

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant (X)
Filed by a Party other than the Registrant ()

Check the appropriate box:

- () Preliminary Proxy Statement () Confidential, for Use of the
Commission Only (as permitted
by Rule 14a-6(e)(2))
- (X) Definitive Proxy Statement
() Definitive Additional Materials
() Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

ALBEMARLE CORPORATION
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

- (X) No fee required
- () Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
- 1) Title of each class of securities to which transaction applies:
 - 2) Aggregate number of securities to which transaction applies:
 - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
 - 4) Proposed maximum aggregate value of transaction:
 - 5) Total fee paid:
- () Fee paid previously with preliminary materials.
- () Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
- 1) Amount Previously Paid:
 - 2) Form, Schedule, or Registration Statement No.:
 - 3) Filing Party:
 - 4) Date Filed:

ALBEMARLE CORPORATION
330 SOUTH FOURTH STREET

P.O. BOX 1335
RICHMOND, VIRGINIA 23210

[LOGO]

ANNUAL MEETING OF SHAREHOLDERS

March 24, 1997

To the Shareholders:

We enclose our annual report describing Albemarle's operations during the past year. We hope you read this report, which summarizes major corporate developments during the year.

We cordially invite you to attend the annual meeting of shareholders to be held in the RESTORED GUN FOUNDRY BUILDING OF THE TREDEGAR IRON WORKS, 500 TREDEGAR STREET, in Richmond, Virginia, on Wednesday, April 23, 1997, at 11:00 A.M., Eastern Daylight Time. A formal notice of the meeting, together with a proxy statement and proxy form, is enclosed with this letter. The notice points out that you will be asked to elect a Board of Directors and approve the designation of auditors for the coming year.

Please read the notice and proxy statement carefully, complete the proxy form and mail it promptly.

Sincerely yours,

FLOYD D. GOTTWALD, JR.
CHAIRMAN OF THE BOARD
CHIEF EXECUTIVE OFFICER

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting of the holders of shares of Common Stock of Albemarle Corporation (the "Corporation") will be held in the restored gun foundry building of the Tredegar Iron Works, 500 Tredegar Street, Richmond, Virginia, on Wednesday, April 23, 1997, at 11:00 A.M. Eastern Daylight Time, for the following purposes:

1. To elect a Board of Directors to serve for the ensuing year;
2. To approve the designation by the Board of Directors of Coopers & Lybrand L.L.P. as auditors for the fiscal year ending December 31, 1997; and
3. To transact such other business as may properly come before the meeting.

Holders of shares of Albemarle Common Stock of record at the close of business on March 10, 1997, will be entitled to vote at the meeting.

You are requested to fill in, sign, date and return the enclosed proxy promptly, regardless of whether you expect to attend the meeting. A postage-paid return envelope is enclosed for your convenience.

If you are present at the meeting, you may vote in person even if you already have sent in your proxy.

By Order of the Board of Directors
E. WHITEHEAD ELMORE, SECRETARY

March 24, 1997

PROXY STATEMENT
FOR
ANNUAL MEETING OF SHAREHOLDERS
ALBEMARLE CORPORATION

TO BE HELD APRIL 23, 1997
APPROXIMATE DATE OF MAILING -- MARCH 24, 1997

Proxies in the form enclosed are solicited by the Board of Directors for the Annual Meeting of Shareholders to be held on Wednesday, April 23, 1997. Any person giving a proxy may revoke it at any time before it is voted by delivering another proxy, or written notice of revocation, to the Secretary of the Corporation. A proxy, if executed and not revoked, will be voted, and, if it contains any specific instructions, will be voted in accordance with such instructions.

On March 10, 1997, the date for determining shareholders entitled to vote at the meeting, there were outstanding 55,046,183 shares of Albemarle Common Stock. Each share of Albemarle Common Stock is entitled to one vote.

The election of each nominee for director requires the affirmative vote of the holders of a plurality of the shares of Albemarle Common Stock voted in the election of directors. Votes that are withheld and shares held in street name that are not voted in the election of directors will not be included in determining the number of votes cast. Unless otherwise specified in the accompanying form of proxy, it is intended that votes will be cast for the election of all of the nominees as directors.

The cost of the solicitation of proxies will be borne by the Corporation. In addition to the use of the mails, proxies may be solicited personally or by telephone by regular employees of the Corporation. Corporate Investor Communications, Inc., has been engaged to assist in the solicitation of proxies from brokers, nominees, fiduciaries and other custodians. The Corporation will pay that firm \$7,000 for its services and reimburse its out-of-pocket expenses.

