CYTEC INDUSTRIES INC/DE/
Form 424B3
September 28, 2005
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Filed Pursuant to Rule 424(b)(3)

File No. 333-127507

**The information in this prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED SEPTEMBER 28, 2005**

**PROSPECTUS SUPPLEMENT**

**(To Prospectus dated September 19, 2005)**

**$**

# Cytec Industries Inc.

## $ % Notes due 20

## $ % Notes due 20

The % Notes due 20 will mature on , 20 and the % Notes due 20 will mature on , 20 . Interest on the notes is payable on and of each year, beginning on , 2006. We may redeem some or all of the notes at any time subject to the payment of a make-whole premium described under Description of Notes Optional Redemption .

The notes will be our senior unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness.

**Investing in the notes involves risks. See Risk Factors beginning on page S-14 of this prospectus supplement.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

| | Price to Public(1) | Underwriting Discount | Proceeds to Us |
|---|---|---|---|
| Per 20 Note | % | % | % |
| Total | $ | $ | $ |
| Per 20 Note | % | % | % |
| Total | $ | $ | $ |

(1) Plus accrued interest, if any, from , 2005.

The underwriters expect to deliver the notes to purchasers in book-entry form only on or about , 2005.

*Joint Book-Running Managers for 20 Notes*

**Citigroup** **ABN AMRO Incorporated**

*Joint Book-Running Managers for 20 Notes*

**Citigroup** **Wachovia Securities**

*Co-Managers*

**Calyon Securities (USA)**

**Scotia Capital**

**BNY Capital Markets, Inc.**

**PNC Capital Markets, Inc.**

September , 2005

**You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front cover page of those documents.**

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**Prospectus Supplement dated September , 2005**



**Prospectus dated September 19, 2005**

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## ABOUT THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS

This document is in two parts. The first is this prospectus supplement, which describes certain matters relating to us and this offering. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which may not apply to the notes offered by this prospectus supplement and accompanying prospectus. For information about our notes, see Description of Debt Securities We May Offer in the accompanying prospectus.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

## NON-GAAP FINANCIAL MEASURES

EBITDA presented in this prospectus supplement is a supplemental measure of performance that is not required by, or presented in accordance with, accounting principles generally accepted in the United States of America, or GAAP. See the sections of this prospectus supplement titled Summary Overview , Summary Summary Historical Consolidated Financial and Other Data and Summary Summary Pro Forma Condensed Combined Financial and Other Data for the definition of EBITDA and related disclosure.

EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our financial results prepared in accordance with GAAP. Some of these limitations are:

- EBITDA does not reflect our cash expenditures, future requirements for capital expenditures, cost of business combinations or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA does not reflect the significant interest expense, or the cash requirements necessary to make interest or principal payments, on our debt;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate EBITDA differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA only supplementally.

**FORWARD-LOOKING STATEMENTS**

A number of the statements made by us in this prospectus supplement and the accompanying prospectus, or in other documents incorporated by reference herein, may be regarded as forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements include, among others, statements concerning our (including our segments ) outlook for the future, the anticipated results of acquisitions and divestitures, pricing trends, the effects of changes in currency rates and forces within the industry, the completion dates of and expenditures for capital projects, expected sales growth, operational excellence strategies and their results, expected annual effective tax rates, our long-term goals and other statements of expectations, beliefs, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts.

Forward-looking statements also include, but are not limited to, statements about the acquisition of UCB Group s Surface Specialties business, which may include financial and operating results, our plans, beliefs,

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expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of management and are subject to significant risks and uncertainties. Actual results may vary materially from those set forth in the forward-looking statements. The following factors, among others, could affect the anticipated results: the ability to integrate successfully the acquired business, including realization of anticipated synergies within the expected timeframes or at all, and ongoing operations of the business.

All predictions as to future results contain a measure of uncertainty and, accordingly, actual results could differ materially. Factors that could cause a difference include, but are not limited to: changes in global and regional economies; the financial well-being of end consumers of our products, particularly the airline industry; changes in demand for our products or in the quality, costs and availability of our raw materials and energy; customer inventory reductions; the actions of competitors; currency and interest rate fluctuations; technological change; our ability to renegotiate expiring long-term contracts; changes in employee relations, including possible strikes; government regulations, including those related to taxation and those particular to the purchase, sale and manufacture of chemicals or operation of chemical plants; governmental funding for those military programs that utilize our products; litigation, including its inherent uncertainty and changes in the number or severity of various types of claims brought against us; difficulties in plant operations and materials transportation, including those caused by hurricanes and other natural forces; environmental matters; returns on employee benefit plan assets and changes in the discount rates used to estimate employee benefit liabilities; changes in the medical cost trend rate; changes in accounting principles or new accounting standards; war, terrorism or sabotage; epidemics; and other unforeseen circumstances. Many of these factors are discussed in greater detail under Risk Factors below.

## SUMMARY

*The following summary contains information about Cytec and this offering. It does not contain all the information that may be important to you in making a decision to purchase the notes. In this prospectus supplement, unless the context indicates otherwise, the term Cytec refers to Cytec Industries Inc. and its subsidiaries. The term Surface Specialties refers to the Surface Specialties business acquired by Cytec from the UCB Group, or UCB. Unless indicated otherwise, the terms we , us , Company , Cytec and our refer to Cytec, including Surface Specialties on a combined basis, and all dollar or euro figures (except dollars per euro and per share figures) are expressed in millions. Pro forma financial data presented herein gives pro forma effect to our acquisition of Surface Specialties as if it occurred on January 1, 2004 but excludes operating results of Surface Specialties amino resins product line, or SSAR, which we were required to divest pursuant to regulatory approval for the Surface Specialties acquisition. See Summary Historical Consolidated Financial and Other Data , Summary Pro Forma Condensed Combined Financial and Other Data and Unaudited Pro Forma Condensed Combined Financial Information herein.*

**Overview**

We are a global specialty chemicals and specialty materials company focused on value-added products, serving a diverse range of end markets including aerospace, automotive and industrial coatings, chemical intermediates, mining, plastics and water treatment. We use our technology and application development expertise to create chemical and material solutions that are formulated to perform specific and important functions in the finished products of our customers.

We have a leading market position in many of our product lines, including aerospace advanced composites, aerospace structural film adhesives, UV/EB-curable systems, powder coating resins, resins for water-borne systems, amino cross-linking resins, specialty mining chemicals and phosphine chemicals.

We operate on a global basis, with manufacturing and research facilities located in 20 countries. For the year ended December 31, 2004, more than 40% of our pro forma revenues were in North America, almost 40% in Europe, approximately 15% in the Asia/Pacific region and approximately 5% in Latin America. Our global presence moderates the effects of a single region s economic cycles and gives us an advantage over regionally based competitors in dealing with multinational customers. Additionally, our network of applications specialists provides important technical support to customers around the world.

Our pro forma condensed combined results for the year ended December 31, 2004 included pro forma revenues of $2,917.3, pro forma EBITDA (as defined below) of $451.5 and pro forma earnings from continuing operations before non-recurring charges of $164.4. Our pro forma condensed combined results for the six months ended June 30, 2005 included pro forma revenues of $1,602.1, pro forma EBITDA of $179.7 and pro forma earnings from continuing operations before non-recurring charges of $57.6, compared with pro forma revenues of $1,429.1, pro forma EBITDA of $225.4 and pro forma earnings from continuing operations before non-recurring charges of $85.9 for the six months ended June 30, 2004. See Unaudited Pro Forma Condensed Combined Financial Information herein. We believe our ability to generate strong cash flow should enable us to reinvest in our business at levels necessary to maintain our leadership positions as well as repay our debt obligations.

EBITDA represents earnings from continuing operations before interest expense, taxes, depreciation and amortization as set forth in the tables under Summary Historical Consolidated Financial and Other Data herein. Pro forma EBITDA represents earnings from continuing operations before non-recurring charges before interest expense, taxes, depreciation and amortization as set forth in the table under Summary Pro Forma Condensed Combined Financial and Other Data . We present EBITDA because it is a basis upon which our management assesses financial performance and we consider it an important supplemental measure of our

performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry, many of which present EBITDA when reporting their results. EBITDA is not a measurement of financial performance under GAAP and should not be considered as an alternative to (1) net earnings determined in accordance with GAAP or (2) operating cash flows determined in accordance with GAAP. Our calculation of EBITDA may not be comparable to the calculation of similarly titled measures reported by other companies. See Non-GAAP Financial Measures in this prospectus supplement.

