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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For Quarterly Period Ended June 30, 1996

OR

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

For Transition Period from _____ to _____

Commission File Number 1-12658

ALBEMARLE CORPORATION

(Exact name of registrant as specified in its charter)

VIRGINIA

54-1692118

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

330 SOUTH FOURTH STREET
P. O. BOX 1335
RICHMOND, VIRGINIA

23210

(Address of principal executive
offices)

(Zip Code)

Registrant's telephone number, including area code - (804) 788-6000

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.

Yes X

No

Number of shares of common stock, \$.01 par value, outstanding as
of July 31, 1996: 56,244,909

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ALBEMARLE CORPORATION

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

ALBEMARLE CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Dollars In Thousands)

	June 30, 1996	December 31, 1995
	-----	-----
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 44,292	\$ 33,130
Accounts receivable, less allowance for doubtful accounts (1996-\$2,009; 1995-\$1,615)	152,963	198,125
Inventories:		
Finished goods	59,098	132,334
Work-in-process	3,277	5,767
Raw materials	10,565	15,125
Stores, supplies and other	16,723	24,371
	-----	-----
	89,663	177,597
Deferred income taxes and prepaid expenses	18,532	19,935
	-----	-----

Total current assets	305,450	428,787
Property, plant and equipment, at cost	1,105,846	1,493,846
Less accumulated depreciation and amortization	(626,279)	(807,951)
Net property, plant and equipment	479,567	685,895
Other assets and deferred charges	63,289	60,814
Goodwill and other intangibles - net of amortization	25,343	28,995
Total assets	\$ 873,649	\$ 1,204,491

<FN>

See accompanying notes to the consolidated financial statements.

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ALBEMARLE CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Dollars In Thousands)

	June 30, 1996	December 31, 1995
	(Unaudited)	
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 67,029	\$ 102,788
Long term debt, current portion	451	17,020
Accrued expenses	57,945	65,017
Dividends payable	3,111	3,634
Income taxes payable	49,838	5,760
Total current liabilities	178,374	194,219
Long-term debt	12,972	200,092
Other noncurrent liabilities	62,240	54,512
Deferred income taxes	105,985	133,102
Shareholders' equity:		
Common stock, \$.01 par value, Issued - 56,438,659 in 1996 and 66,076,853 in 1995, respectively	564	661
Additional paid-in capital	275,650	498,827
Foreign currency translation adjustments	18,877	27,604
Retained earnings	218,987	95,474
Total shareholders' equity	514,078	622,566

Total liabilities and shareholders' equity \$ 873,649 \$ 1,204,491

<FN>

See accompanying notes to the consolidated financial statements.

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ALBEMARLE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(In Thousands Except Per-Share Amounts)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1996	1995	1996	1995
Net sales	\$ 196,039	\$ 319,705	\$ 466,210	\$ 632,962
Cost of goods sold	139,266	254,511	335,326	500,837
Gross profit	56,773	65,194	130,884	132,125
Selling, general and administrative expenses	29,679	33,614	63,224	64,781
Research and development expenses	6,711	7,446	13,837	14,223
Operating profit	20,383	24,134	53,823	53,121
Interest and financing expenses	203	3,490	2,044	7,094
Gain on sale of business	--	--	(158,157)	--
Other income, net	(1,785)	(418)	(3,552)	(822)
Income before income taxes	21,965	21,062	213,488	46,849
Income taxes	7,330	8,596	83,229	19,775
NET INCOME	\$ 14,635	\$ 12,466	\$ 130,259	\$ 27,074
EARNINGS PER SHARE	\$.26	\$.19	\$ 2.10	\$.41
Shares used to compute earnings per share	57,282	66,241	61,973	66,181

Cash dividends declared per share of common stock	\$.055	\$.05	\$.11	\$.10
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<FN>

See accompanying notes to the consolidated financial statements.