The Corporation's street address is 330 South Fourth Street, Richmond, Virginia 23219.

ELECTION OF DIRECTORS

Proxies will be voted for the election as directors for the ensuing year of the persons named below (or if for any reason unavailable, of such substitutes as the Board of Directors may designate). The Board of Directors has no reason to believe that any of the nominees will be unavailable.

CRAIG R. ANDERSSON; age 59; director since March 1, 1996; part-time consultant, having served as Vice Chairman of Aristech Chemical Corporation (specialty chemicals business) from January 1, 1994, until April 30, 1995, and President and Chief Operating Officer of Aristech Chemical Corporation prior thereto. Other directorship: RMI Titanium Company.

DIRK BETLEM; age 58; director since August 15, 1996; President and Chief Operating Officer of the Corporation since August 15, 1996, having served as Senior Vice President-International from April 24, 1996, to August 15, 1996, Vice President-International from March 1, 1994, to April 24, 1996, Vice President-International of Ethyl Corporation from June 1, 1993, to March 1, 1994, and as Vice President-Imaging Systems of E.I. DuPont de Nemours and Company, Inc. from June 1991 to November 1992.

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FLOYD D. GOTTWALD, JR.; age 74; director since 1994; Chairman of the Board and Executive Committee and Chief Executive Officer of the Corporation since March 1, 1994; Vice Chairman of the Board of Ethyl Corporation from March 1, 1994, until February 29, 1996, having served as Chairman of the Board

and the Executive Committee of Ethyl Corporation from April 1992 until March 1, 1994, and as Chairman of the Board and Executive Committee and Chief Executive Officer of Ethyl Corporation prior thereto. Other directorship: Tredegar Industries, Inc.

JOHN D. GOTTWALD; age 42; director since 1994; President and Chief Executive Officer of Tredegar Industries, Inc. (plastics and aluminum business). Other directorship: Tredegar Industries, Inc.

ANDRE B. LACY; age 57; director since 1994; Chairman of the Board, Chief Executive Officer and President of LDI Management, Inc., Managing General Partner, LDI, Ltd. (industrial and investment limited partnership). Other directorships: Herff Jones, Inc., IPALCO Enterprises, Inc., The National Bank of Indianapolis, Patterson Dental Co., Tredegar Industries, Inc. and FinishMaster, Inc.

SEYMOUR S. PRESTON, III; age 63; director since March 1, 1996; Chairman of the Board and Chief Executive Officer of AAC Engineered Systems, Inc. (manufacturer of centrifugal, deburring and finishing machinery) since 1994, having served as President and Chief Executive Officer of Elf Atochem North America, Inc. (chemicals and plastics business) prior thereto. Other directorship: CoreStates Bank, N.A.

EMMETT J. RICE; age 77; director since 1994; retired member of the Board of Governors of the Federal Reserve System. Other directorships: Tredegar Industries, Inc. and Jardine-Fleming China Region Fund, Inc.

CHARLES B. WALKER; age 58; director since 1994; Vice Chairman of the Board and Chief Financial Officer of the Corporation (and Treasurer of the Corporation until March 1, 1996) since March 1, 1994, having served as Executive Vice President and Chief Financial Officer of Ethyl Corporation from August 1, 1989, to March 1, 1994, and Treasurer of Ethyl Corporation since July 1, 1993. Other directorships: Ethyl Corporation (Vice Chairman, Chief Financial Officer and Treasurer) and Nations Fund Trust/Nations Fund, Inc.

ANNE MARIE WHITTEMORE; age 51; director since March 1, 1996; Partner of McGuire, Woods, Battle & Boothe, L.L.P. (law firm). Other directorships: Owens & Minor, Inc., USF&G Corporation, James River Corporation and T. Rowe Price Associates, Inc.

In 1996, each director attended at least 75% of the aggregate of (i) the total number of meetings of all committees of the Board on which the director then served and (ii) the total number of meetings of the Board of Directors held during 1996 while he or she was a member of the Board of Directors. Six meetings of the Corporation's Board of Directors were held during 1996.

The Corporation's executive committee currently consists of Messrs. Floyd D. Gottwald, Jr., Walker and Betlem. The executive committee acts not only as the executive committee of the Board of Directors but also as the Corporation's principal management committee. During 1996, the executive committee met on three occasions as the executive committee of the Board of Directors and on ten occasions as the principal management committee.

