

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Fiscal years ended 2000, 1999 and 1998

Increase (decrease) in cash (In thousands of dollars)	2000	1999	1998
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net earnings (loss)	\$ 89,273	\$(175,038)	\$161,755
Adjustments to reconcile net earnings (loss) to net cash provided by operations:			
Facility closure costs	23,148	–	33,600
Acquired in-process research and development	–	195,000	–
Loss on sale of textile colors	–	83,333	–
Gain on sale of specialty ingredients	–	(42,060)	–
Merger and related costs	–	29,518	–
Extraordinary loss on early extinguishment of debt	–	15,687	21,468
Gustafson joint venture gain	–	–	(153,429)
Depreciation and amortization	182,017	116,648	80,536
Equity income	(11,405)	(10,568)	–
Deferred taxes	19,068	(26,281)	(5,366)
Changes in assets and liabilities:			
Accounts receivable	25,359	4,539	497
Inventories	(41,546)	(25,475)	7,314
Other current assets	(24,171)	25,422	(11,508)
Other assets	30,361	7,333	3,358
Accounts payable and accrued expenses	(85,574)	(73,963)	(32,188)
Income taxes payable	6,969	(10,776)	79,568
Other current liabilities	(3,790)	4,983	(10,562)
Post-retirement health care liability	(10,858)	(2,342)	(3,727)
Other liabilities	(22,914)	(24,624)	(7,161)
Other	(892)	(2,712)	5,367
Net cash provided by operations	175,045	88,624	169,522
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditures	(154,814)	(131,782)	(66,628)
Merger related expenditures	(66,740)	(17,420)	–
Proceeds from sale of specialty ingredients	–	103,000	–
Proceeds from sale of textile colors	–	75,322	–
Acquired cash of Witco Corporation	–	236,658	–
Proceeds from Gustafson joint venture	–	–	180,000
Other investing activities	(25,303)	(15,521)	(9,717)
Net cash (used in) provided by investing activities	(246,857)	250,257	103,655
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds on senior notes	593,754	–	–
(Payments) proceeds on credit agreement borrowings	(420,000)	93,720	199,894
(Payments) proceeds on short-term borrowings	(54,799)	61,267	15,535
Payments on long-term notes	(4,075)	(356,449)	(460,034)
Premium paid on early extinguishment of debt	–	(20,431)	(22,984)
Proceeds from sale of accounts receivable	35,560	–	80,000
Treasury stock acquired	(54,003)	(101,781)	(94,974)
Dividends paid	(22,763)	(9,351)	(3,721)
Other financing activities	8,959	(6,222)	14,425
Net cash provided by (used in) financing activities	82,633	(339,247)	(271,859)
<b>CASH</b>			
Effect of exchange rates on cash	(587)	(1,195)	179
Change in cash	10,234	(1,561)	1,497
Cash at beginning of period	10,543	12,104	10,607
Cash at end of period	\$ 20,777	\$ 10,543	\$ 12,104