. All figures are adjusted for stock splits, but no adjustment has been made for earlier years as a result of stock dividends or for dilution that might result from the conversion of preferred stock or debt to common stock or the exercise of stock options outstanding.

Dividends per share. Cash dividends paid (or declared) on each share of common stock; excludes the value of stock dividends and adjusted for stock splits.

Dividend yield. Dividends per share divided by the average of the high and low prices of the common stock during the year.

Stock price range. High and low market prices of common stock during the year, adjusted for stock splits but not stock dividends.

Price/earnings ratio. Average of the high and low prices of the common stock during the year divided by earnings per share.

U.S. COMPANY RESULTS

Financial measures improved at most major chemical, pharmaceutical, and biotech firms

CHEMICALS

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCKHOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND YIELD, % OF PRICE	STOCK PRICE RANGE PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCKHOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
AIR PRODUCTS & CHEMICALS^a														
2005	\$8,144	\$712	\$9,390	\$5,869	\$930	\$3,557	8.7%	20.0%	\$3.15	\$1.25	2.1%	\$65.81	\$51.85	18.7
2004	7,411	604	9,209	5,702	706	3,613	8.2	16.7	2.70	1.04	2.1	55.76	44.12	18.5
2003	6,297	467	8,259	5,637	613	2,610	7.4	17.9	2.21	0.88	2.1	46.50	36.15	18.7
2002	5,401	519	7,771	5,378	628	2,736	9.6	19.0	2.33	0.82	2.0	53.52	30.50	18.0
ALBEMARLE														
2005	\$2,108	\$115	\$2,153	\$967	\$70	\$536	5.5%	21.4%	\$2.41	\$0.62	1.7%	\$39.50	\$32.04	14.8
2004	1,514	55	2,039	890	58	307	3.6	17.9	1.29	0.59	1.7	40.65	26.97	26.2
2003	1,110	81	1,268	527	41	517	7.3	15.7	1.91	0.57	2.2	30.70	22.10	13.8
2002	980	71	1,158	519	38	527	7.2	13.5	1.64	0.54	2.0	33.00	21.90	16.7
ARCH CHEMICALS														
2005	\$1,305	\$40	\$795	\$191	\$18	\$143	3.1%	27.9%	\$1.67	\$0.80	3.0%	\$31.14	\$21.96	15.9
2004	1,121	17	908	212	18	168	1.5	10.1	0.84	0.80	2.7	30.87	28.78	35.5
2003	1,009	15	778	281	20	140	1.5	10.7	0.67	0.80	3.9	25.80	15.15	30.6
2002	939	13	739	320	35	130	1.4	10.0	0.55	0.80	3.9	25.68	15.70	37.6
CABOT^a														
2005	\$3,125	\$106	\$2,349	\$832	\$186	\$1,074	3.4%	9.9%	\$1.77	\$0.64	1.9%	\$39.27	\$27.66	18.9
2004	1,934	122	2,308	918	119	1,073	6.3	11.4	1.79	0.60	1.8	40.81	26.68	18.9
2003	1,795	75	2,189	913	129	960	4.2	7.8	1.08	0.54	1.8	30.30	28.51	27.2
2002	1,557	118	1,954	885	146	864	7.6	13.7	1.65	0.52	1.7	42.24	20.50	19.0
CALGON CARBON														
2005	\$291	-\$8	\$348	\$109	\$16	\$151	def	def	-\$0.27	\$0.09	1.2%	\$10.25	\$4.94	def
2004	337	6	344	129	12	148	1.8	4.1	0.15	0.12	1.6	9.70	5.25	49.8
2003	278	4	280	129	9	140	1.4	2.9	0.11	0.12	2.2	6.89	4.24	50.6
2002	258	4	271	135	11	133	1.6	3.0	0.11	0.12	1.7	9.89	4.00	63.1

^a Fiscal year ends Sept 30. def = deficit.

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND YIELD, % OF PRICE	STOCK PRICE RANGE PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
CHEMTURA^a														
2005	\$2,987	\$144	\$4,365	\$1,192	\$104	\$1,154	4.8%	12.4%	\$0.60	\$0.20	1.4%	\$17.95	\$9.89	23.2
2004	2,550	-35	2,271	735	65	-79	def	def	-0.32	0.20	2.4	11.80	5.02	def
2003	2,185	-119	2,110	775	88	-116	def	def	-1.05	0.20	3.5	7.75	3.63	def
2002	2,547	55	2,257	943	100	-384	2.2	nm	0.49	0.20	2.2	13.00	5.44	18.8
CYTEC INDUSTRIES														
2005	\$2,926	\$143	\$2,307	\$1,076	\$105	-\$266	4.9%	nm	\$3.07	\$0.40	0.9%	\$53.90	\$39.34	15.2
2004	1,721	126	1,794	679	89	475	7.3	26.5%	2.84	0.40	0.9	51.37	32.97	14.8
2003	1,472	91	1,616	663	94	345	6.2	26.4	2.34	0.00	—	38.59	25.98	13.8
2002	1,346	83	1,379	578	62	250	6.2	33.3	2.04	0.00	—	34.00	19.20	13.0
DOW CHEMICAL														
2005	\$46,307	\$4,546	\$42,351	\$13,537	\$1,597	\$11,741	9.8%	38.7%	\$4.62	\$1.34	2.8%	\$56.75	\$40.18	10.5
2004	40,161	2,797	42,198	13,828	1,333	8,583	7.0	32.6	2.93	1.34	3.1	51.34	36.35	15.0
2003	32,632	1,285	38,086	14,217	1,100	5,370	3.9	23.9	1.38	1.34	4.0	42.00	25.16	24.3
2002	27,609	290	35,760	13,797	1,623	3,824	1.1	7.6	0.32	1.34	4.4	37.00	23.66	94.8
DUPONT^b														
2005	\$26,639	\$2,053	\$28,479	\$10,309	\$1,340	\$4,136	7.7%	49.6%	\$2.08	\$1.46	3.2%	\$54.90	\$37.60	22.2
2004	27,340	2,447	30,702	10,224	1,232	6,447	9.0	38.0	2.44	1.40	3.1	49.39	39.88	18.3
2003	26,996	1,669	32,114	9,892	1,713	4,856	6.2	34.4	1.67	1.40	3.5	46.00	34.71	24.2
2002	24,006	2,001	30,345	13,286	1,280	4,787	8.3	41.8	2.00	1.40	3.3	49.80	35.02	21.2
EASTMAN CHEMICAL														
2005	\$7,059	\$757	\$5,461	\$3,162	\$343	\$1,300	10.7%	58.2%	\$6.81	\$1.76	3.3%	\$61.80	\$44.10	7.8
2004	6,580	170	5,533	3,192	248	845	2.6	20.1	2.18	1.76	3.7	58.17	38.00	22.1
2003	5,800	84	5,880	3,419	230	693	1.4	12.1	1.08	1.76	5.2	39.53	27.89	31.2
2002	5,320	85	5,700	3,753	427	698	1.6	12.2	1.10	1.76	4.2	49.04	35.35	38.4
ENGELHARD														
2005	\$4,597	\$331	\$3,496	\$936	\$142	\$1,089	7.2%	30.4%	\$2.02	\$0.48	1.7%	\$31.37	\$26.80	14.4
2004	4,166	236	2,680	911	123	915	5.7	25.8	1.88	0.44	1.5	32.72	26.49	15.7
2003	3,715	237	2,433	881	114	785	6.4	30.2	1.86	0.41	1.7	30.58	19.02	13.3
2002	3,754	228	2,564	861	113	620	6.1	36.8	1.75	0.40	1.5	33.00	21.18	15.5
FMC CORP.														
2005	\$5,150	\$111	\$2,591	\$1,012	\$94	\$811	2.2%	13.7%	\$2.83	\$0.00	—	\$63.87	\$43.25	18.9
2004	2,051	176	2,808	1,112	85	706	8.6	24.9	3.20	0.00	—	50.50	32.95	13.0
2003	1,921	68	2,673	1,128	87	432	3.5	15.7	1.90	0.00	—	34.85	14.38	13.0
2002	1,853	88	2,742	1,076	84	276	4.7	31.8	2.55	0.00	—	41.92	23.46	12.8
H.B. FULLER^c														
2005	\$1,512	\$57	\$1,010	\$299	\$25	\$486	3.8%	11.7%	\$1.94	\$0.48	1.6%	\$36.12	\$25.25	15.8
2004	1,410	36	1,018	349	31	436	2.6	8.3	1.23	0.46	1.7	30.36	24.71	22.4
2003	1,287	44	912	349	39	413	3.4	10.7	1.52	0.45	1.8	29.57	19.71	16.2
2002	1,256	28	870	355	36	357	2.2	7.8	0.98	0.44	1.5	33.20	24.15	29.3
GEORGIA GULF														
2005	\$2,274	\$96	\$923	\$401	\$32	\$285	4.2%	33.5%	\$2.79	\$0.32	0.8%	\$55.90	\$21.40	13.9
2004	2,206	106	964	426	23	268	4.8	39.6	3.17	0.32	0.8	58.75	24.68	13.2
2003	1,444	13	779	461	24	58	0.9	22.4	0.38	0.32	1.4	29.75	16.94	61.4
2002	1,231	31	798	521	18	48	2.5	64.2	0.97	0.32	1.5	26.92	17.03	22.7
W.R. GRACE														
2005	\$2,570	\$67	\$3,413	\$590	\$81	-\$699	2.6%	nm	\$1.00	—	—	\$13.79	\$6.75	10.3
2004	2,260	-402	3,427	645	63	-734	def	def	-6.11	—	—	14.95	2.51	def
2003	1,981	-55	2,789	657	86	-269	def	def	-0.84	—	—	5.52	1.48	def
2002	1,817	22	2,560	621	91	-351	1.2	nm	0.34	—	—	3.75	0.99	7.0
HERCULES														
2005	\$2,069	\$20	\$1,985	\$535	\$68	-\$609	1.0%	nm	\$0.18	—	—	\$15.24	\$10.20	70.7
2004	1,997	27	1,998	695	77	-615	1.4	nm	0.25	—	—	15.09	9.99	50.2
2003	1,846	74	2,060	677	48	-640	4.0	nm	0.69	—	—	12.50	7.40	14.4
2002	1,705	69	2,027	633	43	-789	4.1	nm	0.63	—	—	13.70	8.45	17.6
INTERNATIONAL FLAVORS & FRAGRANCES														
2005	\$1,993	\$209	\$1,866	\$499	\$93	\$143	10.5%	146.5%	\$2.02	\$0.73	2.0%	\$42.90	\$31.19	18.3
2004	1,975	216	1,578	501	71	121	10.9	178.5	2.27	0.69	1.8	43.20	32.77	16.7
2003	1,902	200	2,018	511	66	454	10.5	44.1	2.12	0.63	1.9	36.61	29.18	15.5
2002	1,800	184	1,450	521	82	-208	10.2	nm	1.92	0.60	1.9	37.45	26.05	16.5
LUBRIZOL^d														
2005	\$4,043	\$204	\$2,823	\$1,184	\$137	\$24	5.0%	855.0%	\$2.89	\$1.04	2.6%	\$44.51	\$35.25	13.8
2004	3,160	132	2,976	1,318	133	-66	4.2	nm	2.36	1.04	3.1	37.36	29.86	14.2
2003	2,049	106	1,711	690	88	682	5.2	15.5	2.05	1.04	3.3	34.40	29.23	15.5
2002	1,980	126	1,648	679	65	657	6.4	19.2	2.45	1.04	3.3	36.36	26.20	12.8