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ALBEMARLE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars In Thousands)

(Unaudited)

	Six Months Ended June 30,	
	1996	1995
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	\$ 33,130	\$ 32,114
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	130,259	27,074
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	36,795	46,909
Gain on sale of business, net of income taxes of \$63,780	(94,377)	--
Working capital increases excluding cash and cash equivalents, net of the effects of the sale of business:		
Income tax payment on gain on sale of business	(37,153)	--
Other working capital increase	(31,761)	(13,311)
Other, net	(8,295)	(4,207)
Net cash (used in) provided from operating activities	(4,532)	56,465
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(39,442)	(52,541)
Proceeds from sale of business, net of expenses and \$42,297 of trade accounts payable retained by the Company	487,345	--
Acquisition of business	--	(2,138)
Other, net	1,588	857
Net cash provided from (used in) investing activities	449,491	(53,822)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	6,507	40,622

Repayments of long-term debt	(208,190)	(35,041)
Purchases of common stock	(225,575)	--
Dividends paid	(7,269)	(6,606)
Other, net	730	--
	-----	-----
Net cash (used in) financing activities	(433,797)	(1,025)
	-----	-----
Increase in cash and cash equivalents	11,162	1,618
	-----	-----
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 44,292	\$ 33,732
	-----	-----

<FN>

See accompanying notes to the consolidated financial statements.

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ALBEMARLE CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(In Thousands Except Per-Share Amounts)
(Unaudited)

1. In the opinion of management, the accompanying consolidated financial statements contain all adjustments necessary to present fairly, in all material respects, the Company's consolidated financial position as of June 30, 1996 and December 31, 1995, the consolidated results of operations for the three- and six-month periods ended June 30, 1996 and 1995, and the condensed consolidated cash flows for the six months ended June 30, 1996 and 1995. All adjustments are of a normal and recurring nature. These consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's 1995 Annual Report which was incorporated by reference in the Company's Form 10-K filed on March 28, 1996. The December 31, 1995 consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles. The results of operations for the three- and six-month periods ended June 30, 1996, are not necessarily indicative of the results to be expected for the full year.
2. On March 1, 1996, the Company sold its alpha olefins, poly alpha olefins, and synthetic alcohol businesses ("Olefins Business") to Amoco Chemical Company ("Amoco") for approximately \$500 million, including plant and equipment (primarily located in Pasadena, Texas, Deer Park, Texas and Feluy, Belgium), other assets, inventory and accounts receivable, net of expenses and trade accounts payable retained and paid to date by the Company, and certain business-related liabilities transferred at the date of sale. The sale involved the transfer of approximately 550 people who supported these businesses. The gain on the sale was \$158.2 million (\$94.4 million after income taxes or \$1.52 per share), net of \$44.3 million of costs incurred in connection with the sale for early retirements and work-force reductions, abandonment costs of certain facilities and certain other costs (including environmental) related to the sale and/or the businesses sold. In connection with the sale of the Olefins Business, the Company utilized approximately \$20 million of its Belgian net operating loss carryforward to offset, in part, the Belgian portion of the taxable gain.

The transaction includes numerous operating and service agreements primarily focusing on the sharing of common facilities at the Pasadena plant site of Albemarle and the Feluy plant site that will be operated by Amoco.

The net sales and operating loss before allocation of corporate expenses for the Olefins Business for the three-months ended June 30, 1995 were \$115.3 and (\$11.1) million. In addition, the net sales and operating loss before allocation of corporate expenses for the six-months ended June 30, 1995 were \$233.8 million and (\$17.3) million.

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ALBEMARLE CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(In Thousands Except Per-Share Amounts)
(Unaudited)

3. Debt consists of the following:

	June 30, 1996	December 31, 1995
	-----	-----
Variable-rate bank loans	\$ 4,600	\$ 130,000
Foreign bank borrowings	7,652	85,919
Miscellaneous	1,171	1,193
	-----	-----
Total	13,423	217,112
Less current maturities	451	17,020
	-----	-----
Long-term debt	\$ 12,972	\$ 200,092
	-----	-----

The reduction in long-term debt reflects payments resulting from use of the proceeds received from the sale of the Olefins Business.