Messrs. Lacy and Preston and Mrs. Whittemore currently serve on the Corporation's audit committee. During 1996, the audit committee met twice. The audit committee reviews the Corporation's internal audit and financial reporting functions and the scope and results of the audit performed by the Corporation's independent accountants and matters relating thereto and reports thereon to the Board of Directors. The audit committee also reviews audit fees and recommends to the Board of Directors the engagement of the independent accountants of the Corporation.

The nominating committee currently consists of Messrs. Floyd D. Gottwald,

Jr., Lacy and Rice. During 1996, the nominating committee met three times. The nominating committee recommends candidates for election as directors and in some cases the election of officers. The Corporation's bylaws provide that a shareholder of the Corporation entitled to vote for the election of directors may nominate persons for election to the Board by mailing written notice to the Secretary of the Corporation not later than (i) with respect to an election to be held at an annual meeting of shareholders, 60 days prior to such meeting and (ii) with respect to an election to be held at a special meeting of shareholders for the election of directors, the close of business on the seventh day following the date on which notice of such meeting is first given to shareholders. Such shareholder's notice shall include (i) the name and address of the shareholder and of each person to be nominated, (ii) a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate each person specified, (iii) a description of all understandings between the shareholder and each nominee and any other person (naming such person) pursuant to which the nomination is to be made by the shareholder, (iv) such other information regarding each nominee as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission had the nominee been nominated by the Board of Directors and (v) the consent of each nominee to serve as a director of the Corporation if so elected.

Messrs. Rice and Andersson and Mrs. Whittemore currently serve as the Corporation's executive compensation committee. During 1996, the executive compensation committee met on eight occasions. This committee approves the salaries of management-level employees. It also approves all bonus awards, certain consultant agreements and initial salaries of new management level personnel and grants options and restricted stock under the Corporation's Omnibus Stock Incentive Plan.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Floyd D. Gottwald, Jr., and Bruce C. Gottwald, a director of the Corporation until February 29, 1996, are brothers. William M. Gottwald, MD, who is a Vice President of the Corporation and was a director of the Corporation until February 29, 1996, and John D. Gottwald, a director of the Corporation, are sons of Floyd D. Gottwald, Jr. Bruce C. Gottwald, Jr., a director of the Corporation until February 29, 1996, is a son of Bruce C. Gottwald. The Gottwalds may be deemed to be control persons of the Corporation.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based solely on its review of the forms required by Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that have been received by the Corporation, the Corporation believes that there has been compliance with all filing requirements applicable to its officers, directors and beneficial owners of greater than 10% of the Albemarle Common Stock, except that (i) William M. Gottwald, MD, due to a clerical error, was late in reporting the receipt of an option to acquire shares of Albemarle Common Stock in his Annual Statement of Beneficial Ownership of Securities on Form 5 for 1996 filed on February 14, 1997, which Form was amended on February 18, 1997; and (ii) Dixie E. Goins inadvertently omitted 44 shares held in a brokerage account from his Initial Statement of Beneficial Ownership of Securities on Form 3 filed on March 1, 1994. Mr. Goins included such shares in his Annual Statement of Beneficial Ownership of Securities on Form 5 for 1996.

STOCK OWNERSHIP

The following table lists any person (including any "group" as that term is used in Section 13(d)(3) of the Exchange Act) who, to the knowledge of the Corporation, was the beneficial owner as of December 31, 1996, of more than 5% of the outstanding voting shares of the Corporation.

TITLE OF CLASS	NAME AND ADDRESS OF BENEFICIAL OWNERS	NUMBER OF SHARES	PERCENT OF CLASS
Common Stock	Floyd D. Gottwald, Jr., and Bruce C. Gottwald (a) 330 South Fourth Street P.O. Box 2189 Richmond, Virginia 23218	18,215,869 (b) (c)	33.09%
	NationsBank Corporation and related entities (d) c/o NationsBank Corporation NationsBank Plaza Charlotte, North Carolina 28255	6,425,624	11.67%
	J. P. Morgan & Co., Incorporated (e) 60 Wall Street New York, New York 10260	8,346,216	15.10%

(a) Floyd D. Gottwald, Jr., and Bruce C. Gottwald (the "Gottwalds"), together with members of their immediate families, may be deemed to be a "group" for purposes of Section 13(d)(3) of the Exchange Act, although there is no agreement among them with respect to the acquisition, retention, disposition or voting of Albemarle Common Stock.