**Acquisition of the Surface Specialties Business of UCB**

On February 28, 2005, we completed the acquisition of the Surface Specialties business of UCB, or Surface Specialties, a leading global producer and marketer of coating resins and additives, and adhesives, for cash and stock valued at approximately $1,799.6, subject to final working capital and other customary adjustments, of which approximately $1,508.8 ( 1,138.5 at $1.325 per euro) was paid in cash and the balance was paid in 5,772,857 shares of our common stock ($290.8 at $50.37 per share of our common stock).

We believe the Surface Specialties business possesses the key attributes consistent with our strategy to maintain leading market positions and develop sustainable innovation through research and development excellence. The Surface Specialties acquisition complements our existing coating product lines and enhances our business by:

- significantly increasing the breadth of our product offerings to the coatings, inks and adhesives industries, specifically the general industrial, automotive, architectural, plastic, graphic arts and wood sectors, backed by our application and development know-how, such that we are well-positioned to service those industries;
- providing access to a technology and a market leadership position in environmentally friendly products having growth rates in excess of United States gross domestic product on a historical basis; and
- expanding the geographical coverage of our business, especially in higher growth markets, such as the Asia/Pacific region.

We have established a target of $35.0 in annual cost savings from the integration of Surface Specialties that we expect to achieve through synergies, including personnel reductions, lower insurance costs and procurement savings. This acquisition is a strategic move forward for us, as it significantly strengthens our product offerings to the large global coatings market and provides us with a platform founded on strong technology through which we believe we can achieve above average growth rates in our target product lines.

**Our Business**

Our business is divided into four segments: Cytec Performance Specialties, Cytec Surface Specialties, Cytec Engineered Materials and Building Block Chemicals. For the year ended December 31, 2004, our Performance Specialties segment accounted for 23%, Surface Specialties accounted for 51%, Engineered Materials accounted for 17% and Building Block Chemicals accounted for 9% of our pro forma revenues. Upon consummation of the Surface Specialties acquisition, we realigned our business segments. We are now operating the Surface Specialties business as a separate segment, and we have integrated our coating and performance chemicals product lines, formerly part of the Performance Products segment, into the new segment, which has been named Cytec Surface Specialties. The remaining product lines in the Performance Products segment were combined with the Water and Industrial Process segment, which has been renamed Cytec Performance Specialties. Additionally, the Specialty Materials segment has been renamed Cytec Engineered Materials. In this section, pro forma information represents results of the respective entities and/or segments as if the acquisition of the Surface Specialties business had occurred as of the beginning of each period presented but excludes operating results of SSAR, which we were required to divest pursuant to regulatory approval for the Surface Specialties acquisition.

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The following table sets forth our pro forma revenues and earnings from operations for each of our four segments.

| | Year Ended December 31, 2004 | Six Months Ended June 30, 2004 | Six Months Ended June 30, 2005 |
|---|---|---|---|
| | | (in millions) | |
| Cytec Performance Specialties | | | |
| Revenues | $ 670.3 | $ 321.3 | $ 359.2 |
| Earnings from operations | 50.4 | 20.3 | 31.2 |
| Cytec Surface Specialties (Pro Forma Data) | | | |
| Revenues | 1,499.4 | 745.4 | 828.3 |
| Earnings from operations | 131.4 | 78.6 | 53.2 |
| Cytec Engineered Materials | | | |
| Revenues | 487.0 | 248.4 | 268.8 |
| Earnings from operations | 83.4 | 50.1 | 48.7 |
| Building Block Chemicals | | | |
| Revenues | 260.6 | 114.0 | 145.8 |
| Earnings from operations | 15.6 | 8.9 | 14.0 |

**Cytec Performance Specialties**. Our Performance Specialties segment includes the following product lines:

*Water Treatment Chemicals*. Our water treatment chemicals are primarily used in applications such as treatment of industrial waste streams and industrial influent water supplies to remove suspended solids, sewage conditioners for municipal wastewater treatment and as drilling mud conditioners for oil service companies.

*Mining Chemicals*. Our mining chemicals product line is primarily used in applications to separate minerals from ores. In the copper processing industry, our products are utilized in the flotation and extraction of copper. In the alumina processing industry, our patented HxPAMs are particularly effective at the flocculation of red mud . We also sell phosphine chemicals specialty reagents that are used in cobalt nickel extraction.

*Phosphine and Phosphorous Specialties*. We are the largest supplier of ultra-high purity phosphine gas, used in semiconductor manufacturing and light emitting diode applications, and also sell various phosphine derivative products including phosphonium salts used in pharmaceutical catalysts and biocides.

*Polymer Additives*. We supply the plastics industry with specialty additives that protect plastics from the ultraviolet radiation of sunlight and from oxidation. Typical end use applications of our products include a wide variety of polyolefins that are used in agricultural films, toys, lawn furniture and automotive applications, fibers for carpets, spandex applications, engineered plastics and automotive materials.

*Specialty Additives*. We supply acrylamide based specialty monomers and sulfosuccinate surfactants. These products are used in emulsion polymers, paints, paper coatings, printing inks, and other diverse customer applications. We also manufacture and market stabilizers for acrylic and methacrylic acids and certain thermoplastic polymers.

**Cytec Surface Specialties**. Our Surface Specialties segment includes the following product lines:

*Liquid Coating Resins*. We offer a broad range of water-borne resins. We are a market leader in resins for high-solids and water-borne coating systems. Our extensive portfolio includes products based on seven chemistries: acrylics, amino resins, epoxy systems, alkyds and polyesters, polyurethanes, phenolics and unsaturated polyesters.

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We also market a broad range of additives to assist customers in formulating high-performance coatings for protective and decorative applications. Along with individual additives, we have developed master products that combine multiple additives to achieve specific performance properties targeted to meet the needs of diverse industries, including automotive original equipment manufacturers and refinish coatings, general industrial coatings, decorative/architectural, can and coil, and heavy-duty maintenance applications.

*RADCURE*. We are a leading producer of environmentally friendly, low energy-cured resins for high-performance coatings and graphics applications. These resins are cured (dried and hardened) by exposing them to ultraviolet ( UV ) or electron-beam ( EB ) radiation, rather than heat. Our resins are used in products, including high-performance inks, industrial coatings, laminating adhesives and other coatings products. Products such as cereal boxes, CDs, credit cards and wood floors utilize advanced resins like the ones we have developed.

*Powders*. Our pioneering polyester resin technologies launched the rapidly growing market for powder coatings, which today accounts for a significant portion of the industrial finishing market. We are offering innovations such as superdurable clearcoats, weather-resistant finishes and UV-curing powder coating systems for heat-sensitive substrates such as plastic and wood. These powder coating resins provide original equipment manufacturers with a number of cost and environmental benefits compared to traditional coating systems.

*Adhesives, Bonding and Formulations.* We sell technologically differentiated pressure-sensitive adhesives for both emulsion- and solvent-based systems. The product line includes more than 80 different formulations featuring innovative products, such as high-performance emulsions and removable adhesives. Our technologies are used in a wide range of applications, including clear labels, solar films, transdermal drug delivery patches and bar coding systems.

We also offer a specialty line of polyurethane and epoxy resin systems that are used for high-performance applications in industries such as aerospace, computers, biomedical and electrical/electronics. These resins are used to produce electrical insulation materials, printed circuit board coatings, industrial castings, flexible molds, prototype parts and similar products.

Our bonding and laminating resins based on melamine chemistry are found in a variety of construction materials, such as edge-glued flooring, marine-grade plywood, doors and windows, and decorative laminates.

**Cytec Engineered Materials**. Our Engineered Materials segment primarily manufactures and sells aerospace materials that are used mainly in commercial and military aviation satellite and launch vehicles, aircraft brakes and certain high-performance applications, such as Formula 1 racing cars and high-performance sports cars.