^a In 2005, Crompton and Great Lakes Chemical merged to form Chemtura; earlier data are for Crompton. ^b In 2005, Dupont sold most of textiles and interiors unit. ^c Fiscal year ends Nov. 30. ^d Acquired Noveon in 2004. **def** = deficit. **nm** = not meaningful.

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND YIELD, % OF PRICE	STOCK PRICE RANGE PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
LYONDELL CHEMICAL														
2005	\$18,606	\$531	\$12,735	\$6,530	\$249	\$763	2.9%	69.6%	\$2.04	\$0.90	4.1%	\$29.59	\$14.58	10.8
2004	5,968	54	13,753	7,215	83	498	0.9	10.8	0.29	0.90	4.1	29.59	14.58	76.2
2003	3,801	-302	6,553	2,640	268	76	def	def	-1.84	0.90	6.4	17.10	10.96	def
2002	3,262	-133	6,318	2,369	22	49	def	def	-0.99	0.90	6.4	17.59	10.33	def
MONSANTO^a														
2005	\$6,924	\$157	\$8,178	\$2,378	\$281	\$3,212	2.3%	4.9%	\$0.58	\$0.68	1.3%	\$69.23	\$34.15	89.1
2004	5,457	271	7,990	2,087	210	4,084	5.0	6.6	1.01	0.68	2.2	38.50	23.08	30.5
2003	4,936	374	8,122	2,280	206	3,817	7.6	9.8	1.42	0.00	—	—	—	—
2002	4,673	310	7,490	2,339	224	3,780	6.6	8.2	1.18	0.68	2.9	33.29	13.01	19.6
NEWMARKET CORP.^b														
2005	\$1,076	\$35	\$652	\$154	\$18	\$216	3.3%	16.2%	\$2.02	—	—	\$25.26	\$12.95	9.5
2004	894	27	620	166	15	176	3.0	15.3	1.45	—	—	25.57	17.35	14.8
2003	756	21	582	174	12	137	2.8	15.3	1.22	—	—	22.30	6.47	11.8
2002	656	12	587	199	13	84	1.8	14.3	0.72	—	—	7.40	2.70	7.0
POLYONE														
2005	\$2,451	\$63	\$1,390	\$436	\$32	\$90	2.6%	69.7%	\$0.68	—	—	\$10.25	\$5.31	11.4
2004	2,162	19	1,194	441	23	-204	0.9	nm	0.26	—	—	9.70	5.28	28.8
2003	1,965	-95	1,547	486	29	13	def	def	-1.05	—	—	6.95	3.08	-4.8
2002	2,498	3	1,521	682	75	103	0.1	2.7	0.03	\$0.25	3.0%	13.40	3.03	0.0
PPG INDUSTRIES														
2005	\$10,201	\$776	\$7,027	\$2,304	\$288	\$1,399	7.6%	55.5%	\$4.54	\$1.86	2.9%	\$74.73	\$55.64	14.4
2004	9,513	683	7,219	2,471	244	1,759	7.2	38.8	3.98	1.79	2.9	68.79	54.81	15.5
2003	8,756	500	6,772	2,566	217	1,259	5.7	39.7	2.92	1.73	3.2	64.42	43.61	18.5
2002	8,067	476	6,302	2,632	238	589	5.9	80.8	2.80	1.70	3.3	62.84	41.41	18.6
PRAXAIR														
2005	\$7,656	\$824	\$8,865	\$6,108	\$877	\$2,276	10.8%	36.2%	\$2.50	\$0.72	1.5%	\$54.31	\$41.06	19.1
2004	6,594	697	8,239	5,946	668	1,969	10.6	35.4	2.10	0.60	1.5	46.25	34.52	19.2
2003	5,613	585	7,174	5,252	983	1,957	10.4	29.9	1.77	0.46	1.5	38.26	25.02	17.9
2002	5,128	548	6,366	4,666	498	1,305	10.7	42.0	1.68	0.38	1.4	30.56	22.28	15.7
QUAKER CHEMICAL														
2005	\$424	\$2	\$288	\$57	\$7	\$62	0.4%	2.7%	\$0.17	\$0.86	4.2%	\$25.07	\$15.80	120.2
2004	401	9	-109	63	9	-311	2.2	nm	0.90	0.86	3.3	30.70	21.84	29.2
2003	340	15	244	62	13	69	4.4	21.7	1.52	0.84	3.4	30.75	18.17	16.1
2002	275	14	186	49	11	60	5.1	23.3	1.51	0.84	3.8	25.50	18.22	14.5
ROHM AND HAAS														
2005	\$7,994	\$638	\$6,508	\$2,681	\$333	\$698	8.0%	91.4%	\$2.86	\$1.12	2.5%	\$50.00	\$39.47	15.6
2004	7,300	496	8,361	2,929	322	1,963	6.8	25.3	2.21	0.97	2.4	45.41	35.90	18.4
2003	6,421	382	7,783	2,966	339	1,695	5.9	22.5	1.72	0.86	2.5	43.05	26.26	20.1
2002	5,727	339	7,982	2,954	407	1,395	5.9	24.3	1.53	0.82	2.3	42.60	30.19	23.8
SIGMA-ALDRICH														
2005	\$1,667	\$258	\$1,665	\$613	\$92	\$767	15.5%	33.7%	\$3.76	\$0.76	1.2%	\$67.10	\$55.34	16.3
2004	1,409	218	1,587	584	70	1,054	15.5	20.7	3.16	0.68	1.2	61.62	53.22	18.2
2003	1,298	190	1,435	547	58	886	14.6	21.4	2.68	0.50	1.0	57.46	41.17	18.4
2002	1,207	169	1,259	536	61	751	14.0	22.5	2.30	0.35	0.8	52.80	38.16	19.8
SOLUTIA														
2005	\$2,825	\$11	\$1,873	\$804	\$81	-\$1,565	0.4%	nm	\$0.11	—	—	\$1.69	\$0.33	9.2
2004	2,697	-316	1,962	841	61	-1,558	def	def	-3.02	—	—	0.15	1.39	def
2003	2,430	-78	2,306	909	78	-1,265	def	def	-1.10	—	—	4.89	0.23	def
2002	2,241	4	3,132	930	59	-459	0.2	nm	0.04	\$0.04	0.5%	13.20	2.80	200.0
STEPAN														
2005	\$1,078	\$14	\$500	\$211	\$42	\$151	1.3%	9.0%	\$1.39	\$0.79	3.3%	\$27.48	\$20.80	17.4
2004	936	9	475	209	34	150	1.0	6.0	0.89	0.77	3.2	26.15	21.70	26.9
2003	785	5	444	211	33	142	0.6	3.5	0.45	0.76	3.1	26.80	21.55	53.7
2002	749	20	420	211	36	139	2.7	14.4	2.05	0.74	2.8	29.21	23.55	12.9
TERRA INDUSTRIES														
2005	\$1,931	\$17	\$1,516	\$734	\$31	\$485	0.9%	3.5%	\$0.18	—	—	\$9.27	\$4.87	39.3
2004	1,507	68	1,661	798	19	434	4.5	15.7	0.87	—	—	9.38	3.20	7.2
2003	1,349	-22	1,125	708	9	265	def	def	-0.28	—	—	3.55	0.97	def
2002	1,044	-36	1,128	791	28	258	def	def	-0.48	—	—	3.97	1.45	def

^a Fiscal year end changed to Aug. 31 in 2003, thus data prior to 2004 are not comparable. ^b Formerly Olin Corp. **def** = deficit. **nm** = not meaningful.