4. The provision for income taxes on the operating results of the Company in the accompanying consolidated statement of income for the three- and six-month periods ended June 30, 1995 is higher than combined federal and state income tax rates primarily due to the absence of tax benefits on net operating losses of the Company's Belgian subsidiary as the Company provided valuation allowances against the deferred tax assets related to these net operating losses due to the uncertainty of the assets' realization.
5. On April 1, 1996, the Company purchased 9,484,465 shares of its common stock, at a price of \$23 per share for a total aggregate price (including expenses) of \$219.4 million, through a self tender offer, which began on March 4, 1996 and concluded on April 1, 1996, that had been announced by the Company on March 1, 1996, following the sale of its Olefins Business to Amoco. Additionally, the company purchased another 275,400 common shares in the second quarter of 1996.

6. The following unaudited supplemental pro forma condensed consolidated statement of income for the six months ended June 30, 1996 is presented assuming that the disposition of the Olefins Business had occurred as of January 1, 1995. The related pro forma information is presented for informational purposes only and is not necessarily indicative of the results of operations of the Company or what the results of operations would have been had the Company operated without the Olefins Business during the six months ended June 30, 1996. Additionally, the accompanying pro forma information, consistent with the data presented in the Company's Form 8-K filed on March 15, 1996, does not give any effect to the purchase of 9,484,465 shares of common stock acquired in the tender offer nor to the additional 275,400 shares purchased in the second quarter of 1996.

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ALBEMARLE CORPORATION AND SUBSIDIARIES
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 (In Thousands Except Per-Share Amounts)
 (Unaudited)

6. Continued.

Pro Forma Condensed Consolidated Statement of Income Six Months Ended June 30, 1996			
	Historical	Adjustments	Pro Forma
Net sales	\$ 466,210	\$ (79,763) (a) 799 (b)	\$387,246
Cost of goods sold	335,326	(71,200) (a) 420 (b)	264,546
Gross profit	130,884	(8,184)	122,700
Selling, R&D and general expenses	77,061	(5,064) (a)	71,997
Operating profit	53,823	(3,120)	50,703
Interest and financing expenses	2,044	(1,563) (c)	481
Gain on sale of business	(158,157)	158,157 (d)	--
Other income, net	(3,552)	18 (a) (60) (e)	(3,594)
Income before income taxes	213,488	(159,672)	53,816
Income taxes	83,229	(63,780) (d) (580) (f)	18,869
Net income	\$ 130,259	\$ (95,312)	\$ 34,947

Earnings per share	\$ 2.10		\$.56
	-----	-----	-----
	-----	-----	-----
Shares used to compute earnings per share	61,973		61,973 (g)
	-----	-----	-----
	-----	-----	-----

<FN>

See accompanying notes to the pro forma condensed consolidated statement of income.

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ALBEMARLE CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(In Thousands Except Per-Share Amounts)
(Unaudited)

6. Continued.

Notes to the pro forma condensed consolidated statement of income are described below:

- (a) To eliminate the results of operations of the Olefins Business for the period January 1, 1996 thru February 29, 1996 as though the sale to Amoco occurred on January 1, 1995 and to reflect reductions in administrative and other costs which occurred because of personnel, employee benefits (including compensation) and other cost reductions assumed implemented following the sale of the Olefins Business to Amoco.
- (b) To record service fee income and incremental sales revenue generated from providing various services and products under contracts to Amoco and to record costs and expenses for services and products provided by Amoco. The service and supply arrangements were entered into in connection with the sale of the Olefins Business to Amoco.
- (c) To reflect the pro forma interest cost savings resulting from the repayment of certain domestic and Belgian debt using the proceeds received from the sale of the Olefins Business.
- (d) To eliminate the gain and the related income taxes on the March 1, 1996, sale of the Olefins Business.
- (e) To record the related amortization of certain advance rents received from Amoco upon closing of the sale of the Olefins Business associated with an arrangement in the nature of an operating lease in Belgium.
- (f) To record the income tax effects of the adjustments set forth in Notes (a) through (c) and (e) above, calculated at an assumed state and federal combined income tax rate of 37.92% for domestic items and an assumed combined rate of 35% for items related to the Company's Belgian subsidiary which includes the utilization of a portion of its net operating loss carryforwards and the estimated additional income taxes which would have resulted if undistributed Belgian foreign earnings had been remitted to the Company.
- (g) The average number of shares used to compute earnings per share does not include the effects of the Company's April 1, 1996 self tender offer as if it had occurred on January 1, 1995. The average number of shares would have been 57,231,000 had the offer been assumed to have been completed on January 1,