(b) As of December 31, 1996, the Gottwalds, individually or collectively, have sole voting and investment power over all of the shares disclosed except 13,977,180 shares held by wives, children and in certain trust relationships, some of which might be deemed to be beneficially owned by the Gottwalds under the rules and regulations of the Securities and Exchange Commission, but as to which the Gottwalds disclaim beneficial ownership. Shares owned by the adult children of Floyd D. Gottwald, Jr., and Bruce C. Gottwald are included in the holdings of the Gottwalds as a group, but are not attributed to Floyd D. Gottwald, Jr., other than in this table. This amount includes 6,999 shares of Albemarle Common Stock, with respect to which the Gottwalds or members of their immediate families have the right to acquire beneficial ownership within 60 days of December 31, 1996, pursuant to the Corporation's Omnibus Stock Incentive Plan.

(c) This amount includes shares owned by John D. Gottwald, a director of the Corporation, and William M. Gottwald, a Vice President of the Corporation. See the table on page 5 for information on the share ownership as of January 31, 1997, of each member of the Gottwald family who is an executive officer or director of the Corporation. This amount includes any shares owned of record by the Trustees under various employee savings plans for the benefit of the Gottwalds and the members of their immediate families. This amount does not include shares held by the Trustees of such plans for the benefit of other employees. Shares held under the Corporation's savings plan are voted by the Trustee in accordance with instructions solicited from employees participating in the plan. If a participating employee does not give the Trustee voting instructions, his shares generally are voted by the Trustee in accordance with the Board of Directors' recommendations to

the shareholders. Because Floyd D. Gottwald, Jr., is a director and the Chief Executive Officer of the Corporation and the Gottwalds are the largest shareholders of the Corporation, the Gottwalds may be deemed to be control persons of the Corporation and to have the capacity to control any such recommendation of the Board of Directors.

- (d) The NationsBank Corporation related entities are NationsBank N.A. (South), NationsBank, N.A. and NationsBank of Texas, N.A. The information contained herein with respect to NationsBank Corporation and the related entities listed herein is based on a Schedule 13G filed by such entities with the Securities and Exchange Commission. Such filing further stated that the acquisition of such shares was in the ordinary course of business and not in connection with or as a participant in any transaction having the purpose or effect of changing or influencing the control of the Corporation. The shares held by NationsBank Corporation and related entities are held in fiduciary accounts.
- (e) The information contained herein with respect to J.P. Morgan & Co., Incorporated is based on a Schedule 13G filed by such entity with the Securities and Exchange Commission. Such filing further stated that the acquisition of such shares was in the ordinary course of business and not in connection with or as a participant in any transaction having the purpose or effect of changing or influencing the control of the Corporation.

The following table sets forth as of January 31, 1997, the beneficial ownership of Albemarle Common Stock by all directors of the Corporation, the Chief Executive Officer and the four next most highly compensated executive officers and all directors and executive officers of the Corporation as a group. Unless otherwise indicated, each person listed below has sole voting and investment power over all shares beneficially owned by him or her.

NAME OF BENEFICIAL OWNER OR NUMBER OF PERSONS IN GROUP	NUMBER OF SHARES WITH SOLE VOTING AND INVESTMENT POWER(1)	NUMBER OF SHARES WITH SHARED VOTING AND INVESTMENT POWER	TOTAL NUMBER OF SHARES	PERCENT OF CLASS(2)
Craig R. Andersson	109	8,000	8,109	
Thomas G. Avant	137,333	0	137,333	
Dirk Betlem	60,194	0	60,194	
E. Whitehead Elmore	263,160	0	263,160	
Floyd D. Gottwald, Jr.	570,044	5,800,656 (3)	6,370,700 (2)	11.57%
John D. Gottwald	117,483	7,346,881	7,464,364 (2) (4)	13.56%
Andre B. Lacy	15,812 (5)	462,500	478,312	
Seymour S. Preston, III	3,109	0	3,109	
Emmett J. Rice	1,194	0	1,194	
Charles B. Walker	207,421	0	207,421	
Anne Marie Whittemore	8,810	2,940	11,750	
Directors and executive officers as a group (11 persons)	1,384,669	7,925,607	9,310,276	16.78%

(1) The amounts in this column include shares of Albemarle Common Stock, with respect to which certain persons have the right to acquire beneficial ownership within 60 days of January 31, 1997, pursuant to the Corporation's Omnibus Stock Incentive Plan: Mr. Avant: 121,764 shares; Mr. Betlem: 57,000 shares; Mr. Elmore: 103,878 shares; F.D. Gottwald, Jr.: 6,999 shares; Mr. Walker: 156,940 shares; and directors and executive officers as a group: 446,581 shares.