PHARMACEUTICALS

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND YIELD, % OF PRICE	STOCK PRICE RANGE PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
ABBOTT LABORATORIES														
2005	\$22,338	\$3,372	\$19,190	\$6,003	\$1,207	\$4,464	15.1%	75.5%	\$2.17	\$1.10	2.5%	\$50.00	\$37.50	20.2
2004	19,680	3,176	28,768	6,008	3,468	1,292	16.1	91.6	2.02	1.04	2.4	47.63	38.26	21.3
2003	19,681	2,753	18,176	6,282	1,247	4,533	14.0	60.7	1.75	1.04	2.6	47.15	33.75	23.1
2002	17,685	3,243	16,607	5,828	1,296	3,013	18.3	107.6	2.06	0.94	2.1	58.00	29.80	21.3
BRISTOL-MYERS SQUIBB														
2005	\$19,207	\$2,992	\$21,394	\$5,693	\$738	\$4,464	15.6%	67.0%	\$1.52	\$1.12	4.7%	\$26.48	\$21.03	15.6
2004	19,380	2,378	30,435	5,768	3,431	676	12.3	69.3	1.21	1.12	4.2	30.64	22.50	22.0
2003	20,849	3,106	20,903	5,712	937	3,218	14.9	9.6	1.60	1.12	4.5	28.86	21.13	15.6
2002	18,119	2,034	18,106	5,321	997	2,199	11.2	92.5	1.05	1.12	3.1	51.50	20.55	34.3
ELI LILLY & CO.														
2005	\$14,645	\$3,122	\$24,581	\$7,913	\$1,298	\$10,896	21.3%	28.7%	\$2.87	\$1.52	2.8%	\$60.44	\$49.76	19.2
2004	13,858	3,075	24,867	7,551	10,920	1,892	22.2	28.2	2.82	1.42	2.2	76.26	50.44	22.5
2003	12,583	2,561	20,286	6,539	1,707	8,372	20.4	30.6	2.37	1.36	2.1	73.89	53.70	26.9
2002	11,078	2,763	19,042	5,293	1,131	8,274	24.9	33.4	2.55	1.24	1.9	80.28	47.91	25.1
JOHNSON & JOHNSON														
2005	\$50,414	\$10,411	\$45,850	\$10,830	\$2,632	\$25,696	20.7%	40.5%	\$3.46	\$1.28	2.0%	\$69.99	\$59.76	18.8
2004	47,348	8,509	53,317	10,436	19,971	2,175	18.0	42.6	2.84	1.01	1.9	64.25	49.25	20.0
2003	41,862	4,684	36,724	9,846	2,262	11,330	11.2	41.3	2.40	0.93	1.7	59.08	48.05	22.3
2002	36,298	6,811	31,310	8,710	2,099	13,451	18.8	50.6	2.23	0.80	1.5	65.89	41.40	24.1
MERCK^a														
2005	\$22,012	\$4,631	\$43,242	\$9,315	\$1,403	\$16,313	21.0%	28.4%	\$2.10	\$1.52	5.0%	\$35.20	\$25.50	14.5
2004	22,939	5,813	42,573	14,714	10,717	1,726	25.3	54.2	2.62	1.49	4.0	49.33	25.60	14.3
2003	22,486	6,590	38,638	14,169	1,916	13,627	29.3	48.4	2.92	1.45	2.6	63.50	40.57	17.8
2002	51,790	7,150	40,320	14,196	2,370	10,960	13.8	65.2	3.14	1.41	2.7	64.50	38.50	16.4
PFIZER^b														
2005	\$51,298	\$8,094	\$66,005	\$17,090	\$2,106	\$14,067	15.8%	57.5%	\$1.10	\$0.76	3.1%	\$29.21	\$20.27	22.5
2004	52,516	11,332	123,684	18,385	11,271	2,601	21.6	100.5	1.51	0.68	2.2	39.89	21.99	20.5
2003	45,188	12,722	58,119	18,287	2,641	6,721	28.2	189.3	1.73	0.60	1.9	36.92	26.95	18.5
2002	32,373	9,946	45,156	10,712	1,758	18,750	30.7	53.0	1.59	0.52	1.5	42.46	25.13	21.3
SCHERING-PLOUGH														
2005	\$9,508	\$269	\$14,900	\$4,487	\$478	\$6,818	2.8%	3.9%	\$0.12	\$0.22	1.1%	\$22.45	\$17.68	167.2
2004	8,272	-15	15,911	4,593	6,976	489	def	def	-0.67	0.22	1.2	21.12	15.96	def
2003	8,334	507	14,483	4,527	701	6,718	6.1	7.5	0.35	0.57	3.0	23.68	14.52	54.6
2002	10,180	2,089	13,475	4,236	770	7,481	20.5	27.9	1.42	0.67	2.5	36.00	17.30	18.8
WYETH														
2005	\$18,756	\$3,656	\$28,725	\$9,353	\$1,081	\$4,878	19.5%	74.9%	\$2.70	\$0.94	2.2%	\$47.88	\$38.48	16.0
2004	17,358	4,361	33,630	9,524	5,780	1,255	25.1	75.5	3.24	0.92	2.4	44.70	33.50	12.1
2003	15,851	3,259	27,081	8,661	1,906	5,343	20.6	61.0	2.44	0.92	2.2	49.95	32.75	16.9
2002	14,584	2,963	22,103	7,236	1,932	4,264	20.3	69.5	2.22	0.92	1.9	66.51	28.25	21.3

BIOPHARMACEUTICALS

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND YIELD, % OF PRICE	STOCK PRICE RANGE PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
AMGEN														
2005	\$12,022	\$3,674	\$2,314	19.2%	\$29,297	\$5,038	\$6,214	30.6%	59.1%	\$2.93	\$86.17	\$57.20	24.5	
2004	9,977	2,363	2,028	20.3	29,221	4,712	5,147	23.7	45.9	1.10	64.76	52.70	53.4	
2003	7,868	2,260	2,260	28.7	26,176	3,799	5,218	28.7	43.3	1.69	71.54	48.88	35.6	
2002	4,991	1,662	1,117	22.4	9,783	2,814	3,613	33.3	46.0	1.39	62.48	31.07	33.7	
BIOGEN IDEC^c														
2005	\$1,617	\$161	\$748	46.2%	\$8,367	\$1,174	\$2,800	9.9%	5.7%	\$0.47	\$70.00	\$33.18	109.8	
2004	1,486	25	688	46.3	9,166	1,525	2,383	1.7	1.1	0.07	67.92	36.60	746.6	
2003	1,852	428	546	29.5	9,504	1,253	2,263	23.1	18.9	1.22	42.15	27.80	28.7	
2002	1,034	199	368	35.5	1,991	738	1,579	19.2	12.6	1.31	57.42	28.89	32.9	
GENENTECH^d														
2005	\$5,488	\$1,279	\$1,262	23.0%	\$12,147	\$3,349	\$5,581	23.3%	22.9%	\$1.18	\$100.20	\$43.90	61.1	
2004	3,749	894	948	25.3	9,403	2,091	4,799	23.9	18.6	0.78	68.25	41.00	70.0	
2003	2,621	635	722	27.5	8,736	1,618	4,395	24.2	14.4	0.60	47.68	15.77	52.9	
2002	2,164	484	624	28.8	4,516	1,069	3,077	22.4	15.7	0.46	27.58	12.55	43.6	

a Spun off Medco Health Solutions in August 2003. **b** Acquired Pharmacia in April 2003. **c** Biogen and Iddec Pharmaceuticals merged in November 2003; data for 2002 are for Biogen. **d** Genentech had 2-for-1 stock split in 2004. **def** = deficit.

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND YIELD, % OF PRICE	STOCK PRICE RANGE PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
GENZYME^a														
2005	\$2,453	\$442	\$503	20.5%	\$6,879	\$1,321	\$2,071	18.0%	21.3%	\$1.73	\$77.53	\$55.90	38.6	
2004	1,979	70	392	19.8	6,069	1,310	3,161	3.5	2.2	0.97	58.16	41.00	51.1	
2003	1,564	-68	335	21.4	5,005	1,151	1,419	def	def	\$0.42	\$52.45	\$28.45	96.3	
2002	1,200	85	309	25.7	2,757	802	1,371	7.1	6.2	0.81	58.55	15.64	45.8	
MEDIMMUNE														
2005	\$1,221	-\$17	\$385	31.5%	\$2,780	\$381	\$1,247	def	def	-\$0.07	\$37.58	\$23.20	def	
2004	1,124	-4	327	29.1	2,564	311	1,637	def	def	-0.02	28.70	20.77	def	
2003	993	192	156	15.7	2,795	274	1,589	19.3%	12.1%	0.76	42.09	22.79	42.7	
2002	848	107	144	17.0	2,059	184	1,548	12.6	6.9	0.42	48.35	20.45	81.9	

a For general division only. def = deficit.

