Chemtura CORP Form 10-Q July 29, 2014 Table of Contents

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2014

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

to

(Commission File Number) 1-15339

CHEMTURA CORPORATION

(Exact name of registrant as specified in its charter)

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Delaware

52-2183153

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification Number)

1818 Market Street, Suite 3700, Philadelphia, Pennsylvania
199 Benson Road, Middlebury, Connecticut
(Address of principal executive offices)

19103 06749 (Zip Code)

(203) 573-2000

(Registrant s telephone number,

including area code)

(Former name, former address and former fiscal year, if changed from last report)

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of large accelerated filer, accelerated filer, non-accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer x

Accelerated filer o

Non-accelerated filer o
(Do not check if smaller reporting company)

Smaller reporting company o

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

The number of shares of common stock outstanding as of the latest practicable date is as follows

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Number of shares outstanding at June 30, 2014

Class
Common Stock - \$.01 par value

90,574,540

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CHEMTURA CORPORATION AND SUBSIDIARIES

FORM 10-Q

FOR THE QUARTER AND SIX MONTHS ENDED JUNE 30, 2014

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

CHEMTURA CORPORATION AND SUBSIDIARIES

Consolidated Statements of Operations (Unaudited)

Quarters and six months ended June 30, 2014 and 2013

(In millions, except per share data)

Net sales			Quarters end 2014	ded Jui	ne 30, 2013	Six months en	nded Ju	ine 30, 2013
Selling, general and administrative 67 53 127 111 Depreciation and amortization 25 26 53 52 Research and development 10 10 18 18 Facility closures, severance and related costs 4 11 6 25 Equity loss 1 1 3 3 Operating income 52 45 74 47 Interest expense (11) (15) (23) (31) Other (expense) income, net (2) 12 1 15 Reorganization items, net (1) (2) (2)	Net sales	\$		\$			\$	
Selling, general and administrative 67 53 127 111 Depreciation and amortization 25 26 53 52 Research and development 10 10 18 18 Facility closures, severance and related costs 4 11 6 25 Equity loss 1 1 3 3 Operating income 52 45 74 47 Interest expense (11) (15) (23) (31) Other (expense) income, net (2) 12 1 15 Reorganization items, net (1) (2) (2)			451		444	007		0.62
Depreciation and amortization 25 26 53 52 Research and development 10 10 18 18 Resairly closures, severance and related costs 4 11 6 25 Equity loss 1 3 3 Operating income 52 45 74 47 Interest expense (11) (15) (23) (31) Other (expense) income, net (2) 12 1 15 Reorganization intems, net (1) (1) (1) (1) (1) Earnings from continuing operations before income taxes 38 41 51 30 Income tax benefit (expense) 5 (14) 2 (21) Earnings from discontinued operations, net of tax 26 1 21 Loss on sale of discontinued operations, net of tax (4) (146) (9) (146) Net earnings (loss) 8 39 8 (31) 8 (31) Earnings from discontinued operations, net of tax (20) (20) (20) Earnings from continuing operations (20) (20) (20) Earnings from continuing operations (20) (20) (20) Earnings from continuing operations (20) (20) (20) Earnings from discontinued operations, net of tax (20) (20) (20) Earnings from continuing operations (20) (20) (20) Earnings from discontinued operations, net of tax (20) (20) (20) Earnings from discontinued operations, net of tax (20) (
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Equity loss								
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Income tax benefit (expense)	Earnings from continuing operations before							
Earnings from continuing operations 43 27 53 9 Earnings from discontinued operations, net of tax 26 1 21 Loss on sale of discontinued operations, net of tax (4) (146) (9) (146) Net earnings (loss) \$ 39 (93) \$ 45 \$ (116) Basic per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.56 \$ 0.09 Earnings from discontinued operations, net of tax (0.04) (1.48) (0.09) (1.48) Net earnings (loss) \$ 0.42 \$ (0.95) \$ 0.48 \$ (1.18) Diluted per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09			38		41	51		30
Earnings from discontinued operations, net of tax	Income tax benefit (expense)		5		(14)	2		(21)
tax	Earnings from continuing operations		43		27	53		9
Loss on sale of discontinued operations, net of tax								
tax	tax				26	1		21
Net earnings (loss)	Loss on sale of discontinued operations, net of							
Basic per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.56 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21 Loss on sale of discontinued operations, net of tax (0.04) (1.48) (0.09) (1.48) Net earnings (loss) \$ 0.42 \$ (0.95) \$ 0.48 \$ (1.18) Diluted per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21			(4)		(/	(9)		(146)
Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.56 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21 Loss on sale of discontinued operations, net of tax (0.04) (1.48) (0.09) (1.48) Net earnings (loss) \$ 0.42 \$ (0.95) \$ 0.48 \$ (1.18) Diluted per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21	Net earnings (loss)	\$	39	\$	(93) \$	45	\$	(116)
Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.56 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21 Loss on sale of discontinued operations, net of tax (0.04) (1.48) (0.09) (1.48) Net earnings (loss) \$ 0.42 \$ (0.95) \$ 0.48 \$ (1.18) Diluted per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21								
Earnings from discontinued operations, net of tax 0.26 0.01 0.21 Loss on sale of discontinued operations, net of tax (0.04) (1.48) (0.09) (1.48) Net earnings (loss) \$ 0.42 \$ (0.95) \$ 0.48 \$ (1.18) Diluted per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21								
tax	Earnings from continuing operations	\$	0.46	\$	0.27 \$	0.56	\$	0.09
Loss on sale of discontinued operations, net of tax (0.04) (1.48) (0.09) (1.48) Net earnings (loss) \$ 0.42 \$ (0.95) \$ 0.48 \$ (1.18) Diluted per share information \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21	Earnings from discontinued operations, net of							
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tax (0.04) (1.48) (0.09) (1.48) Net earnings (loss) \$ 0.42 \$ (0.95) \$ 0.48 \$ (1.18) Diluted per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21	Loss on sale of discontinued operations, net of							
Diluted per share information Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21			(0.04)		(1.48)	(0.09)		(1.48)
Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21	Net earnings (loss)	\$	0.42	\$	(0.95) \$	0.48	\$	(1.18)
Earnings from continuing operations \$ 0.46 \$ 0.27 \$ 0.55 \$ 0.09 Earnings from discontinued operations, net of tax 0.26 0.01 0.21	Diluted per share information							
Earnings from discontinued operations, net of tax 0.26 0.01 0.21		\$	0.46	\$	0.27 \$	0.55	\$	0.09
tax 0.26 0.01 0.21								
(0.04) (1.46					0.26	0.01		0.21
(0.04) (1.40)			(0.04)		(1.46			

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Loss on sale of discontinued operations, net of