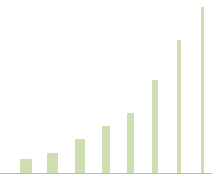


Albemarle

First Quarter 2012 Earnings

Conference Call/Webcast
Thursday April 19, 2012
8:00am ET

Forward-Looking Statements

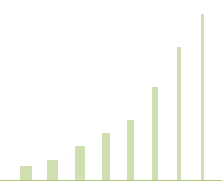


Some of the information presented in this presentation including, without limitation, statements with respect to product development, improvements in productivity, market trends, price and mix changes, expected growth, outlook and all other information relating to matters that are not historical facts may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ from expectations include, without limitation: changes in economic and business conditions; changes in financial and operating performance of our major customers and industries and markets served by us; the timing of orders received from customers; the gain or loss of significant customers; competition from other manufacturers; changes in the demand for our products; limitations or prohibitions on the manufacture and sale of our products; availability of raw materials; changes in the cost of raw materials and energy and in our inability to pass through increases; acquisitions and divestitures, and changes in performance of acquired companies; fluctuations in foreign currencies; changes in laws and government regulation of our operations or our products; the occurrence of claims or litigation; the occurrence of natural disasters; the inability to maintain current levels of product or premises liability insurance or the denial of such coverage; political unrest including terrorism or hostilities; political instability affecting our manufacturing operations or joint ventures; changes in accounting standards; the inability to achieve results from our global manufacturing cost reduction initiatives as well as our ongoing continuous improvement and rationalization programs; changes in the jurisdictional mix of our earnings; changes in monetary policies or inflation or interest rates which may impact our ability to raise capital or increase our cost of funds, the performance of our pension fund investments and our pension expense and funding obligations; volatility and substantial uncertainties in the debt and equity markets; technology or intellectual property infringement and other risks; decisions we may make in the future; and the other factors detailed from time to time in the reports we file with the SEC, including those under “Risk Factors” in our Annual Report for the period December 31, 2011 on Form 10-K and our 2012 Quarterly Reports on Form 10-Q.



First Quarter 2012 Financial Results



	Comparisons		
	Q1 2012 (\$ in millions, except EPS)	Year-Over-Year	Sequential
Net Sales	\$ 712	↑ 2%	↑ 1%
Segment Income ¹	\$ 174	↑ 2%	↑ 7%
Net Income ²	\$ 108	↑ 1%	↑ 9%
EBITDA ¹	\$ 176	↑ 3%	↑ 8%
Diluted EPS	\$ 1.20	↑ 4%	↑ 8%
Free Cash Flow ³	\$ 71	↑ 7%	NA

Continued Growth in 2012 with Q1 EPS up 4% Y/Y



¹Non-GAAP measure. See Non-GAAP reconciliations in Appendix

²Reflects Net Income attributable to Albemarle Corporation

³Non-GAAP measure. See reconciliation on page 8

First Quarter Net Sales and Net Income¹

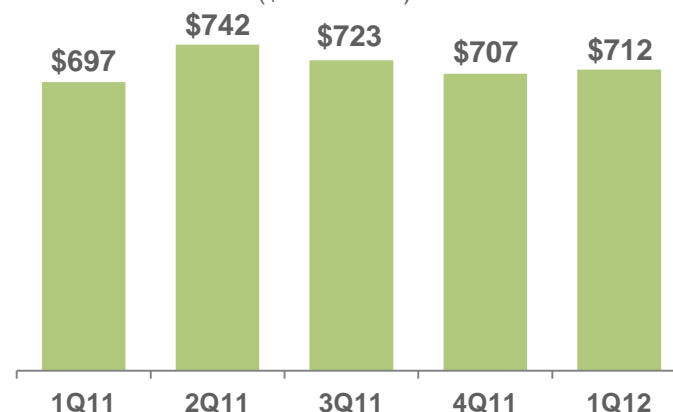
Quarter Highlights

- 10th straight quarter of Y/Y earnings growth
- Net sales of \$712M up 2% Y/Y
- Net income of \$108M; \$1.20 per share
- Sequential segment margin improvement of ~150bps to 24%
- EBITDA of \$176M; EBITDA margin of 25% up 20bps Y/Y and 180bps sequentially
- Strong cash from operations of \$124M and net debt reduction of \$55M