CANADA COMPANY RESULTS

Results were mixed for Canadian companies in 2005

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND PER SHARE	DIVIDEND YIELD, % OF PRICE	STOCK PRICE RANGE, \$ PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
(Money figures in millions of dollars unless otherwise indicated.)														
AGRIUM														
2005	\$3,491	\$283	\$2,785	\$1,293	\$175	\$1,180	8.9%	22.5%	\$2.12	\$0.11	0.5%	C\$32.66	C\$17.75	10.5
2004	3,001	266	2,261	1,239	82	948	8.1	30.0	1.91	0.11	0.8	22.76	14.26	12.4
2003	2,630	-37	2,273	1,260	99	821	def	def	0.29	0.11	0.9	21.47	14.28	def
2002	2,198	0	2,169	1,400	52	764	0.0	0.0	0.00	0.11	1.0	17.85	12.66	—
METHANEX														
2005	\$1,658	\$207	\$2,047	\$1,396	\$118	\$900	12.5%	23.0%	\$1.75	\$0.41	2.4%	C\$24.58	C\$16.46	9.7
2004	1,719	236	2,067	1,367	157	892	13.7	23.5	1.95	0.28	1.8	22.70	13.91	7.7
2003	1,394	187	2,015	1,320	243	717	13.4	26.1	1.52	0.47	4.0	16.27	12.40	7.8
2002	1,009	112	1,784	980	160	869	11.1	12.9	0.89	0.10	1.0	14.70	8.60	10.8
NOVA CHEMICALS														
2005	\$5,616	-\$109	\$5,217	\$3,626	\$419	\$1,219	def	def	-\$1.32	\$0.33	0.8%	C\$64.25	C\$36.65	def
2004	5,270	109	5,047	3,454	242	1,493	2.1%	7.3%	1.14	0.33	0.9	58.75	31.71	32.7
2003	3,949	-116	4,413	3,336	130	1,309	def	def	-1.34	0.33	1.4	35.05	24.65	def
2002	3,091	-106	4,154	3,033	71	1,561	def	def	-1.24	0.33	1.2	40.15	28.48	def
POTASH CORP.														
2005	\$3,847	\$543	\$5,226	\$3,263	\$383	\$2,001	14.1%	27.1%	\$4.89	\$0.60	1.0%	C\$137.99	C\$84.76	18.8
2004	3,244	268	4,993	3,099	221	2,252	8.3	11.9	2.42	0.55	0.9	104.06	50.96	26.4
2003	2,466	77	4,470	3,108	151	1,877	3.1	4.1	0.73	0.50	1.2	57.75	40.75	55.8
2002	1,914	54	4,589	3,270	212	1,996	2.8	2.7	0.51	0.50	1.3	54.51	39.69	76.3

NOTE: Stock price ratios were calculated on the basis of the 2005 average exchange rate of \$1.00 U.S. = \$1.212 Canadian (C\$). def = deficit.

EUROPE COMPANY RESULTS

Most companies saw continued sales and earnings growth

CHEMICALS

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND, YIELD, % OF PRICE	STOCK PRICE RANGE, PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
(Money figures in millions of dollars unless otherwise indicated)														
BELGIUM														
Solvay														
2005	\$10,655	\$1,016	\$13,988	\$4,709	\$2,402	\$4,878	9.5%	20.8%	\$11.84	\$2.49	2.2%	€104.10	€79.95	9.7
2004	9,803	597	12,491	4,297	702	4,719	6.1	12.7	7.37	2.37	2.6	83.90	64.10	12.5
2003	9,405	493	11,751	4,305	691	4,368	5.2	11.3	5.95	2.24	3.1	69.30	47.60	12.2
2002	9,854	617	11,381	4,747	778	3,593	6.3	17.2	6.88	2.24	2.6	78.00	58.70	12.4
FINLAND														
Kemira														
2005	\$2,482	\$110	\$2,901	\$1,077	\$141	\$1,268	4.4%	8.6%	\$0.91	\$0.45	3.0%	€14.02	€9.86	16.4
2004	3,153	95	2,543	936	268	1,152	3.0	8.2	0.80	0.42	3.3	11.69	9.20	16.3
2003	3,407	92	3,105	1,352	294	1,329	2.7	6.9	0.77	0.41	4.4	9.30	5.75	12.1
2002	3,251	10	3,100	1,334	302	1,314	0.3	0.8	0.09	0.37	4.2	8.50	5.75	101.8
FRANCE														
Air Liquide														
2005	\$12,986	\$1,161	\$20,196	\$10,166	\$1,213	\$7,727	8.9%	15.0%	\$10.78	\$4.79	2.6%	€166.10	€129.90	17.1
2004	11,668	968	17,952	8,607	1,089	6,688	8.3	14.5	8.96	4.36	2.7	138.50	119.09	17.9
2003	10,446	904	13,696	7,377	911	6,321	8.6	14.3	9.16	3.98	2.6	140.90	105.00	16.7
2002	9,832	875	13,639	7,659	884	6,495	8.9	13.5	8.81	3.98	2.4	160.00	112.00	19.2
Arkema^a														
2005	\$7,106	-\$533	\$5,817	\$1,557	\$414	\$1,821	def	def	-\$8.78	—	—	—	—	—
2004	6,618	-779	5,544	1,619	373	2,182	def	def	-12.70	—	—	—	—	—
2003	6,281	-470	5,845	2,104	368	3,035	def	def	-7.81	—	—	—	—	—
Rhodia														
2005	\$6,328	-\$765	\$7,026	\$2,657	\$316	-\$829	def	def	—	—	—	€1.94	€1.18	—
2004	6,572	-778	6,805	2,457	248	116	def	def	—	—	—	3.95	0.97	—
2003	6,786	-1,681	8,125	3,144	290	314	def	def	—	—	—	8.44	2.91	—
2002	8,235	-5	9,567	3,414	465	2,284	def	def	-\$0.02	\$0.24	2.1%	12.40	5.75	—
GERMANY														
BASF														
2005	\$53,207	\$3,742	\$44,391	\$17,407	\$2,411	\$21,807	7.0%	17.2%	\$7.13	\$2.49	2.8%	€77.26	€63.68	12.3
2004	46,715	2,343	42,209	15,487	2,402	19,620	5.0	11.9	4.27	2.12	3.6	53.00	40.49	13.6
2003	42,145	1,133	41,818	16,266	2,854	19,761	2.7	5.7	2.02	1.74	3.8	44.58	28.41	22.5
2002	40,092	1,990	39,354	17,105	3,332	21,084	5.0	9.4	3.24	1.74	3.4	49.80	32.90	15.9
Bayer^b														
2005	\$34,078	\$1,988	\$45,701	\$10,356	\$1,727	\$13,885	5.8%	14.3%	\$2.73	\$1.18	3.3%	€35.92	€22.11	13.2
2004	29,501	765	41,680	9,537	1,240	13,611	2.6	5.6	1.03	0.68	2.5	24.94	19.49	26.8
2003	28,363	-453	41,586	10,436	1,776	13,509	def	def	-2.32	0.62	3.0	23.22	10.28	def
2002	36,867	1,323	51,886	15,477	2,966	19,084	3.6	6.9	1.81	1.12	3.1	40.80	17.45	20.1
Degussa														
2005	\$14,625	-\$596	\$16,787	\$6,060	\$1,013	\$5,210	def	def	-\$2.98	\$0.00	—	€44.50	€30.50	—
2004	13,993	424	16,966	5,872	897	5,826	3.0%	7.3%	1.81	1.37	3.8%	32.98	24.70	19.9
2003	14,221	-198	17,428	6,293	979	6,244	def	def	-0.96	1.37	4.4	29.47	20.62	—
2002	14,642	283	18,898	6,547	1,196	7,068	1.9	4.0	1.37	1.37	3.6	37.67	24.00	28.0
Lanxess^c														
2005	\$8,898	-\$78	\$5,402	\$1,899	\$312	\$1,563	def	def	-\$0.93	—	—	€27.65	€13.63	—
2004	7,533	-15	5,368	1,893	347	1,656	def	def	-0.20	—	—	—	—	—
2003	7,188	-1,241	5,014	1,930	388	1,690	def	def	-16.99	—	—	—	—	—