*Cytec Engineered Materials*. We supply aerospace structural film adhesives and aerospace advanced composite materials. The primary applications for both aerospace adhesives and advanced composites are commercial airliners, regional and business jets, military aircraft, satellites and launch vehicles, high-performance automotive and specialty applications.

*Cytec Carbon Fibers*. We manufacture and sell various high-performance grades of both PAN (polyacrylonitrile) type and pitch type carbon fibers. Carbon fibers are mainly used as a reinforcement material for advanced composites used in the aerospace and certain other industries and have many advantageous characteristics, such as light weight, tensile strength and heat resistance. Approximately 50% of our carbon fiber production is utilized internally in the production of certain of our advanced composites.

**Building Block Chemicals**. Our Building Block Chemicals segment primarily manufactures products which are consumed internally by our other segments. This segment s product line includes acrylonitrile, hydrocyanic acid, acrylamide, sulfuric acid and melamine.

*Acrylonitrile and Hydrocyanic Acid*. We anticipate that over the near term we will use internally approximately 30% of our current acrylonitrile production to produce acrylamide and that up to approximately 40% of our current acrylonitrile production will be sold to an international trading company under a long-term distribution agreement at a market based price. We sell hydrocyanic acid, a co-product of the manufacture of acrylonitrile, under a long-term supply agreement to a tenant at our Fortier site.

*Other Building Block Chemicals*. We also manufacture and sell acrylamide, sulfuric acid and melamine. We anticipate that over the near term we will use internally approximately 40% of our acrylamide production capacity for the production of certain products for our water treating chemicals, mining chemicals and performance specialties product lines. The remainder of our production is sold to third parties. We sell sulfuric acid and regenerated sulfuric acid under a long-term supply agreement to a tenant at our Fortier site.

**Competitive Strengths**

***Leading Market Positions***. We have a leading market position in many of our product lines, including aerospace advanced composites, aerospace structural film adhesives, UV/EB-curable systems, powder coating resins, resins for waterborne systems, amino cross-linking resins, specialty mining chemicals and phosphine chemicals. By consistently reinvesting in our business, we have been able to develop and maintain these positions. Furthermore, we continually evaluate our product lines based on strategic fit and financial performance. We seek to further strengthen our market position by focusing on product lines where we believe we have a competitive advantage.

***Innovative and Sustainable Technology***. We have a strong history of developing new products and devising new applications for existing technology. Our Engineered Materials business developed PRIFORM® resin-infusion material, which not only reduces the weight of a flight-critical part, but also enhances structural unitization and reduces assembly cycle time. Additionally, our Mining Chemicals franchise introduced MAX HT®, a new chemical approach to reduce scale in the alumina industry, which allows our customers to generate greater output at lower cost from their existing equipment.

***Proven Ability to Integrate Acquisitions***. Since 1997, we have successfully integrated 12 acquisitions without any asset impairment write-offs. Our acquisition efforts are focused on adding profitable, well-run businesses, which either expand product offerings within our current business portfolio or improve our cost position. In 2003, we broadened our mining chemicals product line by acquiring Avecia s metal extractant products ( MEP ) line and intermediates & stabilizers ( I&S ) product line for approximately $96.1, net of cash acquired. The MEP product line has a leading position for extractants in processing copper oxide ores.

***Global Reach***. We have a direct sales and marketing presence in 33 countries. This enables us to provide a consistently high level of service to our multinational customers, giving us an advantage over our regional competitors, and gives us access to a large number of local and regional markets outside the United States. Our geographical diversity also mitigates the potential impact of volatility in any individual country or region.

***Experienced Management Team***. Our senior management team consists of professionals with extensive industry experience. These managers have successfully operated our company during various industry conditions and cycles. Our management is continually focused on improving free cash flow through a disciplined use of capital, reducing operating costs and improving productivity. Additionally, our compensation committee has developed policies that tie a significant amount of management compensation to the performance of our company.

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**Our Strategy**

Our corporate vision is to be a premier specialty chemicals and materials company through customer focus, superior technology, operational excellence and employee commitment. To achieve our corporate vision, our strategy includes the following initiatives:

***Focus on Developing Applications and Solutions that Meet Customer Needs***. We seek to collaborate closely with our customers to understand their needs and provide them with a superior value proposition, whether through improvements in product quality, reduced part cost or a new enabling technology. We seek to market our specialty products in terms of the value they provide, and focus on delivering a high level of technical service to our customers as we work with them on solving problems and providing them with better products for their applications. For example, our liquid coating resins technologies benefit customers by delivering valuable performance properties while helping them meet evolving environmental standards, including reducing or eliminating the need for solvents and other volatile organic compounds. We also use our expertise to produce adhesives that address the specialized performance needs of various industries, including tire manufacturing, adhesives and plastics. These technologies help manufacturers achieve their targets for product performance, environmental impact and cost position.

***Technology Leadership***. We are dedicated to creating a sustainable competitive advantage through superior technology. We believe our technology drives the ultimate engine of our growth and success. To that end, we focus on our new product pipeline and delivering value-added products to our customers every year. For example, we have continued to invest in our Engineered Materials business by recruiting technical service as well as R&D personnel to take advantage of the growing potential for new applications for our technology. Our technology leadership position resulted in our CYCOM® 5700-4 high temperature resin system being used in the F-35 Joint Strike Fighter program. Additionally, within our Surface Specialties segment, we are developing hybrid resins, in which radiation-curable properties are combined with water-based or powder-based technologies, and more exotic applications, such as coil coating, automotive repair, UV inkjet printing and flat-panel displays. This opportunity represents a rapidly growing and high-value portion of the coating and printing markets.

***Seek Geographical Expansion of Our Business***. We operate on a global basis with manufacturing plants located in 20 countries. Our recent acquisition of Surface Specialties gave us local manufacturing operations in high growth emerging markets where we can continue to expand sales from existing production and add new technologies as markets develop. We can now service customers locally in such countries as China, Thailand, Malaysia, Korea and Brazil.

***Pursue Operational Excellence and Efficiencies***. We are focused on operational excellence. To develop and implement best practices, we benchmark our performance against our competitive peer group. This has had a significant positive impact in terms of our safety and environmental performance. Manufacturing has the largest impact on our costs, and we successfully use techniques such as Six Sigma to reduce our product costs by improving process yields, reducing batch times, increasing capacity, or a combination of all three.

***Portfolio Strategy***. Our management continually makes decisions about capital allocation, acquisitions and divestitures based on growth and profitability. As part of management s focus on optimizing our business portfolio, we divest non-strategic assets or underperforming assets. For example, in 2005, we divested our 50% ownership interest in CYRO Industries due to its non-strategic nature.

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**Recent Developments**

***Sale of Surface Specialties Amino Resins Product Line***. On August 31, 2005, we sold SSAR to affiliates of INEOS Group Limited for cash consideration of 64.0 ($78.0 assuming an exchange rate of $1.22 per euro). This completes our commitments under orders from the Federal Trade Commission and the European Community to divest SSAR following our acquisition of the Surface Specialties business. Net proceeds of the sale were used to reduce debt incurred to fund the Surface Specialties acquisition.

***Hurricanes Katrina and Rita.*** As a result of Hurricane Katrina, operations at both our Building Block Chemicals Fortier plant located near New Orleans, Louisiana and our Performance Specialties plant located in Mobile, Alabama were disrupted. Normal operations resumed at both facilities, but a second shutdown was required at the Fortier facility after natural gas supply at the plant was curtailed due to Hurricane Rita. We have restarted the Fortier facility based on gas obtained from other sources and have contracted to purchase enough natural gas to operate the plant at least until the end of September 2005. We are working with our primary natural gas provider on the resumption of regular deliveries. The direct impact of Hurricane Katrina is expected to reduce pre-tax earnings in the range of $9.0 to $10.0, and the direct impact of Hurricane Rita is expected to reduce pre-tax earnings approximately $1.0. We are not yet able to quantify the financial impact on the raw materials and energy we purchase due to price increases and/or supply disruptions for oil and natural gas. We are in the process of assessing our ability to recover cost increases with price increases as well as other mitigating actions.