1995.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following is management's discussion and analysis of certain significant factors affecting Albemarle Corporation's ("Albemarle" or "the Company") results of operations during the periods included in the accompanying consolidated statements of income and changes in the Company's financial condition since December 31, 1995.

On March 1, 1996, the Company sold its alpha olefins, poly alpha olefins and synthetic alcohol businesses ("Olefins Business") to Amoco Chemical Company ("Amoco"). After the sale, Albemarle is engaged in the bromine chemicals, specialty chemicals and detergents and surfactants businesses.

Results of Operations

Second Quarter 1996 Compared with Second Quarter 1995

NET SALES

Net sales for the second quarter of 1996 amounted to \$196.0 million, down from \$319.7 million in 1995. Excluding the second quarter 1995 net sales of the Olefins Business sold March 1, 1996 and the electronic materials business sold in July 1995, Albemarle's net sales for the second quarter of 1996 would have increased three percent or \$4.8 million. The increase in net sales in the remaining businesses was primarily due to higher shipments of organometallics, agricultural intermediates and bromine fine chemicals, partly offset by decreases in shipments of flame retardants, pharmaceutical intermediates and zeolites.

OPERATING COSTS AND EXPENSES

Cost of goods sold decreased 45% (\$115.2 million) in 1996 from the corresponding period in 1995 on a 39% decrease in net sales with the result that gross profit margin increased to 29.0% in the 1996 quarter from 20.4% in the 1995 period. The decrease in cost of goods sold was primarily due to the exclusion of shipments of the Olefins Business and the electronic materials business in the second quarter of 1996 versus second quarter 1995 as well as higher foreign exchange gains offset in part by higher costs in pharmaceutical intermediates related primarily to the production of commercial-scale customer samples of naproxen in the 1996 period.

Selling, general and administrative expenses, combined with research and development expenses, decreased 11% (\$4.7 million) in 1996 from the 1995 quarter, primarily due to lower employee related expenses as a result of the sale of the Olefins Business and the electronic materials business, offset in part by higher data processing expenses and the expense associated with the exercise of certain employee stock appreciation rights. As a percentage of net sales, selling, general and administrative expenses, including research and development expenses, increased to 18.6% in 1996 from 12.8% in the 1995 quarter.

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OPERATING PROFIT

Operating profit in the second quarter of 1996 decreased 15.5% from the corresponding period in 1995. Excluding the results of

businesses sold in both periods (including the Olefins Business and the electronic materials business) operating profit was significantly lower for the second quarter than the corresponding period of 1995. Most of the decrease in operating profit was due to lower shipments and higher costs in pharmaceutical intermediates and lower shipments of zeolites and flame retardants.

INTEREST AND FINANCING EXPENSES AND OTHER INCOME

Interest and financing expenses in 1996 decreased to \$.2 million from \$3.5 million in 1995 due primarily to lower average outstanding debt. Other income, which consisted primarily of interest income due to the investment of a portion of the proceeds from the sale of the Olefins Business, increased \$1.4 million.

INCOME TAXES

Income taxes decreased \$1.3 million in the 1996 quarter compared to the 1995 quarter, on a \$.9 million increase in pretax income from operations due to a lower effective income tax rate for the second quarter of 1996 (33.4%) versus a 40.8% rate for the corresponding period of 1995. The effective income tax rate and related income tax expense for the second quarter of 1996 were favorable due to the cumulative effect of an adjustment to the year-to-date effective income tax rate resulting from planned utilization of foreign tax credits while the rate in 1995 was higher than normal primarily because the Company provided valuation allowances against net operating losses of its Belgian subsidiary.