FINANCES

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND, YIELD, % OF PRICE	STOCK PRICE RANGE, PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
Merck														
2005	\$7,305	\$820	\$9,061	\$2,312	\$334	\$4,143	11.2%	19.8%	\$4.29	\$1.06	1.4%	€ 4.90	€48.45	17.9
2004	7,292	820	7,121	2,310	291	3,603	11.2	22.8	4.32	1.24	2.4	51.19	32.00	12.0
2003	8,963	259	8,689	2,514	350	2,941	2.9	8.8	1.43	1.00	3.0	34.06	20.01	23.5
2002	9,300	253	9,347	2,656	469	2,556	2.7	9.9	1.47	1.24	3.4	40.55	18.03	24.8
NETHERLANDS														
Akzo Nobel														
2005	\$16,179	\$1,196	\$15,463	\$4,271	\$638	\$4,450	7.4%	26.9%	\$4.18	\$1.49	3.4%	€40.18	€30.82	10.6
2004	16,045	1,176	14,861	4,399	686	3,268	7.3	36.0	3.35	1.49	4.1	33.79	24.87	10.9
2003	16,242	1,009	14,337	4,937	723	3,288	6.2	30.7	2.63	1.49	5.0	32.44	16.00	11.5
2002	17,426	1,110	15,916	5,478	858	2,782	6.4	39.9	3.88	1.49	2.9	54.50	27.25	13.1
DSM^d														
2005	\$10,199	\$656	\$12,476	\$4,667	\$499	\$6,812	6.4%	9.6%	\$3.57	\$1.24	3.4%	€35.22	€23.07	10.2
2004	9,647	447	11,121	4,740	416	6,016	4.6	7.4	4.38	2.18	4.2	47.50	35.75	11.8
2003	7,529	173	11,698	2,999	539	6,121	2.3	2.8	1.54	2.18	4.6	45.00	31.29	30.8
2002	8,295	434	11,196	3,590	667	6,399	5.2	6.8	15.04	2.18	3.9	51.25	37.90	3.7
SWITZERLAND														
Ciba Specialty Chemicals														
2005	\$5,955	-\$206	\$8,518	\$2,186	\$221	\$3,133	def	def	-\$3.15	\$2.41	3.8%	CHF 85.00	CHF 72.51	—
2004	5,640	227	8,834	2,420	236	3,332	4.0%	6.8%	3.78	0.80	1.2	96.14	76.70	18.3
2003	5,334	276	8,908	2,378	187	3,407	5.2	8.1	4.04	0.00	—	98.65	72.13	17.0
2002	5,687	326	9,465	2,565	201	3,495	5.7	9.3	4.75	0.00	—	128.00	89.75	18.4
Clariant														
2005	\$6,566	\$154	\$5,879	\$2,091	\$279	\$2,080	2.3%	7.4%	\$0.65	\$0.20	1.3%	CHF 21.30	CHF 16.70	23.5
2004	6,847	120	6,265	1,958	232	1,767	1.8	6.8	0.57	0.20	1.4	19.99	14.80	24.5
2003	6,835	129	6,424	2,228	242	944	1.9	13.7	0.87	0.16	1.2	24.20	9.53	15.6
2002	7,489	-520	6,863	2,452	272	734	def	def	-3.45	0.00	—	40.30	21.50	—
Givaudan														
2005	\$2,239	\$327	\$3,625	\$907	\$129	\$1,956	14.6%	16.7%	\$45.40	\$14.13	2.2%	CHF 890.59	CHF 729.50	14.3
2004	2,151	281	3,451	825	120	1,817	13.1	15.5	37.21	7.87	1.4	788.00	620.00	15.2
2003	2,179	173	3,650	812	127	2,076	8.0	8.4	21.70	7.14	1.7	650.00	427.00	19.9
2002	2,146	206	3,661	808	74	2,220	9.6	9.3	24.13	6.50	1.4	683.00	500.00	19.7
Lonza														
2005	\$2,023	\$151	\$3,476	\$1,693	\$218	\$1,196	7.5%	12.6%	\$3.19	\$1.04	1.8%	CHF 80.65	CHF 63.35	18.1
2004	1,751	111	2,682	1,546	200	1,031	6.3	10.7	2.34	1.04	2.0	74.75	52.60	21.9
2003	1,800	73	2,658	1,743	340	991	4.1	7.4	3.36	1.04	1.8	86.35	59.75	17.5
2002	2,036	177	2,626	1,405	281	991	8.7	17.9	3.65	1.53	1.9	120.50	79.90	22.0
Syngenta														
2005	\$8,104	\$626	\$11,608	\$1,887	\$174	\$5,403	7.7%	11.6%	\$4.99	\$2.65	2.4%	CHF 163.50	CHF 115.48	22.4
2004	7,269	762	12,008	2,188	166	5,658	10.5	13.5	3.51	2.17	2.7	122.50	79.22	23.1
2003	6,578	363	10,965	2,374	211	5,053	5.5	7.2	2.86	1.36	2.4	87.85	55.10	20.1
2002	6,197	265	11,020	2,310	165	4,350	4.3	6.1	2.09	0.68	0.9	109.75	72.00	34.8
UNITED KINGDOM														
BOC International														
2005	\$8,383	\$608	\$6,335	\$4,806	\$723	\$3,535	7.3%	17.2%	\$1.23	\$0.75	4.0%	€11.73	€8.70	15.1
2004	8,373	568	6,302	4,766	466	3,049	6.8	18.6	1.15	0.73	4.6	9.49	7.92	13.8
2003	7,742	475	8,978	5,303	512	3,158	6.1	15.0	0.96	0.71	4.8	9.47	6.70	15.3
2002	7,314	370	6,635	5,510	644	3,066	5.1	12.1	1.02	0.69	3.9	11.08	8.36	17.4
ICI														
2005	\$10,580	\$641	\$9,406	\$2,911	\$288	\$4,986	6.1%	12.9%	\$0.60	\$0.14	2.7%	€3.36	€2.31	8.6
2004	10,196	583	8,986	3,020	291	5,205	5.7	11.2	0.32	0.13	3.3	2.47	1.93	12.4
2003	10,648	399	9,481	3,266	280	5,428	3.7	7.3	0.34	0.11	3.9	2.41	0.82	8.7
2002	11,150	437	10,016	3,570	391	908	3.9	48.1	0.43	0.14	2.4	4.30	2.03	13.4

PHARMACEUTICALS

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND, YIELD, % OF PRICE	STOCK PRICE RANGE, PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
FRANCE														
Sanofi-Aventis^a														
2005	\$27,311	\$3,227	\$107,846	\$7,696	\$1,422	\$58,275	11.8%	5.5%	\$2.10	\$1.89	2.30%	€75.95	€56.45	39.2
2004	31,633	2,123	95,522	7,325	900	44,272	6.7	4.8	1.58	1.49	2.1	63.25	49.77	44.5
2003	22,171	2,366	35,191	5,140	1,040	12,985	10.7	18.2	3.01	1.02	1.8	54.55	37.5	19
2002	25,664	2,708	38,670	5,544	1,245	14,106	10.6	19.2	3.29	0.87	1.1	85.89	47.60	25.3
SWITZERLAND														
Novartis														
2005	\$32,212	\$6,141	\$57,732	\$8,679	\$1,188	\$33,164	19.1%	18.5%	\$2.63	\$0.92	1.8%	CHF 71.50	CHF 55.35	19.3
2004	28,247	5,767	54,469	8,497	1,269	33,783	20.4	17.1	2.36	0.84	1.9	59.95	52.10	19.1
2003	24,864	5,016	49,317	7,597	1,329	30,429	20.2	16.5	2.03	0.80	2.0	56.15	46.05	20.2
2002	20,877	4,725	45,025	6,321	1,068	28,270	22.6	16.7	2.91	0.76	1.6	69.10	49.20	16.3
Roche														
2005	\$28,502	\$5,402	\$55,675	\$12,117	\$2,664	\$33,504	19.0%	16.1%	\$5.39	\$2.01	1.4%	CHF 230.00	CHF 139.00	27.5
2004	25,101	3,486	46,614	9,959	1,881	22,653	13.9	15.4	4.60	1.61	1.2	193.00	137.20	28.8
2003	25,058	2,463	47,745	10,028	1,818	18,918	9.8	13.0	3.70	1.32	1.1	185.00	121.00	33.2
2002	23,858	-3,231	51,365	10,783	1,641	16,703	def	def	-3.85	1.16	0.9	195.00	130.50	—
UNITED KINGDOM														
Astra Zeneca														
2005	\$23,950	\$4,724	\$24,840	\$6,985	\$810	\$13,597	19.7%	34.7%	\$2.91	\$1.34	3.1%	£28.37	£18.61	14.68
2004	21,426	3,527	25,616	8,083	1,063	14,418	16.5	24.5	2.18	1.27	3.0	27.49	18.63	19.2
2003	18,849	3,036	23,573	7,536	1,239	13,178	16.1	23.0	1.77	1.45	2.0	49.47	29.98	41.0
2002	17,841	2,836	21,576	9,404	1,340	11,172	15.9	25.4	1.84	1.27	2.6	36.25	17.99	26.9
GlaxoSmithKline														
2005	\$39,430	\$8,767	\$49,511	\$12,109	\$1,644	\$13,309	22.2%	65.9%	\$1.50	\$0.80	3.2%	£15.44	£11.75	16.46
2004	37,062	7,831	41,767	11,780	1,575	10,786	21.1	72.6	1.24	0.76	3.6	12.90	10.42	17.1
2003	39,033	8,163	27,994	11,725	1,584	14,054	20.9	58.1	1.32	0.75	3.4	13.90	10.00	16.5
2002	38,614	8,423	24,610	12,104	1,870	11,980	21.8	70.3	1.43	0.73	2.8	17.80	10.57	18.1

NOTE: Monetary statistics, except share prices, for all years were converted to U.S. dollars on the basis of the 2005 exchange rates of \$1.00 U.S. = 0.803 euros, 0.549 pounds sterling, and 1.246 Swiss francs. **a** Arkema was separated from Total in 2005; 2003-05 data are pro forma. **b** Data for 2003 and 2004, except per-share data, exclude Lanxess. **c** Lanxess was separated from Bayer in 2004; 2003 and 2004 data are pro forma. **d** Shares split two-for-one in September 2005. **e** In 2004, Sanofi and Aventis merged; 2004 data are pro forma; earlier data are for Aventis only. **def** = deficit.