***Melamine Manufacturing Plant***. American Melamine Industries ( AMEL ), a 50% owned manufacturing joint venture with a subsidiary of DSM N.V. ( DSM ), operates a melamine manufacturing plant with an annual production capacity of approximately 160 million pounds at our Fortier facility. We typically use approximately 80% to 90% of our 50% share of AMEL s production, primarily for the production of certain products sold by our Surface Specialties segment with the balance being sold to third parties. In accordance with the terms of the joint venture agreement, DSM has given us notice of termination of the joint venture, which would be effective August 1, 2007. We have, and will continue to, consider future operations and ownership options of this melamine manufacturing plant with DSM.

***Acquisition of the Surface Specialties Business of UCB***. As part of the Surface Specialties acquisition, contingent consideration up to a maximum of 50.0 was to be determined in January 2006 based upon 2005 year-end results, of which 20.0 ($26.5 at $1.325 per euro) was prepaid at closing. In view of the parties expectation that the contingent consideration will not be payable, the parties recently reached an agreement in principle that UCB will currently refund the prepayment of the 20.0 to us, provided that a final year-end determination of the actual contingent payment due, if any, will still be made. In addition, the parties have agreed in principle that the final working capital adjustment will be adjusted by the amount of 21.0 and that UCB will refund this amount to us.

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The mailing address and telephone number of our principal executive offices are Five Garret Mountain Plaza, West Paterson, New Jersey 07424, (973) 357-3100.

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## The Offering

*The brief summary below describes the principal terms of the notes. Some of the terms and conditions described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus supplement contains a more detailed description of the terms and conditions of the notes.*

| | |
|---|---|
| Issuer | Cytec Industries Inc. |
| Notes Offered | $ aggregate principal amount of % Notes due 20 and $ aggregate principal amount of % Notes due 20 . |
| Interest Payment Dates | and , commencing on , 2006. |
| Ranking | The notes will be our senior unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness. The notes will be effectively subordinated to all secured indebtedness of Cytec to the extent of the assets securing such indebtedness. The notes will be structurally subordinated to all obligations of our subsidiaries, including claims with respect to trade payables. As of June 30, 2005, we had $1,608.5 of total unsubordinated indebtedness outstanding, none of which was secured. As of June 30, 2005, $59.8 of our total indebtedness was owed by our subsidiaries. |
| Sinking Fund | None. |
| Optional Redemption | We may redeem some or all of the notes at any time subject to the payment of a make-whole premium described under Description of Notes Optional Redemption . |
| Covenants | The indenture governing the notes will limit what we and our restricted subsidiaries may do. The provisions of the indenture will, among other things, limit our ability to:<br>incur secured indebtedness;<br>create liens;<br>enter into sale/leaseback transactions;<br>merge or consolidate; and<br>transfer and sell assets. |

| | |
|---|---|
| | These covenants are subject to a number of important limitations and exceptions. See the section of the accompanying prospectus titled Description of Debt Securities We May Offer . |
| Use of Proceeds | We estimate our net proceeds from this offering to be approximately $ after deducting the underwriting discount and our offering expenses. We intend to use the net proceeds to repay a portion of the total bank indebtedness incurred to fund our acquisition of Surface Specialties. See Use of Proceeds . |

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|---|---|
| DTC Eligibility | The notes will be issued in fully registered book-entry form and will be represented by one or more permanent global securities without coupons. Global securities will be deposited with a custodian for and registered in the name of a nominee of The Depository Trust Company ( DTC ) in New York, New York. Beneficial interests in global securities will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Euroclear and Clearstream. Your interest in any global security may not be exchanged for certificated securities, except in limited circumstances described therein. See the section in the accompanying prospectus titled Legal Ownership and Book-Entry Issuance . |
| Risk Factors | Investing in the notes involves risks. You should consider carefully all of the information set forth in this prospectus supplement, and in particular, should evaluate the specific factors set forth below before investing in the notes. |

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**Summary Historical Consolidated Financial and Other Data**

The following table presents summary financial and other data of Cytec as of the dates and for the periods indicated. The data as of and for the years ended December 31, 2002, 2003 and 2004 have been derived from the audited consolidated financial statements of Cytec included in our Form 8-K filed June 13, 2005 and incorporated by reference herein, which reflects the retroactive restatement of the change from the last-in, first-out ( LIFO ) to the first-in, first-out ( FIFO ) inventory method which was adopted on January 1, 2005. The data as of and for the six months ended June 30, 2004 and 2005 have been derived from the unaudited interim consolidated financial statements of Cytec as of and for the six months ended June 30, 2004 and 2005 included in our Form 10-Q for the quarter ended June 30, 2005 and incorporated by reference herein. In the opinion of management, the unaudited consolidated financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results of operations, financial position and cash flows. The results for the six months ended June 30, 2005 are not necessarily indicative of the results that may be expected for the entire year.

You should read the summary financial and other data set forth below along with the sections in this prospectus supplement titled Management s Discussion and Analysis of Financial Condition and Results of Operations June 30, 2005 , Selected Historical Consolidated Financial Data of Cytec , Unaudited Pro Forma Condensed Combined Financial Information and the consolidated financial statements of Cytec and related notes incorporated by reference in this prospectus supplement.

| | Historical | | | | |
|---|---|---|---|---|---|
| | For the Years Ended December 31, | | | For the Six Months Ended June 30, | |
| | 2002 | 2003 | 2004 | 2004 | 2005 |
| | (in millions, except ratios) | | | | |
| **Income Statement Data:** | | | | | |
| Net sales | $ 1,346.2 | $ 1,471.8 | $ 1,721.3 | $ 837.2 | $ 1,377.3 |
| Manufacturing cost of sales | 1,021.4 | 1,111.9 | 1,303.1 | 621.7 | 1,079.4 |
| Other operating expenses | 206.4 | 215.8 | 250.5 | 120.0 | 229.9 |
| Earnings from operations | 118.4 | 144.1 | 167.7 | 95.5 | 68.0 |
| Other income (expense), net | 6.6 | (1.9) | 22.3 | (5.0) | (49.0)(1) |
| Equity in earnings of associated companies | 6.1 | 7.2 | 5.2 | 0.8 | 6.6 |
| Interest expense | 21.9 | 20.0 | 22.8 | 11.0 | 49.9 |
| Income taxes | 30.5 | 36.6 | 41.4 | 15.9 | (29.0) |
| Earnings from continuing operations before accounting change and premium paid to redeem preferred stock | 78.7 | 92.8 | 131.0 | 64.4 | 4.7 |
| Cumulative effect of accounting change | | (13.6) | | | |
| Premium paid to redeem preferred stock | | | 9.9 | | |
| Earnings from continuing operations(2) | 78.7 | 79.2 | 121.1 | 64.4 | 4.7 |
| **Balance Sheet Data:** | | | | | |
| Total assets | $ 1,785.2 | $ 2,046.4 | $ 2,251.6 | $ 2,085.7 | $ 4,099.2 |
| Total debt | 315.9 | 425.5 | 419.1 | 427.3 | 1,608.5 |
| Total stockholders equity | 641.7 | 775.9 | 932.0 | 821.6 | 1,178.0 |
| **Other Data:** | | | | | |
| Net cash provided by (used by): | | | | | |
| Operating activities | $ 211.6 | $ 132.4 | $ 167.4 | $ 58.7 | $ 58.5 |
| Investing activities | (56.4) | (195.3) | (84.1) | (25.9) | (1,456.0) |

| | | | | | |
|---|---|---|---|---|---|
| Financing activities | (36.7) | 85.4 | (20.6) | (7.0) | 1,197.1 |
| Capital expenditures | 62.2 | 93.8 | 89.3 | 35.7 | 47.5 |
| Depreciation | 81.5 | 85.9 | 86.6 | 42.9 | 56.8 |
| Amortization | 2.2 | 7.7 | 12.2 | 5.6 | 14.4 |
| Write-off of acquired in-process research and development | | | | | 37.0 |
| Amortization of write-up to fair value of inventory purchased in acquisition | | 2.3 | | | 20.8 |
| Ratio of earnings to fixed charges | 4.9x | 6.2x | 7.0x | 6.9x | 0.4x(3) |
| EBITDA(4) | $ 214.8 | $ 229.4 | $ 284.1 | $ 139.8 | $ 96.8 |

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(1) Included in other income (expense), net for the six months ended June 30, 2005 are losses of $47.9 related to derivative contracts entered into to hedge currency and interest rate exposure associated with the acquisition of Surface Specialties.