¹Reflects Net Income attributable to Albemarle Corporation

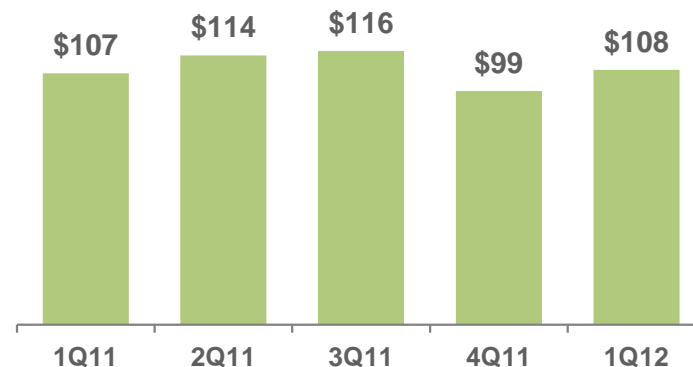
Net Sales

(\$ in Millions)

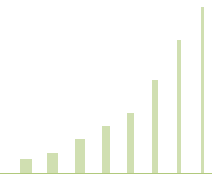


Net Income

(\$ in Millions)



Fine Chemistry



1st Qtr Performance

(\$ in millions)	1Q 2012	1Q 2011	△
Net Sales	\$190	\$177	7%
Segment Income	\$39	\$30	31%
Segment Income Margin	20%	17%	300bps

1st Qtr Y/Y Sales Comparison

Sales Growth	7%
Volume	2%
Price	5%
Currency	—

Key Business Highlights

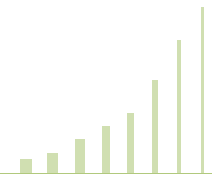
- Second highest all-time quarterly segment income level
- Demand for bromine derivatives remains high with certain products in sold out positions
- FCS segment income doubled Y/Y driven by diverse pipeline of high margin projects

Business Outlook

- International demand for completion fluids overall remains strong with Gulf of Mexico impact expected to strengthen into 2H12
- Robust FCS growth opportunities across ag chemicals, specialty pharmaceuticals and renewable chemistry sectors
- Bromine derivatives pricing higher Y/Y



Polymer Solutions



1st Qtr Performance

(\$ in millions)	1Q 2012	1Q 2011	△
Net Sales	\$228	\$258	(12%)
Segment Income	\$54	\$69	(23%)
Segment Income Margin	24%	27%	(300bps)

1st Qtr Y/Y Sales Comparison

Sales Growth	(12%)
Volume	(17%)
Price	5%
Currency	—

Key Business Highlights

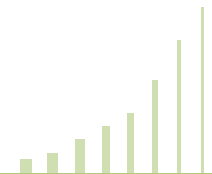
- Sequential volume, revenue, and income improvement across both divisions
- Sequential margin growth of 600bps attributable to volume, cost and manufacturing execution
- Brominated flame retardant pricing continues to hold firm

Business Outlook

- Signs of further demand recovery across most fire safety end markets (i.e., connectors, enclosures, PCB, auto and construction)
- First commercial campaign of products from the Earthwise™ portfolio in 2Q12



Catalysts



1st Qtr Performance

(\$ in millions)	1Q 2012	1Q 2011	△
Net Sales	\$294	\$261	12%
Segment Income	\$82	\$73	13%
Segment Income Margin	28%	28%	–

1st Qtr Y/Y Sales Comparison

Sales Growth	12%
Volume	–
Price	12%
Currency	–

Key Business Highlights

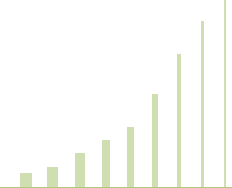
- Segment income up 13% Y/Y driven by higher pricing, refinery volumes and favorable mix
- Record quarterly volumes and segment income in HPC
- Strong polymer catalysts results, reflecting organometallics growth