JAPAN COMPANY RESULTS

Earnings rose and returns on equity improved

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS			DIVIDEND, \$ PER SHARE	DIVIDEND, YIELD, % OF PRICE	STOCK PRICE RANGE, PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE			HIGH	LOW	
ASAHI KASEI														
2005	\$13,610	\$542	\$12,497	\$3,763	\$602	\$5,397	4.0%	10.0%	\$0.39	\$0.09	1.5%	¥857	¥499	16.0
2004	12,512	513	11,534	3,814	622	4,647	4.1	11.0	0.36	0.07	1.5	448	647	13.6
2003	11,384	251	11,345	3,890	785	4,091	2.2	6.1	0.18	0.05	1.3	633	298	23.7
2002	10,840	-607	11,011	3,880	854	3,702	def	def	def	0.05	1.6	520	239	def
DAINIPPON INK & CHEMICALS														
2005	\$9,126	\$48	\$8,805	\$2,910	\$382	\$1,709	0.5%	2.8%	\$0.06	\$0.05	1.2%	¥528	¥274	62.2
2004	9,108	96	9,071	3,198	415	1,310	1.1	7.3	0.12	0.04	1.5	312	225	20.5
2003	8,853	58	9,235	3,360	415	1,274	0.7	4.5	0.07	0.04	1.9	256	176	27.9
2002	8,737	22	9,466	3,394	392	1,297	0.3	1.7	0.03	0.04	1.7	291	171	82.8
JSR CORP.														
2005	\$3,071	\$278	\$3,461	\$836	\$212	\$1,932	9.0%	14.4%	\$1.09	\$0.18	0.7%	¥2,025	¥3,780	24.3
2004	2,773	251	2,952	777	165	1,657	9.1	15.2	0.98	0.13	0.7	2,465	1,684	19.3
2003	2,498	176	2,803	772	156	1,449	7.0	12.1	0.68	0.08	0.5	2,540	1,141	24.5
2002	2,245	100	2,560	769	146	1,266	4.4	7.9	0.39	0.06	0.7	1,282	856	25.0

FINANCES

YEAR	NET SALES	EARNINGS	TOTAL ASSETS	NET PLANT AND EQUIPMENT	CAPITAL EXPENDITURES	STOCK-HOLDERS' EQUITY	EARNINGS					STOCK PRICE RANGE, PER SHARE		PRICE/EARNINGS RATIO
							% OF SALES	% OF STOCK-HOLDERS' EQUITY	\$ PER SHARE	DIVIDEND, \$ PER SHARE	DIVIDEND, YIELD, % OF PRICE	HIGH	LOW	
(Money figures in millions of dollars unless otherwise indicated)														
KANEKA														
2005	\$4,217	\$255	\$4,116	\$1,309	\$315	\$2,368	6.1%	10.8%	\$0.73	\$0.15	1.2%	¥1,596	¥1,079	16.6
2004	3,978	225	3,607	1,136	210	2,036	5.6	11.0	0.64	0.13	1.3	1,217	923	15.1
2003	3,635	142	3,565	1,166	209	1,860	3.9	7.6	0.40	0.07	1.0	1,055	501	17.7
2002	3,381	122	3,361	1,197	162	1,687	3.6	7.2	0.34	0.07	1.1	975	519	20.1
mitsubishi chemical^a														
2005	\$21,878	\$777	\$19,314	\$6,236	\$889	\$5,958	3.6%	13.0%	\$0.63	\$0.07	1.1%	¥815	¥672	10.7
2004	19,884	503	17,896	6,130	610	4,050	2.5	12.4	0.23	0.05	2.0	361	254	12.1
2003	17,486	314	18,178	6,569	630	3,606	1.8	8.7	0.14	0.04	1.6	318	187	16.0
2002	17,142	194	19,226	7,374	775	3,182	1.1	6.1	0.09	0.03	1.1	332	190	26.8
MITSUI CHEMICALS														
2005	\$13,372	\$401	\$12,069	\$4,834	\$739	\$4,214	3.0%	9.5%	\$0.51	\$0.07	1.0%	¥954	¥570	13.6
2004	11,148	238	10,945	4,731	428	3,685	2.1	6.5	0.30	0.06	1.3	632	484	16.8
2003	9,895	113	10,793	4,984	415	3,482	1.1	3.3	0.14	0.05	1.1	680	406	34.4
2002	9,565	185	11,127	5,275	625	3,367	1.9	5.5	0.23	0.05	1.1	687	429	21.7
SHIN-ETSU CHEMICAL														
2005	\$10,244	\$1,045	\$15,178	\$4,257	\$1,088	\$10,659	10.2%	9.8%	\$2.42	\$0.45	0.9%	¥7,010	¥3,800	20.3
2004	8,787	846	13,407	4,070	965	9,048	9.6	9.4	1.99	0.32	0.8	4,760	3,590	19.1
2003	7,563	679	12,589	3,950	925	8,180	9.0	8.3	1.61	0.15	0.4	4,980	3,500	23.9
2002	7,243	663	11,905	4,009	595	7,692	9.2	8.6	1.57	0.13	0.3	5,630	3,670	26.9
SHOWA DENKO														
2005	\$7,374	\$142	\$8,957	\$4,640	\$374	\$1,878	1.9%	7.5%	\$0.12	\$0.03	0.8%	¥247	¥470	28.0
2004	6,727	69	8,572	4,708	272	1,614	1.0	4.3	0.06	0.03	1.2	275	215	36.8
2003	6,261	94	8,536	4,887	371	1,508	1.5	6.2	0.08	0.02	1.0	251	146	21.9
2002	6,121	118	8,960	5,137	258	1,363	1.9	8.7	0.10	0.00	0.0	225	119	15.0
SUMITOMO CHEMICAL														
2005	\$14,137	\$823	\$19,784	\$5,180	\$1,135	\$6,519	5.8%	12.6%	\$0.50	\$0.09	1.4%	¥964	¥493	13.3
2004	11,773	585	14,974	4,685	1,142	5,173	5.0	11.3	0.35	0.07	1.6	575	448	13.1
2003	10,520	312	14,070	4,377	1,001	4,597	3.0	6.8	0.19	0.05	1.5	505	317	19.8
2002	10,091	283	13,480	4,229	1,380	4,035	2.8	7.0	0.17	0.05	1.3	605	343	25.3
TAIYO NIPPON SANSO^b														
2005	\$3,608	\$131	\$4,283	\$1,727	\$201	\$1,617	3.6%	8.1%	\$0.32	\$0.09	1.4%	¥890	¥535	20.1
2004	2,725	105	3,675	1,529	345	1,401	3.9	7.5	0.30	0.08	2.1	478	363	12.8
2003	2,091	41	2,394	919	67	861	2.0	4.8	0.14	0.05	1.5	496	329	26.8
2002	2,166	39	2,304	975	161	810	1.8	4.8	14.36	6.00	1.6	451	314	26.6
TEIJIN														
2005	\$8,520	\$226	\$8,573	\$4,950	\$606	\$3,075	2.6%	7.3%	\$0.24	\$0.07	1.2%	¥845	¥447	24.3
2004	8,250	83	7,738	2,930	492	2,639	1.0	3.2	0.09	0.06	1.6	466	326	40.7
2003	7,943	77	8,305	3,577	481	2,669	1.0	2.9	0.08	0.06	2.1	361	253	34.3
2002	8,087	-191	9,414	3,932	637	2,530	def	def	def	0.06	1.8	492	248	def
TORAY INDUSTRIES														
2005	\$12,964	\$431	\$13,963	\$5,324	\$946	\$4,877	3.3%	8.8%	\$0.31	\$0.07	1.1%	¥1,010	¥460	21.8
2004	11,794	312	12,735	4,831	664	4,110	2.6	7.6	0.22	0.06	1.4	554	447	20.5
2003	9,886	190	11,764	4,934	443	3,762	1.9	5.1	0.14	0.05	1.5	492	264	25.4
2002	9,381	53	11,815	5,297	520	3,546	0.6	1.5	0.04	0.05	1.6	395	230	75.7

NOTE: All monetary statistics, except share prices, were converted to U.S. dollars at the 2005 average rate of \$1.00 U.S. = 110.11 yen. Statistics were prepared on the basis of consolidated results. The fiscal year ends on March 31 of the following year, except for Showa Denko's, which it ends on Dec. 31. **a** From 2005, numbers are for Mitsubishi Chemical Holdings Corp. **b** Formerly Nippon Sanso, until it acquired Taiyo Toyo Sanso in October 2004. **def** = deficit.