(2) The following table summarizes key data that reconciles segment earnings (loss) from operations to earnings from continuing operations.

| | Historical | | | | |
|---|---|---|---|---|---|
| | For the Years Ended December 31, | | | For the Six Months Ended June 30, | |
| | 2002 | 2003 | 2004 | 2004 | 2005 |
| | (in millions) | | | | |
| Cytec Performance Specialties segment earnings (loss) from operations | $ 42.7 | $ 34.1 | $ 50.4 | $ 20.3 | $ 31.2 |
| Cytec Surface Specialties segment earnings (loss) from operations | 22.1 | 26.6 | 35.8 | 20.5 | (20.4)(a) |
| Cytec Engineered Materials segment earnings (loss) from operations | 65.8 | 66.0 | 83.4 | 50.1 | 48.7 |
| Building Block Chemicals segment earnings (loss) from operations | 5.4 | 20.7 | 15.6 | 8.9 | 14.0 |
| Corporate expenses | 17.6 | 3.3 | 17.5 | 4.3 | 5.5 |
| Other income (expense), net | 6.6 | (1.9) | 22.3 | (5.0) | (49.0)(b) |
| Equity in earnings of associated companies | 6.1 | 7.2 | 5.2 | 0.8 | 6.6 |
| Interest expense | 21.9 | 20.0 | 22.8 | 11.0 | 49.9 |
| Income taxes | 30.5 | 36.6 | 41.4 | 15.9 | (29.0) |
| Earnings from continuing operations before accounting change and premium paid to redeem preferred stock | 78.7 | 92.8 | 131.0 | 64.4 | 4.7 |
| Cumulative effect of accounting change | | (13.6) | | | |
| Premium paid to redeem preferred stock | | | 9.9 | | |
| Earnings from continuing operations | $ 78.7 | $ 79.2 | $ 121.1 | $ 64.4 | $ 4.7 |

(a) Includes the write-off of in-process research and development costs of $37.0 and $20.8 for the amortization of the write-up to fair value of inventory acquired in the acquisition.

(b) Included in other income (expense), net for the six months ended June 30, 2005 are losses of $47.9 related to derivative contracts entered into to hedge currency and interest rate exposure associated with the acquisition of Surface Specialties.

(3) In order to achieve a one-to-one ratio of earnings to fixed charges for the six months ended June 30, 2005, net earnings available to common stockholders would need to increase by $29.6.

(4) The following table discloses the components of EBITDA, which represents earnings from continuing operations before interest expense, taxes, depreciation and amortization as set forth below. We present EBITDA because it is a basis upon which our management assesses financial performance and we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry, many of which present EBITDA when reporting their results. EBITDA is not a measurement of financial performance under GAAP and should not be considered as an alternative to (1) net earnings determined in accordance with GAAP or (2) operating cash flows determined in accordance with GAAP. Our calculation of EBITDA may not be comparable to the calculation of similarly titled measures reported by other companies. See the section of this prospectus supplement titled Non-GAAP Financial Measures .

| | Historical | |
|---|---|---|
| | For the Years Ended December 31, | For the Six Months Ended June 30, |

| | 2002 | 2003 | 2004 | 2004 | 2005 |
|---|---|---|---|---|---|
| | | | (in millions) | | |
| Earnings from continuing operations | $ 78.7 | $ 79.2 | $ 121.1 | $ 64.4 | $ 4.7 |
| Add: | | | | | |
| Depreciation | 81.5 | 85.9 | 86.6 | 42.9 | 56.8 |
| Amortization | 2.2 | 7.7 | 12.2 | 5.6 | 14.4 |
| Interest expense | 21.9 | 20.0 | 22.8 | 11.0 | 49.9 |
| Income taxes | 30.5 | 36.6 | 41.4 | 15.9 | (29.0) |
| EBITDA | $ 214.8 | $ 229.4 | $ 284.1 | $ 139.8 | $ 96.8 |

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**Summary Pro Forma Condensed Combined Financial and Other Data**

The following table sets forth summary pro forma condensed combined data for Cytec for the year ended December 31, 2004 and the six months ended June 30, 2005 and 2004. The pro forma statements of income data give effect to the acquisition of Surface Specialties that occurred on February 28, 2005 as if the transaction had been consummated on January 1, 2004 but excludes the operating results of SSAR. The pro forma condensed combined financial information should not be considered indicative of actual results that would have been achieved had the transactions occurred on the respective dates indicated and does not purport to indicate results of operations as of any future date or for any future period. In determining certain of the pro forma amounts disclosed below, Cytec employed what it believes to be reasonable assumptions that were in part based on pro-rata allocations of amounts reported in the Audited Combined Special Purpose Financial Statements of Surface Specialties (a business of UCB) filed on our Form 8-K/A, dated May 16, 2005 (the Audited Special Purpose Financial Statements ), which is incorporated by reference herein. No summary pro forma balance sheet data is presented, as the actual amounts are included in the actual balance sheet as of June 30, 2005.

You should read the summary financial and other data set forth below along with the sections in this prospectus supplement titled Management s Discussion and Analysis of Financial Condition and Results of Operations June 30, 2005 , Selected Historical Consolidated Financial Data of Cytec , Unaudited Pro Forma Condensed Combined Financial Information and the consolidated financial statements of Cytec and related notes incorporated by reference in this prospectus supplement.

| | Pro Forma | | |
|---|---|---|---|
| | For the Year Ended December 31, | For the Six Months Ended June 30, | |
| | 2004 | 2004 | 2005 |
| | (in millions) | | |
| **Income Statement Data:** | | | |
| Revenues | $ 2,917.3 | $ 1,429.1 | $ 1,602.1 |
| Cost of sales | 2,209.6 | 1,055.9 | 1,234.1 |
| Other operating expenses | 444.4 | 219.6 | 226.4 |
| Earnings from operations before non-recurring charges(1) | 263.3 | 153.6 | 141.6 |
| Other income (expense), net | 20.5 | (8.9) | (52.7)(2) |
| Equity in earnings of associated companies | 6.0 | 1.1 | 6.7 |
| Interest expense, net | 70.6 | 35.1 | 59.0 |
| Income taxes | 54.8 | 24.8 | (21.0) |
| Earnings from continuing operations before non-recurring charges(1)(3) | $ 164.4 | $ 85.9 | $ 57.6 |
| **Other Data:** | | | |
| Capital expenditures | $ 119.9 | $ 48.9 | $ 52.9 |
| Depreciation | 119.9 | 59.6 | 63.4 |
| Amortization | 40.0 | 19.3 | 18.8 |
| EBITDA(4) | 451.5 | 225.4 | 179.7 |

(1) As required by FASB Interpretation No. 4, Applicability of FASB Statement No. 2 to Business Combinations Accounted for by the Purchase Method ( FIN 4 ), the portion of the Surface Specialties acquisition purchase price allocated to acquired in-process research and development of $37.0 has been immediately expensed in the actual results of operations for the six months ended June 30, 2005. An adjustment for the estimated in-process research and development charge incurred by us has not been included in the 2004 unaudited pro forma condensed combined statements of income since such adjustment, as related to

this acquisition, is non-recurring in nature. Also excluded from the 2004 unaudited pro forma condensed combined statement of income on the basis of its being non-recurring in nature, as it relates to this acquisition, is a charge of $20.8 for the amortization of the write-up to fair value of inventory acquired in the acquisition. As a result, all pro forma earnings from operations data included herein excludes these non-recurring charges.

(2) Included in other income (expense), net for the six months ended June 30, 2005 are losses of $47.9 related to derivative contracts entered into to hedge currency and interest rate exposure associated with the acquisition of Surface Specialties.