Results of Operations

Six Months 1996 Compared with Six Months 1995

NET SALES

Net sales for the first six months of 1996 amounted to \$466.2 million, down from \$633.0 million in 1995. Excluding the net sales in both periods of the Olefins Business sold March 1, 1996 and the electronic materials business sold in July 1995, Albemarle's net sales for the first six months of 1996 would have increased three percent (\$11 million) over the 1995 period. The increase in the remaining businesses was primarily due to higher shipments of organometallics, bromine fine chemicals and agricultural intermediates partly offset by decreases in shipments of pharmaceutical intermediates, flame retardants and zeolites.

OPERATING COSTS AND EXPENSES

Cost of goods sold decreased 33% (\$165.5 million) in 1996 from the corresponding period in 1995 on a 26% (\$166.8 million) decrease in net sales with the result that gross profit margin increased to 28.1% for the first six months of 1996 from 20.9% in the 1995 period. The decrease in cost of goods sold was primarily due to decreases

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OPERATING COSTS AND EXPENSES - continued

in shipments, mainly due to the exclusion in 1996 of shipments of the Olefins Business for four months and the electronic materials business for six months versus the first six months in 1995 as well as higher foreign exchange gains offset in part by higher costs in pharmaceutical intermediates related to the production of commercial-scale samples of naproxen.

Selling, general and administrative expenses, combined with research and development expenses, decreased 2% (\$1.9 million) in the first six months of 1996 from 1995, primarily due to lower employee related expenses as a result of the sale of the Olefins

Business and the electronic materials business and lower outside services, offset in part by higher data processing expenses and the expense associated with the exercise of certain stock appreciation rights. As a percentage of net sales, selling, general and administrative expenses, including research and development expenses, increased to 16.5% in the first half of 1996 from 12.5% in 1995.

OPERATING PROFIT

Operating profit in the first six months of 1996 increased 1.3% (\$.7 million) over the corresponding period in 1995. Excluding the results of businesses sold in both periods (including the Olefins Business and the electronic materials business) operating profit was significantly lower for the first six months of 1996 than for the corresponding period of 1995. Most of the decrease in operating profit was due to lower shipments and higher costs in pharmaceutical intermediates and lower shipments of zeolites and flame retardants.

INTEREST AND FINANCING EXPENSES AND OTHER INCOME

Interest and financing expenses in 1996 decreased to \$2.0 million from \$7.1 million in 1995 due primarily to lower average outstanding debt. Other income, which consisted primarily of interest income due to the investment of a portion of the proceeds from the sale of the Olefins Business, increased \$2.7 million.

INCOME TAXES

Income taxes in the first half of 1996 increased \$63.4 million from the 1995 period, reflecting an effective income tax rate of 39.0%, down from the 42.2% rate for the corresponding period in 1995, on a \$166.6 million increase in pretax income. Excluding the effect of the gain on the sale of the Olefins Business, income taxes in the first six months of 1996 decreased \$.4 million compared to the 1995 period, reflecting an effective income tax rate of 35.2%, down from the 42.2% rate for the first six months of 1995, on a \$8.5 million increase in pretax income from operations. The rate for the first six months of 1996 was favorably impacted by improved operating results from the Company's former Belgium subsidiary and the planned benefits in 1996 of foreign tax credits while the rate in 1995 was higher than normal primarily because the Company provided valuation allowances against net operating losses of its Belgian subsidiary.