U.S. CAPITAL SPENDING

Spending on plant and equipment jumped 17% as economy picked up

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Air Products & Chemicals ^a	\$870	\$951	\$870	\$771	\$889	\$768	\$708	\$628	\$613	\$706	\$930
Albemarle	112	90	85	77	78	52	50	38	41	58	70
Arch Chemicals	—	—	—	84	59	62	45	35	20	18	18
Cabot ^a	131	209	163	187	166	137	122	146	129	119	186
Chemtura ^b	18	39	50	67	132	155	137	100	88	65	104
Cytec Industries	97	73	91	104	77	77	64	62	94	89	105
Dow Chemical ^c	1,417	1,344	1,198	1,546	1,412	1,349	1,587	1,623	1,100	1,333	1,597
DuPont ^d	1,476	1,395	1,781	2,240	2,055	1,925	1,634	1,280	1,713	1,232	1,340
Eastman Chemical	446	789	749	500	292	226	234	427	230	248	343
FMC Corp. ^e	428	485	317	266	236	240	146	84	87	85	94
H.B. Fuller ^f	91	90	69	62	56	49	31	36	39	31	25
W.R. Grace	538	457	259	101	83	65	63	91	86	63	81
Hercules	117	120	119	157	196	187	63	43	48	77	68
Lubrizol ^g	189	94	101	93	65	86	66	65	89	133	137
Monsanto ^h	500	692	644	979	976	582	382	224	206	210	281
NewMarket Corp. ⁱ	45	29	44	23	14	14	10	13	12	15	18
PPG Industries	448	489	466	487	490	561	291	238	217	244	288
Praxair	600	893	902	781	653	704	595	498	983	668	877
Quaker Chemical	10	7	6	8	6	6	8	11	13	9	7
Rohm and Haas	417	334	254	229	323	391	401	407	339	322	92
Solutia ^j	—	—	165	158	257	221	94	59	78	61	81
Stepan	39	45	36	44	33	28	34	36	33	34	42
TOTAL^k	\$7,989	\$8,625	\$8,369	\$8,963	\$8,548	\$7,885	\$6,764	\$6,145	\$6,257	\$5,820	\$6,784

NOTE: Figures are for worldwide spending on construction, equipment, and land in consolidated businesses. Prior years are not restated to reflect company revisions. **a** Fiscal year ends Sept 30. **b** In 2005, Crompton and Great Lakes Chemical merged to become Chemtura; earlier figures are for Crompton. **c** Acquired Union Carbide in 2001. **d** Acquired all of Pioneer Hi-Bred in 1999 and all of DuPont Merck Pharmaceutical in 1998; sold drug operations in 2001. **e** Split off machinery business in December 2001. **f** Fiscal year ends Nov. 30. **g** Acquired Noveon in 2004. **h** Merged with Pharmacia in 1999; spun off from Pharmacia in August 2002. **i** Formerly Ethyl Corp. **j** Spun off from Monsanto in 1997. **k** For companies reporting.

CANADA CAPITAL SPENDING

Investments surged in 2005 to nearly the highest level in a decade

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Agrium	\$88	\$153	\$144	\$174	\$253	\$179	\$164	\$52	\$99	\$82	\$175
Methanex	182	174	154	178	139	19	91	160	243	157	118
Nova Chemicals ^a	97	175	223	367	620	440	168	71	130	242	419
Potash Corp.	40	59	160	190	119	186	514	212	151	221	383
TOTAL^b	\$407	\$561	\$681	\$909	\$1,131	\$824	\$937	\$495	\$623	\$702	\$1,095

NOTE: Figure for Nova Chemicals for 1995 was converted from Canadian dollars to U.S. dollars on the basis of the 2005 average exchange rate of \$1.00 = 1.212 Canadian. **a** Nova Chemicals was spun off from Nova Corp. in 1998; figures for 1995-97 are pro forma. **b** For companies reporting.

GOT A THING FOR DATA?

If you're itching to do your own calculations with all these numbers, let yourself go . . . to www.cen-online.org, that is, where you can access downloadable versions of these tables.

EUROPE CAPITAL SPENDING

Total spending perked up after four years of declines

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Air Liquide (France)	\$828	\$1,301	\$1,579	\$1,785	\$1,406	\$1,133	\$958	\$1,133	\$911	\$1,089	\$1,213
Akzo Nobel (Netherlands)	897	982	798	1,019	992	902	1,023	858	723	686	638
Arkema ^a (France)	—	—	—	—	—	—	—	—	368	373	414
BASF (Germany)	1,924	2,316	2,774	3,608	3,440	4,519	3,780	3,332	2,854	2,402	2,411
Bayer (Germany)	2,016	2,403	2,901	3,364	3,276	3,294	3,257	2,966	1,776	1,240	1,727
BOC International (U.K.)	933	1,150	1,231	1,087	919	754	643	644	512	466	723
Ciba Specialty Chemicals ^b (Switzerland)	—	449	420	318	214	200	208	201	187	236	221
Clariant ^c (Switzerland)	—	454	379	372	341	429	405	272	242	232	279
Degussa (Germany)	314	300	339	na	1,299	1,210	1,406	1,196	899	897	1,013
DSM (Netherlands)	429	602	570	728	805	765	811	626	539	416	499
Givaudan ^d (Switzerland)	—	—	—	—	132	104	92	74	127	120	129
ICI (U.K.)	1,145	1,868	1,305	1,009	486	526	433	391	280	291	288
Kemira (Finland)	194	251	263	317	209	271	371	302	291	199	141
Lanxess ^e (Germany)	—	—	—	—	—	—	—	—	388	347	312
Lonza ^f (Switzerland)	—	—	—	328	223	119	212	279	340	200	218
Merck ^g (Germany)	351	329	339	397	447	531	585	469	350	291	334
Rhodia ^h (France)	609	675	422	418	463	626	601	465	290	248	316
Solvay (Belgium)	636	864	925	797	1,144	1,011	897	778	691	702	2,402
Syngenta ⁱ (Switzerland)	—	—	—	—	—	185	253	165	211	166	174
TOTAL^j	\$10,276	\$13,943	\$14,243	\$15,546	\$15,796	\$16,579	\$15,935	\$14,151	\$11,978	\$10,600	\$13,453

NOTE: Monetary statistics for all years were converted to U.S. dollars on the basis of the 2005 average exchange rates of \$1.00 U.S. = 0.803 euros, 0.549 pounds sterling, and 1.246 Swiss francs. **a** Spun off from Total in 2006; prior figures are pro forma. **b** Spun off from Novartis in 1997. **c** Merged with Hoechst Specialty Chemicals in 1997; prior figures are pro forma. **d** Spun off from Roche in 2000; figures are pro forma. **e** Spun off from Bayer in 2005; prior figures are pro forma. **f** Became an independent, listed company in 1999; prior figures are pro forma. **g** Privately held until 1996. **h** Spun off from Rhône-Poulenc in 1998; prior figures are pro forma. **i** Formed from agrochemicals businesses of Zeneca and Novartis; became an independent company in 2000; prior figures are pro forma. **j** For companies reporting; totals may not sum because of rounding.. **na** = not available.

JAPAN CAPITAL SPENDING

Sumitomo and Shin-Etsu both spent more than \$1 billion, and Toray was not far behind

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Asahi Kasei	\$653	\$665	\$681	\$640	\$574	\$628	\$680	\$854	\$785	\$622	\$602
Dainippon Ink & Chemicals	—	525	892	709	843	496	458	392	415	415	383
JSR	90	166	204	208	112	99	121	146	156	165	212
Kaneka	—	287	259	222	222	222	220	162	209	210	315
Mitsubishi Chemical	788	947	1,062	952	769	784	906	775	630	610	889
Mitsui Chemicals ^a	—	—	546	473	494	559	1,068	625	415	428	739
Shin-Etsu Chemical	607	843	1,239	669	727	879	741	596	925	965	1,088
Showa Denko	na	389	581	445	338	364	293	258	371	272	374
Sumitomo Chemical	579	654	753	614	741	564	663	1,380	1,001	1,142	1,135
Taiyo Nippon Sanso ^b	155	180	213	207	128	109	157	161	67	346	201
Teijin	na	na	na	287	393	448	508	637	481	492	607
Toray	1,029	874	1,369	1,099	995	546	594	520	443	664	946
TOTAL^c	\$3,900	\$5,528	\$7,798	\$6,525	\$6,335	\$5,696	\$6,407	\$6,505	\$5,898	\$6,330	\$7,491

NOTE: Monetary statistics were converted from yen to U.S. dollars on the basis of the 2005 average exchange rate of \$1.00 = 110.11 yen. Fiscal year ends March 31 of the following year, except for Showa Denko's, which ends on Dec. 31. **a** Mitsui Chemicals was formed in 1997 by the merger of Mitsui Toatsu and Mitsui Petrochemical. **b** Nippon Sanso became Taiyo Nippon Sanso in October 2004 after the acquisition of Taiyo Toyo Sanso. For 2003 and earlier, data are for Nippon Sanso. **c** For companies reporting. **na** = not available.