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(3) The following table summarizes key data that reconciles pro forma segment earnings from operations to pro forma earnings from continuing operations before non-recurring charges.

| | Pro Forma | | |
|---|---|---|---|
| | For the Year Ended December 31, | For the Six Months Ended June 30, | |
| | 2004 | 2004 | 2005 |
| | (in millions) | | |
| Cytec Performance Specialties segment earnings from operations | $ 50.4 | $ 20.3 | $ 31.2 |
| Cytec Surface Specialties segment earnings from operations | 131.4 | 78.6 | 53.2 |
| Cytec Engineered Materials segment earnings from operations | 83.4 | 50.1 | 48.7 |
| Building Block Chemicals segment earnings from operations | 15.6 | 8.9 | 14.0 |
| Corporate expenses | 17.5 | 4.3 | 5.5 |
| Other income (expense), net | 20.5 | (8.9) | (52.7)(a) |
| Equity in earnings of associated companies | 6.0 | 1.1 | 6.7 |
| Interest expense, net | 70.6 | 35.1 | 59.0 |
| Income taxes | 54.8 | 24.8 | (21.0) |
| Earnings from continuing operations before non-recurring charges | $ 164.4 | $ 85.9 | $ 57.6 |

(a) Included in other income (expense), net for the six months ended June 30, 2005 are losses of $47.9 related to derivative contracts entered into to hedge currency and interest rate exposure associated with the acquisition of Surface Specialties.

(4) The following table discloses the components of pro forma EBITDA, which represents pro forma earnings from continuing operations before non-recurring charges (see note (1) above) before interest expense, taxes, depreciation and amortization as set forth below. We present pro forma EBITDA because it is a basis upon which our management assesses financial performance and we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry, many of which present pro forma EBITDA when reporting their results. Pro forma EBITDA is not a measurement of financial performance under GAAP and should not be considered as an alternative to (1) net earnings determined in accordance with GAAP or (2) operating cash flows determined in accordance with GAAP. Our calculation of pro forma EBITDA may not be comparable to the calculation of similarly titled measures reported by other companies. See the section of this prospectus supplement titled Non-GAAP Financial Measures .

| | Pro Forma | | |
|---|---|---|---|
| | For the Year Ended December 31, | For the Six Months Ended June 30, | |
| | 2004 | 2004 | 2005 |
| | (in millions) | | |
| Earnings from continuing operations before non-recurring charges | $ 164.4 | $ 85.9 | $ 57.6 |
| Add: | | | |
| Depreciation | 119.9 | 59.6 | 63.4 |
| Amortization | 40.0 | 19.3 | 18.8 |

| | | | |
|---|---|---|---|
| Interest expense | 72.4 | 35.8 | 60.9 |
| Income taxes | 54.8 | 24.8 | (21.0) |
| Pro forma EBITDA | $ 451.5 | $ 225.4 | $ 179.7 |

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## RISK FACTORS

*You should carefully consider the risks described below and the other information included in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein before investing in our notes. If any of the events contemplated by the following discussion of risks should occur, our business, results of operations and financial condition could suffer significantly. The risks described below are not the only risks that we face. Additional risks not currently known to us or that we currently deem immaterial may also impair our business.*

***Indebtedness   Our indebtedness could adversely affect our financial condition, limit our ability to grow and compete and prevent us from fulfilling our obligations under the notes and our other indebtedness.***

As of June 30, 2005 on a pro forma as adjusted basis, after giving effect to this offering and the sale of SSAR and the use of the net proceeds therefrom, we would have approximately $ of indebtedness outstanding, and up to $ of availability under our five year revolving credit agreement. As of June 30, 2005, after giving effect to this offering and the sale of SSAR and the use of the net proceeds therefrom, our indebtedness represented approximately % of our total capitalization. Our indebtedness could adversely affect our financial condition, limit our ability to grow and compete and prevent us from fulfilling our obligations under the notes and our other indebtedness.

Our credit agreements require us to meet financial ratios, including total consolidated debt to consolidated EBITDA (as defined in our credit agreements, which is different from the definition used in this prospectus supplement) and consolidated EBITDA (as defined in our credit agreements, which is different from the definition used in this prospectus supplement) to interest expense. These restrictions could limit our ability to plan for or react to market conditions or meet extraordinary capital needs and could otherwise restrict our financing activities.

Our ability to comply with the covenants and other terms of our credit agreements as in effect from time to time will depend on our future operating performance. If we fail to comply with those covenants and terms, we will be in default and the maturity of the related debt could be accelerated and become immediately due and payable. In this case, we may be required to obtain waivers from our lenders in order to maintain compliance under our credit agreements. If we were unable to obtain any necessary waivers and the debt under any one of our credit facilities was accelerated, the debt under our other credit facilities would be accelerated as well and our financial condition would be adversely affected. In addition, our credit agreements have a cross default provision whereby amounts outstanding could become due and payable if we default on other debt obligations of at least $25.0.

***We could be adversely affected if our debt is downgraded.***

Our ability to complete offerings of debt securities on satisfactory terms in the future will depend, in part, on the status of our future credit ratings. The current ratings of our senior unsecured long-term indebtedness are BBB- by Standard & Poor s Ratings Group ( S&P ) and Baa3 by Moody s Investors Service, Inc. ( Moody s ). Either S&P or Moody s, or both, may downgrade our credit rating at any time, which would make it more difficult to complete offerings of debt securities on satisfactory terms and would generally result in increased future borrowing costs and more restrictive covenants and may adversely affect our access to capital. In addition, such a downgrade from current levels would trigger a requirement, under the terms of our credit facilities, for specified subsidiaries in the United States to guarantee the obligations under those facilities. In that event, our obligations under the notes will be structurally subordinated to indebtedness under our credit agreements to the extent of the assets of those specified subsidiaries.

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***We may encounter difficulties in the integration of Surface Specialties which could adversely affect our financial performance or our ability to compete successfully in our markets.***

Integrating acquired businesses, and achieving the full benefit and potential efficiencies from such acquisitions, requires substantial management, financial and other resources and may pose several risks, some or all of which could have a material adverse effect on our business, financial condition or results of operations. These risks include:

- difficulties in assimilation of acquired personnel, operations and technologies;
- the need to manage a significantly larger business with operations in different locations around the world;
- diversion of management s attention from the ongoing development of our existing businesses or other business concerns;
- failure to retain key personnel of the acquired business; and
- unforeseen operating difficulties and expenditures.

If we experience any of these difficulties in our integration of the Surface Specialties business, our financial performance and ability to compete successfully in any of our markets could be adversely affected.

***Prices and availability of raw materials could adversely affect our operations.***

Oil and natural gas are important indirect raw materials for many of our products. The prices of both products have been volatile over time and have risen sharply in 2005. Because natural gas is not easily transported, the price may vary widely between geographic regions. If we are unable to raise our selling prices to recover the increased costs of raw materials driven by higher energy costs or other factors, our profit margins will be materially adversely affected.

Furthermore, the price of natural gas in the United States is significantly above the price in many other parts of the world. Many of our products compete with similar products made with less expensive natural gas available elsewhere and we may not be able to recover any or all of the increased cost of natural gas in manufacturing our products.

We have from time to time experienced difficulty in procuring key raw materials, such as propylene, natural gas and carbon fiber, due to general market conditions or conditions unique to a significant supplier and may experience supply disruptions of these and other materials in the future. During such periods, prices of the relevant raw materials may increase significantly and potentially adversely affect our profit margins. Additionally, such conditions, if protracted, could result in our inability to manufacture our products, resulting in lower than anticipated revenues. For example, due to the impact of both Hurricane Katrina and Hurricane Rita, there has been a significant disruption in the supply of oil and natural gas. Our supply of natural gas at our Building Block Chemicals Fortier plant located near New Orleans, Louisiana has been curtailed. We have contracted to purchase enough natural gas to operate the plant at least until the end of September 2005 and are working with our primary natural gas provider on the resumption of regular deliveries. We are not yet able to quantify the financial impact on the raw materials and energy we purchase due to price increases and/or supply disruptions for oil and natural gas. See Summary Recent Developments in this prospectus supplement.

***We face active competition from other companies, which could adversely affect our revenue and financial condition.***

We actively compete with companies producing the same or similar products and, in some instances, with companies producing different products designed for the same uses. We encounter competition in price, delivery, service, performance, product innovation and product recognition and quality, depending on the product involved. For some of our products, our competitors are larger and have greater financial resources than we do. As a result, these competitors may be better able to withstand a change in conditions within the industries in which we operate, a change in the prices of raw materials without increasing their prices or a change in the economy as a whole.