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GAIN ON SALE OF BUSINESS

The Company's earnings for the first six months of 1996 included a gain resulting from the March 1, 1996 sale of the Olefins Business to Amoco for approximately \$500 million, including plant and equipment (primarily located in Pasadena, Texas, Deer Park, Texas and Feluy, Belgium), other assets, inventory and accounts receivable, net of expenses and trade accounts payable retained and paid to date by the Company and certain business-related liabilities transferred at the date of sale. The sale involved the transfer of approximately 550 people who supported these businesses. The gain on the sale was \$158.2 million (\$94.4 million after income taxes or \$1.52 per share), net of costs incurred in connection with the sale. (See Note 2 of the Notes to the Consolidated Financial Statements on page 7.)

Outlook

- - - - -

The Company is cautiously optimistic that bromine chemicals will regain strength after a slow first six months due primarily to weather-related problems in the first quarter; however, there is concern that the sluggish European economy for these products may

continue to limit growth. While sales in the Far East are currently limited by high inventories of flame retardants and end products, customers indicate improvement in the later part of the year.

In specialty chemicals, pharmaceutical intermediates business operating results should improve since production of commercial-scale samples of naproxen has been completed and the associated high costs terminated. In agricultural intermediates, although early indications are that a successful new product introduction was achieved, initial results of the acceptability of the new urease inhibitor are not expected to become apparent until the end of the year.

We have been addressing cost reductions following the sale of our Olefins Business and will continue to focus our efforts on further cost improvements.

Financial Condition and Liquidity

Cash and cash equivalents at June 30, 1996, were \$44.3 million which represents an increase of \$11.2 million from \$33.1 million at year-end 1995.

Approximately \$4.5 million of cash was used by operations in the first six months of 1996 due primarily to an income tax payment of \$37.2 million on the first quarter gain on the sale of the Olefins Business. Excluding the impact of the income tax payment, cash flows from operations amounted to \$32.6 million, which included an increase in working capital of \$31.8 million, primarily reflecting higher accounts receivable and a reduction in accrued expenses. These cash flows together with \$33.1 million of existing cash and \$6.5 million of proceeds from borrowings were sufficient to cover capital expenditures and payment of dividends.

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Financial Condition and Liquidity - continued

Proceeds from the sale of the Olefins Business of approximately \$500 million, net of expenses and trade payables retained and paid to date by the Company, were used to purchase 9,795,865 shares of common stock, repay long-term debt, pay the first installment of income taxes related to the sale, pay accrued expenses in connection with the sale and increase cash and cash equivalents.

The Company anticipates that cash provided from operations in the future will be sufficient to pay its operating expenses, satisfy debt-service obligations and make dividend payments to common shareholders.

The Company's foreign currency translation adjustments, net of related deferred taxes, at June 30, 1996, decreased 32% from December 31, 1995, primarily due to the strengthening of the U.S. dollar.

The non-current portion of the Company's long-term debt amounted to \$13.0 million at June 30, 1996, compared to \$200.1 million at the end of 1995. The reduction in long-term debt reflects repayments resulting from the proceeds received from the sale of the Olefins Business. The Company's long-term debt, including the current portion, as a percentage of total capitalization at June 30, 1996, amounted to approximately 2.5%.

The Company's capital expenditures in the second quarter of 1996 were lower than in the second quarter of 1995. For the year, capital expenditures should be below the 1995 level due to the sale

of the Olefins Business. Capital spending will be financed primarily with cash flow from operations with any additional cash needed to be provided from additional debt. The amount and timing of any additional borrowing will depend on the Company's specific cash requirements.

The Company is subject to federal, state, local and foreign requirements regulating the handling, manufacture and use of materials (some of which may be classified as hazardous or toxic by one or more regulatory agencies), the discharge of materials into the environment and the protection of the environment. To the best of the Company's knowledge, Albemarle currently is complying with and expects to continue to comply in all material respects with existing environmental laws, regulations, statutes and ordinances. Such compliance with federal, state, local and foreign environmental protection laws has not in the past had, and is not expected to have in the future, a material effect on earnings or the competitive position of Albemarle.

Among other environmental requirements, the Company is subject to the federal Superfund law, and similar state laws, under which the Company may be designated as a potentially responsible party and may be liable for a share of the costs associated with cleaning up various hazardous waste sites.