U.S. R&D SPENDING

Chemical company spending rose for third straight year, while pharmaceutical growth continued unabated

CHEMICAL

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Air Products & Chemicals ^a	\$103	\$114	\$114	\$112	\$123	\$124	\$123	\$121	\$121	\$127	\$133
Albemarle	30	30	31	30	34	26	22	17	18	31	42
Arch Chemicals	—	—	—	16	18	17	25	23	24	15	21
Cabot ^a	59	79	83	83	73	43	48	48	64	53	59
Chemtura ^b	14	52	54	53	68	85	82	82	52	50	52
Cytec Industries	44	40	45	43	44	39	32	34	35	40	69
Dow Chemical ^c	808	761	785	807	845	892	1,072	1,066	981	1,022	1,073
DuPont ^d	1,067	1,032	1,116	1,308	1,617	1,776	1,588	1,264	1,349	1,333	1,336
Eastman Chemical	176	184	191	185	187	149	160	159	173	154	162
FMC Corp. ^e	188	177	174	158	152	155	100	82	87	93	94
H.B. Fuller ^f	27	26	25	22	21	18	19	18	18	16	16
W.R. Grace	121	94	42	47	42	46	50	52	52	51	59
Hercules	59	56	53	61	85	80	67	42	39	43	41
Lubrizol ^g	105	93	88	78	78	86	88	94	94	190	205
Monsanto ^h	658	728	939	1,263	695	588	560	527	510	511	588
NewMarket Corp. ⁱ	54	47	42	40	41	40	33	30	28	33	65
PPG Industries	236	239	250	271	284	282	266	289	306	303	309
Praxair	61	72	79	72	67	65	66	69	75	77	80
Quaker Chemical	11	11	10	10	9	9	9	9	10	14	14
Rohm and Haas	194	187	200	207	236	259	230	260	238	265	273
Solutia ^j	na	na	60	62	58	67	58	39	53	44	45
Stepan	12	13	12	12	13	13	14	15	15	15	30
TOTAL^k	\$4,027	\$4,035	\$4,393	\$4,941	\$4,790	\$4,859	\$4,712	\$4,338	\$4,342	\$4,481	\$4,766

PHARMACEUTICAL

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Abbott Laboratories	\$1,076	\$1,206	\$1,307	\$1,339	\$1,194	\$1,351	\$1,578	\$1,562	\$1,734	\$1,697	\$1,821
Bristol-Myers Squibb ^l	1,199	1,276	1,385	1,577	1,843	1,939	2,259	2,218	2,279	2,500	2,746
Eli Lilly & Co.	839	1,042	1,190	1,382	1,739	1,784	2,019	2,235	2,350	2,149	3,025
Johnson & Johnson	1,788	2,109	2,373	2,506	2,768	3,105	3,591	2,957	4,684	5,203	6,312
Merck & Co.	1,331	1,487	1,684	1,821	2,068	2,344	2,456	2,677	3,178	4,010	3,848
Pfizer ^m	1,854	2,166	2,536	3,305	4,036	4,435	4,847	5,176	7,131	7,684	7,442
Schering-Plough	657	723	847	1,007	1,191	1,333	1,312	1,425	1,469	1,607	1,865
Wyeth	1,355	1,429	1,558	1,655	1,740	1,688	1,870	2,080	2,094	2,461	2,749
TOTAL^k	\$10,099	\$11,438	\$12,880	\$14,592	\$16,579	\$17,979	\$19,932	\$20,330	\$24,919	\$27,311	29,808

NOTE: Prior years are not restated to reflect company revisions except where noted. **a** Fiscal year ends Sept 30. **b** In 2005, Crompton and Great Lakes Chemical merged to become Chemtura; earlier figures are for Crompton. **c** Acquired Union Carbide in 2001. **d** Acquired all of Pioneer Hi-Bred in 1999 and all of DuPont Merck Pharmaceutical in 1998; sold drug operations in 2001. **e** Split off machinery business in December 2001. **f** Fiscal year ends Nov. 30. **g** Acquired Noveon in 2004. **h** Merged with Pharmacia in 1999; spun off from Pharmacia in August 2002. **i** Formerly Ethyl Corp. **j** Spun off from Monsanto in 1997. **k** For companies reporting; totals may not sum because of rounding. **l** Acquired DuPont Pharmaceuticals in 2001. **m** Merged with Warner-Lambert in 2000 and acquired Pharmacia in 2003; prior years are restated for Warner-Lambert, but not for Pharmacia.

EUROPE R&D SPENDING

R&D spending picked up after dip but remains below earlier highs

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Air Liquide (France)	\$94	\$101	\$108	\$108	\$113	\$119	\$112	\$115	\$117	\$128	\$133
Akzo Nobel (Netherlands)	629	642	712	809	904	983	1,054	1,121	1,104	1,024	1,038
Arkema ^a (France)	—	—	—	—	—	—	—	—	238	228	234
BASF (Germany)	1,329	1,455	1,523	1,530	1,659	1,899	1,552	1,413	1,375	1,227	1,324
Bayer (Germany)	2,073	2,296	2,468	2,545	2,803	2,978	3,185	3,207	2,783	2,465	2,347
BOC International (U.K.)	168	180	148	122	90	108	109	86	73	77	78
Ciba Specialty Chemicals ^b (Switzerland)	—	—	376	244	206	235	222	236	226	231	242
Clariant ^c (Switzerland)	—	—	280	268	291	332	328	283	247	220	175
Degussa (Germany)	275	300	339	—	647	675	473	451	442	433	436
DSM (Netherlands)	195	220	249	314	322	329	371	337	334	356	361
Givaudan ^d (Switzerland)	—	—	—	—	125	149	160	165	174	167	177
ICI (U.K.)	337	348	417	277	266	291	288	269	273	268	266
Kemira (Finland)	51	59	60	61	60	60	49	57	60	49	54
Lanxess ^e (Germany)	—	—	—	—	—	—	—	—	209	157	126
Lonza ^f (Switzerland)	—	—	—	84	79	77	84	82	55	57	51
Merck ^g (Germany)	392	414	488	504	620	680	718	757	753	746	887
Rhodia ^h (France)	239	253	249	228	220	241	245	250	233	194	154
Solvay (Belgium)	365	380	353	363	429	448	424	494	503	514	587
Syngenta ⁱ (Switzerland)	—	—	—	—	769	745	723	697	727	809	822
TOTAL^j	\$6,146	\$6,647	\$7,769	\$7,456	\$9,602	\$10,349	\$10,095	\$10,019	\$9,924	\$9,349	\$9,491

NOTE: Monetary statistics for all years were converted to U.S. dollars on the basis of the 2005 average exchange rates of \$1.00 U.S. = 0.803 euros, 0.549 pounds sterling, and 1.246 Swiss francs. **a** Spun off from Total in 2006; figures are pro forma. **b** Spun off from Novartis in 1997. **c** Spun off from Sandoz in 1995; merged with Hoechst Specialty Chemicals in 1997. **d** Spun off from Roche in 2001; prior figures are pro forma. **e** Spun off from Bayer in January 2005; figures are pro forma. **f** Became an independent, listed company in 1999; prior figures are pro forma. **g** Privately held until 1996. **h** Spun off from Rhône-Poulenc in 1998; prior figures are pro forma. **i** Formed from agrochemicals businesses of Zeneca and Novartis; became an independent company in 2000; prior figures are pro forma. **j** For companies reporting; totals may not sum because of rounding.

JAPAN R&D SPENDING

Companies spent more overall, with Sumitomo Chemical continuing as the top spender

\$ MILLIONS	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Asahi Kasei	\$502	\$505	\$518	\$516	\$454	\$452	\$450	\$448	\$330	\$331	\$325
Dainippon Ink & Chemicals	102	115	125	114	97	109	116	117	136	145	135
JSR	44	37	45	51	55	47	121	127	137	151	149
Kaneka	na	na	na	91	111	119	119	127	131	143	154
Mitsubishi Chemical	627	668	682	610	605	618	768	827	804	810	814
Mitsui Chemicals ^a	—	—	367	357	346	332	354	337	299	317	337
Shin-Etsu Chemical	—	—	—	—	245	236	256	248	239	254	291
Showa Denko	168	167	206	216	205	151	140	140	142	160	158
Sumitomo Chemical	495	499	499	540	539	537	606	661	683	710	835
Taiyo Nippon Sanso ^b	—	—	—	—	36	31	31	23	21	19	20
Teijin	226	221	249	251	258	275	289	271	298	273	283
Toray	308	325	329	344	352	352	338	324	325	349	361
TOTAL^c	\$2,472	\$2,537	\$3,020	\$3,091	\$3,303	\$3,259	\$3,589	\$3,650	\$3,544	\$3,660	\$3,861

NOTE: Monetary statistics were converted from yen on the basis of the 2005 average exchange rate of \$1.00 = 110.11 yen. Fiscal year ends March 31 of following year, except Showa Denko's, which ends Dec. 31. **a** Mitsui Chemicals was formed in 1997 by the merger of Mitsui Toatsu and Mitsui Petrochemical. **b** Nippon Sanso became Taiyo Nippon Sanso when it acquired Taiyo Toyo Sanso in October 2004. **c** For companies reporting. **na** = not available.