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Our competitors can be expected to continue to develop and introduce new and enhanced products, which could cause a decline in market acceptance of our products. Current and future consolidation among our competitors and customers may also cause a loss of market share as well as put downward pressure on pricing. Our competitors could cause a reduction in the prices for some of our products as a result of intensified price competition. Competitive pressures can also result in the loss of major customers. If we cannot compete successfully, our business, financial condition and results of operations could be adversely affected.

***We face numerous risks relating to our international operations that may adversely affect our results of operations.***

International operations are subject to various risks which may not be present in United States operations including political instability, the possibility of expropriation, restrictions on royalties, dividends and remittances, instabilities of currencies, requirements for governmental approval for new ventures and local participation in operations, such as local equity ownership and workers councils. Currency fluctuations between the United States dollar and the currencies in which we do business have caused and will continue to cause foreign currency transaction gains and losses, which may be material. While we do not currently believe that we are likely to suffer a material adverse effect on our results of operations in connection with our existing international operations, any of these events could have an adverse effect on our international operations in the future by reducing the demand for our products, increasing the prices at which we can sell our products or otherwise having an adverse effect on our operating performance.

***Our production facilities are subject to operating risks that may adversely affect our operations.***

Our revenues are largely dependent on the continued operation of our various manufacturing facilities. The operation of chemical manufacturing plants involves many risks, including the breakdown, failure or substandard performance of equipment, operating errors, natural disasters, the need to comply with directives of, and maintain all necessary permits from, government agencies and potential terrorist attack. For example, our Building Block Chemicals plant located near New Orleans, Louisiana had its operations interrupted by Hurricanes Katrina and Rita. In addition, our operations can be adversely affected by labor force shortages or work stoppages and events impeding or increasing the cost of transporting our raw materials and finished products. The occurrence of material operational problems, including but not limited to the above events, may have a material adverse effect on the productivity and profitability of a particular manufacturing facility, or with respect to certain facilities, and of our company as a whole, during the period of such operational difficulties.

Our operations are also subject to various hazards incident to the production of industrial chemicals, including the use, handling, processing, storage and transportation of certain hazardous materials. Under certain circumstances, these hazards could cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage, and suspension of operations. Claims arising from any future catastrophic occurrence at one of our locations may result in our being named as a defendant in lawsuits asserting potentially large claims.

***We are subject to significant environmental and product regulatory expenses and risks.***

We are subject to various laws and regulations which impose stringent requirements for the control and abatement of pollutants and contaminants and the manufacture, transportation, storage, handling, sale and disposal of hazardous substances, hazardous wastes, pollutants and contaminants.

Under the laws of the United States and certain other countries in which we operate, a current or previous owner or operator of a facility may be liable for the removal or remediation of hazardous materials at the facility and nearby areas. Such laws typically impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such hazardous materials. In addition, under various laws governing the generation, transportation, treatment, storage or disposal of solid and hazardous wastes, owners and operators of

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facilities may be liable for removal or remediation, or other corrective action, at areas where hazardous materials have been released. The costs of removal, remediation or corrective action may be substantial, and the presence of hazardous materials in the environment at any of our facilities, or the failure to abate such materials promptly or properly, may adversely affect our ability to operate such facilities. Certain of these laws also impose liability for investigative, removal, and remedial costs on persons who dispose of or arrange for the disposal of hazardous substances at facilities owned or operated by third parties. Liability for investigative, removal, and remedial costs under such laws is retroactive, strict, and joint and several.

We are required to comply with laws that govern the emission of pollutants into the ground, waters, and the atmosphere, and with laws that govern the generation, transportation, treatment, storage and disposal of solid and hazardous wastes, and laws that regulate the manufacture, processing and distribution of chemical substances and mixtures, as well as the disposition of certain hazardous substances. In addition, certain laws govern the abatement, removal, and disposal of asbestos-containing materials and the maintenance of underground storage tanks and equipment which contains or is contaminated by polychlorinated biphenyls. The costs of compliance with such laws and related regulations may be substantial, and regulatory standards tend to evolve towards more stringent requirements, which might, from time to time, make it uneconomic or impossible to continue operating a facility or selling one or more products currently sold by us. Non-compliance with such requirements at any of our facilities or by any of our products could result in substantial penalties, our inability to operate all or part of the facility, or our inability to sell certain products.

***Some of our customers   businesses are cyclical and demand by our customers for our products weakens during economic downturns. Loss of significant customers may have an adverse effect on our business.***

A number of our customers operate in cyclical industries such as the aerospace, automotive, mining and paper industries. As a result, demand for the Company   s products from customers in such industries is also cyclical. In addition, the profitability of sales of certain of the Company   s building block chemicals varies due to the cyclicality typically experienced with respect to the amount of industry-wide capacity dedicated to producing such chemicals and the amount of end user demand.

In addition, loss of certain significant customers, due to events affecting their business or due to competitors   actions, may have a material adverse effect on our results of operations. For example, Boeing Company recently announced that it has reached a tentative agreement for a new contract with its machinists   union to end a four-week work stoppage. In the event that this agreement is not approved and the machinists stay on strike for a prolonged period, this could have a material adverse effect on our Cytec Engineered Materials segment   s results of operations.

***We are subject to significant litigation expense and risk.***

We are the subject of numerous lawsuits and claims incidental to the conduct of our or our predecessors   businesses, including lawsuits and claims relating to product liability, personal injury, environmental, contractual, employment and intellectual property matters. Many of the matters relate to the use, handling, processing, storage, transport or disposal of hazardous materials. We believe that the resolution of such lawsuits and claims will not have a material adverse effect on our consolidated financial position, but could be material to our consolidated results of operations and cash flows in any one accounting period.

***Goodwill impairment or acquisition intangible impairment and disposition or restructuring charges may unpredictably affect our results of operations in the future.***

Management regularly reviews our business portfolio in terms of strategic fit and financial performance and may from time to time dispose of or withdraw certain product lines. Additionally, management regularly reviews the cost effectiveness and profitability of plant sites and individual plants at such sites. We may find it necessary to record disposition charges or restructuring charges in connection with such reviews. Such charges could have a material adverse effect on our results of operations in the period in which they are recorded.

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In accordance with Statement of Financial Accounting Standards ( SFAS ) No. 142, Goodwill and Intangible Assets , we test goodwill and nonamortizable acquisition intangible assets for impairment on an annual basis in our fourth fiscal quarter and in between annual tests if events occur or circumstances change that would likely reduce the fair value of a reporting unit to an amount below its carrying value. During the fourth quarters of 2003 and 2004, we performed goodwill impairment tests and determined that no impairment had occurred. Further, in accordance with SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets , we test for other possible acquisition intangible impairment if events occur or circumstances change that would likely reduce the fair value of the stated assets.

In connection with the acquisition of Surface Specialties, we recorded goodwill in the amount of $736.5 based on a preliminary allocation of the purchase price. Additionally, we have acquisition intangibles with a net carrying value of $515.8 at June 30, 2005. Future events could cause the impairment of goodwill or acquisition intangibles associated with the Surface Specialties business or any other of our reporting units. Any resulting impairment loss may have a material adverse impact on our results of operations in any future period in which we record a charge.

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## USE OF PROCEEDS

We estimate our net proceeds from this offering to be approximately $ after deducting the underwriting discount and our offering expenses. We intend to use the net proceeds to repay all amounts outstanding under our 364-day credit facility and our revolving credit facility, which, as of September 16, 2005, were approximately $426.8 and $67.7, respectively, and were used to fund the acquisition of Surface Specialties and for general corporate purposes. As of that date, the outstanding amounts had a weighted average interest rate of approximately 3.21% and amounts due under the revolving credit facility mature on February 15, 2010.

## CAPITALIZATION

The following table sets forth our consolidated debt, stockholders equity and capitalization as of June 30, 2005 (a) on a historical basis, (b) as adjusted to reflect the debt repayments on September 1, 2005 with the net proceeds from the sale of SSAR and (c) on a pro forma as adjusted basis to give effect to this offering and the application of the net proceeds as described under Use of Proceeds .