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Part II - OTHER INFORMATION

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ITEM 1. Legal Proceedings

An administrative proceeding, involving a potential penalty in excess of \$100,000, was previously reported in the Company's 1996 first quarter report on Form 10-Q. The Company has reached a settlement in principle for a cash penalty of less than \$100,000, plus a supplemental environmental project to be agreed upon expected to cost approximately \$150,000, and is in negotiations with the EPA on the forms of the Consent Agreement and Consent Order settling the matter.

On July 25, 1996, the federal Occupational Safety and Health Administration issued a citation and notification of a proposed penalty of \$119,000 arising out of a fire in the Pasadena, Texas, polysilicon plant which the Company sold to MEMC Pasadena, Inc., (MEMC) but which the Company operates under contract with MEMC. The Company will contest vigorously the citation and notification.

ITEM 6. Exhibits and Reports on Form 8-K

(a) Exhibits

27. Financial Data Schedule

The following document is filed as an exhibit to this Form 10-Q pursuant to Item 601 of Regulation S-K:

99. Listing of the names and ages of the Company's Officers as of July 1, 1996 (filed herewith).

(b) No reports on Form 8-K have been filed during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALBEMARLE CORPORATION

(Registrant)

Date: August 13, 1996

By: s/ Thomas G. Avant

Senior Vice President
(Principal Accounting Officer)

Date: August 13, 1996

By: s/ E. Whitehead Elmore

Senior Vice President,
General Counsel and Secretary

EXHIBIT INDEX

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Number

EXHIBIT 99

List of Albemarle Corporation Officers

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<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED STATEMENT OF INCOME FILED AS PART OF THE ANNUAL REPORT ON FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH ANNUAL REPORT ON FORM 10-Q.

</LEGEND>

<MULTIPLIER> 1,000

<PERIOD-TYPE>	6-MOS	
<FISCAL-YEAR-END>		DEC-31-1996
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<TOTAL-ASSETS>		\$873,649
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<OTHER-SE>		\$513,514
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<CGS>		\$335,326
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<OTHER-EXPENSES>		\$0
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<INCOME-PRETAX>		\$213,488
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<INCOME-CONTINUING>		\$130,259
<DISCONTINUED>		\$0
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<CHANGES>		\$0
<NET-INCOME>		\$130,259
<EPS-PRIMARY>		\$2.10
<EPS-DILUTED>		\$2.10

LIST OF ALBEMARLE CORPORATION OFFICERS*

Name	Age	Office
**Floyd D. Gottwald, Jr.	73	Chairman of the Board and of the Executive Committee, Chief Executive Officer, Director
**Charles B. Walker	57	Vice Chairman of the Board, Chief Financial Officer, Director
Thomas G. Avant	58	Senior Vice President - Finance
Dirk Betlem	57	Senior Vice President - International
E. Whitehead Elmore	57	Senior Vice President, General Counsel, Corporate Secretary
John G. Dabkowski	47	Vice President and General Manager - Specialty Chemicals
Dixie E. Goins	45	Vice President - Research and Development
Robert G. Kirchhoefer	55	Treasurer
Victor L. McDearman	52	Vice President and General Manager - Bromine Chemicals
Charles E. Moore	55	Vice President - Engineering
George A. Newbill	53	Vice President - Manufacturing
Fred H. Speno	58	Vice President - Human Resources
Gary L. Ter Haar	60	Vice President - Health and Environment
Michael D. Whitlow	43	Vice President - External Affairs
Edward G. Woods	54	Vice President - Business Development

* Among other changes the current list reflects E. Gary Cook's June 12, 1996 resignation as President and Chief Operating Officer and a Director. On August 12, 1996 the Company announced Dirk Betlem's promotion, effective August 15, 1996, to President and Chief Operating Officer and his election to membership on the Board of Directors, Executive Committee of the Board and Executive Committee as Management Committee. At the same time, the Company announced the election, effective September 1, 1996, of Dr. William M. Gottwald as Vice President - Corporate Strategy.

** Member of the Executive Committee