Business Outlook

- New units and developing markets expected to drive full year FCC volume growth
- Favorable specialty organometallics growth outlook
- PCS investments in Korea and Saudi Arabia progressing with U.S. capacity coming online
- Continued effective monitoring of rare earth prices and management of pass-throughs



Financial Performance



Free Cash Flow

(\$ in millions)

Three Months Ended March 31

	<u>2012</u>	<u>2011</u>
Net Income ¹	\$108	\$107
Depreciation & Amortization	24	23
Change in Working Capital	(33)	(52)
Other ²	25	(31)
Net Cash from Operations	124	47
Less: Capital Expenditures	(55)	(32)
Add Back: Pension Contributions	2	52
Free Cash Flow	\$71	\$67

1Q12 Financial Highlights

(\$ in millions)

- Net Working Capital: \$546
- Dividends Paid: \$16
- Dividends per share up: 14%
- Cash balance: \$519
- Effective Tax Rate: 25.5%
- Net Debt³: \$216

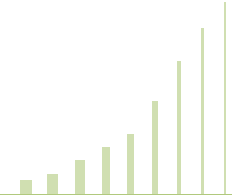
¹Reflects Net Income attributable to Albemarle Corporation

²Includes pension contributions of \$2 for 2012 and \$52 for 2011

³Excludes JV Debt not guaranteed by Company

Working Capital Results Drive Strong Cash from Operations



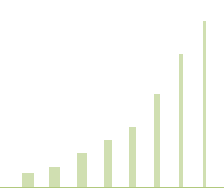


APPENDIX

Non-GAAP Reconciliations



Segment Operating Profit & Segment Income

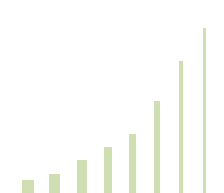


<i>(\$ in thousands)</i>	Three Months Ended	
	March 31,	
	<u>2012</u>	<u>2011</u>
Total segment operating profit	\$ 170,051	\$ 165,921
Corporate & other *	<u>(21,905)</u>	<u>(23,559)</u>
GAAP Operating profit	<u>\$ 148,146</u>	<u>\$ 142,362</u>
Total segment income	\$ 174,263	\$ 171,600
Corporate & other	(21,902)	(23,594)
Interest and financing expenses	(8,734)	(9,592)
Other (expenses) income, net	(118)	338
Income tax expense	<u>(35,466)</u>	<u>(32,172)</u>
GAAP Net income attributable to Albemarle Corporation	<u>\$ 108,043</u>	<u>\$ 106,580</u>

* Excludes corporate equity income and noncontrolling interest adjustments of \$3 and \$(35) for the three-month periods ended March 31, 2012 and 2011, respectively.



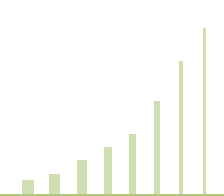
EBITDA



(\$ in thousands)	Three Months Ended	
	March 31,	
	2012	2011
Net income attributable to Albemarle Corporation	\$ 108,043	\$ 106,580
Add:		
Interest and financing expenses	8,734	9,592
Income tax expense	35,466	32,172
Depreciation and amortization	24,235	23,004
EBITDA	\$ 176,478	\$ 171,348
Net sales	\$ 711,704	\$ 696,530
EBITDA Margin	24.8%	24.6%

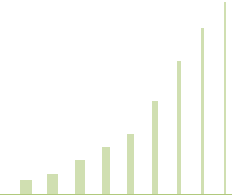


Net Debt



(\$ in thousands)	Three Months Ended	
	March 31,	
	<u>2012</u>	<u>2011</u>
Total-Long term debt	\$ 756,661	\$ 767,694
JV debt not guaranteed by Company/ (consolidated but guaranteed by others)	(21,680)	(27,930)
Less Cash and cash equivalents	<u>(519,359)</u>	<u>(441,013)</u>
Net Debt	<u>\$ 215,622</u>	<u>\$ 298,751</u>





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