The actual financial data in the following table is derived from our unaudited consolidated balance sheet as of June 30, 2005 included in our Form 10-Q for the quarter ended June 30, 2005 and incorporated by reference herein. The following data are qualified in their entirety by our financial statements and other information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus.

| | As of June 30, 2005 | | |
|---|---|---|---|
| | **Actual** | **As Adjusted for SSAR Sale(1)** | **As Adjusted for Notes Offering** |
| Short-term borrowings: | | | |
| 364-day credit facility(2) | $ 468.3 | $ 438.7 | |
| Other | 35.3 | 35.3 | $ 35.3 |
| Current maturities of long-term debt: | | | |
| Five-Year Term Loan Due February 15, 2010 | 72.5 | 72.5 | 72.5 |
| Other | 15.0 | 15.0 | 15.0 |
| Long-term debt: | | | |
| Five-Year Revolving Credit Facility Due February 15, 2010(3) | 122.2 | 122.2 | |
| Five-Year Term Loan Due February 15, 2010 | 585.4 | 551.0 | 551.0 |
| 6.75% Notes Due March 15, 2008 | 98.5 | 98.5 | 98.5 |
| 4.60% Notes Due July 1, 2013 | 201.8 | 201.8 | 201.8 |
| Other | 9.5 | 9.5 | 9.5 |
| Notes offered hereby | | | |
| Total debt | $ 1,608.5 | $ 1,544.5 | $ |
| Total stockholders equity | 1,178.0 | 1,178.0 | 1,178.0 |
| Total capitalization | $ 2,786.5 | $ 2,722.5 | $ |

(1) To reflect actual debt repayments made on September 1, 2005 with net proceeds from the sale of SSAR.
(2) As of September 16, 2005, there was approximately $426.8 outstanding under our 364-day credit facility.
(3) As of September 16, 2005, there was approximately $67.7 outstanding under our revolving credit facility.

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## SELECTED HISTORICAL CONSOLIDATED

## FINANCIAL DATA OF CYTEC

The following table presents selected financial and other data of Cytec as of the dates and for the periods indicated. The data as of and for the years ended December 31, 2002, 2003 and 2004 have been derived from the audited consolidated financial statements of Cytec as of and for the fiscal years ended December 31, 2002, 2003 and 2004 included in our Form 8-K filed June 13, 2005 and incorporated by reference herein. For information on selected financial and other data of Cytec as of and for the years ended December 31, 2000 and 2001, please refer to our Form 8-K filed on June 13, 2005. The selected financial data as of and for the six months ended June 30, 2004 and 2005 have been derived from the unaudited interim consolidated financial statements of Cytec as of and for the six months ended June 30, 2004 and 2005 included in our Form 10-Q for the quarter ended June 30, 2005 and incorporated by reference herein. In the opinion of management, the unaudited consolidated financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results of operations, financial position and cash flows. The results for the six months ended June 30, 2005 are not necessarily indicative of the results that may be expected for the entire year.

You should read the selected financial and other data set forth below along with the sections in this prospectus supplement titled Management s Discussion and Analysis of Financial Condition and Results of Operations June 30, 2005 and the consolidated financial statements of Cytec and related notes incorporated by reference in this prospectus supplement.

| | Historical | | | | |
|---|---|---|---|---|---|
| | Years Ended December 31, | | | Six Months Ended June 30, | |
| | 2002 | 2003 | 2004 | 2004 | 2005 |
| **Income Statement Data:** | | | | | |
| Net sales | $ 1,346.2 | $ 1,471.8 | $ 1,721.3 | $ 837.2 | $ 1,377.3 |
| Manufacturing cost of sales | 1,021.4 | 1,111.9 | 1,303.1 | 621.7 | 1,079.4 |
| Other operating expenses | 206.4 | 215.8 | 250.5 | 120.0 | 229.9 |
| Earnings from operations | 118.4 | 144.1 | 167.7 | 95.5 | 68.0 |
| Other income (expense), net | 6.6 | (1.9) | 22.3 | (5.0) | (49.0) |
| Equity in earnings of associated companies | 6.1 | 7.2 | 5.2 | 0.8 | 6.6 |
| Interest expense | 21.9 | 20.0 | 22.8 | 11.0 | 49.9 |
| Income taxes | 30.5 | 36.6 | 41.4 | 15.9 | (29.0) |
| Earnings from continuing operations before accounting change and premium paid to redeem preferred stock | 78.7 | 92.8 | 131.0 | 64.4 | 4.7 |
| Cumulative effect of accounting change, net of tax | | (13.6) | | | |
| Premium paid to redeem preferred stock | | | 9.9 | | |
| Earnings from continuing operations | 78.7 | 79.2 | 121.1 | 64.4 | 4.7 |
| **Balance Sheet Data (at period end):** | | | | | |
| Total assets | $ 1,785.2 | $ 2,046.4 | $ 2,251.6 | $ 2,085.7 | $ 4,099.2 |
| Total debt | 315.9 | 425.5 | 419.1 | 427.3 | 1,608.5 |
| Total stockholders equity | 641.7 | 775.9 | 932.0 | 821.6 | 1,178.0 |
| **Other Data:** | | | | | |
| Net cash provided by (used by): | | | | | |
| Operating activities | $ 211.6 | $ 132.4 | $ 167.4 | $ 58.7 | $ 58.5 |
| Investing activities | (56.4) | (195.3) | (84.1) | (25.9) | (1,456.0) |
| Financing activities | (36.7) | 85.4 | (20.6) | (7.0) | 1,197.1 |
| Capital expenditures | 62.2 | 93.8 | 89.3 | 35.7 | 47.5 |

| | | | | | |
|---|---|---|---|---|---|
| Depreciation | 81.5 | 85.9 | 86.6 | 42.9 | 56.8 |
| Amortization | 2.2 | 7.7 | 12.2 | 5.6 | 14.4 |

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## SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF SURFACE SPECIALTIES

The following table presents selected historical financial data of Surface Specialties as of the dates and for the periods indicated. The data as of and for the years ended December 31, 2003 and 2004 have been derived from the Audited Special Purpose Financial Statements. The data as of and for the six months ended June 30, 2004 and 2003 has been derived from the Combined Unaudited Special Purpose Financial Statements of Surface Specialties (a business of UCB) for the six months ended June 30, 2003 and 2004 (the Unaudited Special Purpose Financial Statements and, together with the Audited Special Purpose Financial Statements, the Special Purpose Financial Statements ).

The historical information set forth below includes the results of SSAR, which was divested by Cytec on August 31, 2005, for all periods presented. The following historical information should be read in conjunction with the notes to the financial statements referred to above.

| | Historical | | | |
|---|---|---|---|---|
| | Years Ended December 31, | | Six Months Ended June 30, | |
| | 2003 | 2004 | 2003 | 2004 |
| **Operating Results:** | | | | |
| Direct revenues | $ 1,123.8 | $ 1,349.6 | $ 530.5 | $ 672.2 |
| Direct cost of sales | 873.6 | 1,045.9 | 416.4 | 503.7 |
| Direct operating expenses | 215.2 | 191.8 | 95.8 | 98.8 |
| Direct other income, net | 4.5 | 4.8 | (1.8) | (0.6) |
| Direct interest expense | 1.7 | 1.8 | 0.8 | 1.0 |
| Equity in net income of associated company | 0.7 | 0.8 | 0.3 | 0.3 |
| Excess of direct revenues over direct expenses before taxes, minority interest and cumulative effect of accounting change | 38.5 | 115.7 | 16.0 | 68.4 |
| Excess of direct revenues over direct expenses | 29.8 | 114.5 | 8.2 | 67.8 |
| **Balance Sheet Data (at period end):** | | | | |
| Total assets | $ 1,291.1 | $ 1,374.3 | n/a | $ 1,309.5 |
| Total debt | 49.8 | 53.8 | n/a | 66.4 |
| Net assets to be sold pursuant to the Surface Specialties acquisition | 932.0 | 976.0 | n/a | 915.5 |
| **Other Data:** | | | | |
| Net cash provided by (used by): | | | | |
| Operating activities | $ 132.6 | $ 150.8 | $ 74.3 | $ 83.6 |
| Investing activities | (622.6) | (34.5) | (589.5) | (15.1) |
| Financing activities | 528.4 | (116.4) | 565.2 | (43.9) |
| Purchases of property, plant and equipment | 38.1 | | | |