(2) In accordance with the rules of the Securities and Exchange Commission some shares are attributed to more than one member of the Gottwald families, but are counted only once in the information provided for directors

and executive officers as a group. Except as indicated, each person or group owns less than 1% of Albemarle Corporation Common Stock.

(3) Mr. Gottwald disclaims beneficial ownership of 5,800,656 of such shares.

(4) Mr. Gottwald disclaims beneficial ownership of 7,346,881 of such shares. This amount includes 1,593,050 shares of Albemarle Common Stock that Mr. Gottwald may be deemed to own beneficially. Such shares constitute Mr. Gottwald's interest as a discretionary beneficiary of a trust of which he is

a co-trustee.

(5) Mr. Lacy disclaims beneficial ownership of 14,741 of such shares.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

The following table presents information relating to total compensation of the Chief Executive Officer and the four next most highly compensated executive officers of the Corporation for the period from January 1, 1996, through December 31, 1996.

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION			LONG-TERM COMPENSATION	
		SALARY	BONUS	OTHER ANNUAL COMPENSATION	RESTRICTED STOCK AWARDS	OPTIONS/SARS
Floyd D. Gottwald, Jr. Chairman of the Board and Executive Committee, Chief Executive Officer	1996 1995 1994	\$665,000(1) 528,500 420,833(2)	\$ 0 305,000 265,000	-- -- --	-- -- --	0 0 31,808(3)
Dirk Betlem President and Chief Operating Officer	1996 1995 1994	\$437,090(5) 317,372 270,651	\$181,500 95,000 70,000	-- -- --	-- -- --	143,000 0 57,000
Charles B. Walker Vice Chairman of the Board and Chief Financial Officer	1996 1995 1994	\$239,200(1) 231,533 181,667(2)	\$122,500 245,000 118,000	\$488,128(7)(8) -- --	\$554,880(7) -- --	0 0 156,940(3)
E. Whitehead Elmore Senior Vice President, Secretary and General Counsel	1996 1995 1994	\$218,400(1) 211,400 168,332(2)	\$ 50,000 100,000 70,000	\$244,064(7)(8) -- --	\$277,440(7) -- --	0 0 103,878(3)
Thomas G. Avant Senior Vice President	1996 1995 1994	\$220,500 212,000 167,667(2)	\$ 59,000 62,000 55,000	-- -- --	-- -- --	0 0 127,764(3)

NAME AND PRINCIPAL POSITION	ALL OTHER COMPENSATION
Floyd D. Gottwald, Jr. Chairman of the Board and Executive Committee, Chief Executive Officer	\$ 4,356(4) 26,425 10,624
Dirk Betlem President and Chief Operating Officer	\$ 12,658(6) 4,746 0
Charles B. Walker Vice Chairman of the Board and Chief Financial Officer	\$ 11,960(9) 11,577 9,083
E. Whitehead Elmore Senior Vice President, Secretary and General Counsel	\$ 10,990(10) 10,260 8,417
Thomas G. Avant Senior Vice President	\$ 11,025(11) 10,600 8,662

(1) Floyd D. Gottwald, Jr. (for two months), Charles B. Walker and E. Whitehead Elmore also served as officers of Ethyl Corporation during 1996 and were compensated separately by Ethyl Corporation for such services.

(2) Reflects salary for the ten months following the spin-off of the Corporation from Ethyl Corporation.

- (3) Certain of these options were granted in connection with the spin-off of the Corporation from Ethyl Corporation to replace options previously granted under Ethyl Corporation's Incentive Stock Option Plan.
- (4) Mr. Gottwald participated in the savings plan and the excess benefit plan of Ethyl Corporation until February 29, 1996. The amounts reflect the amounts reimbursed to Ethyl Corporation by the Corporation for the Corporation's allocable portion of his benefits under Ethyl Corporation's excess benefit plan and savings plan.
- (5) Mr. Betlem is compensated in Belgian francs. Each amount listed in U.S. dollars is based on the exchange rate at December 31, 1996.
- (6) Includes contributions to the Albemarle S.A. Savings Plan for 1996, 1995 and 1994, respectively. Each amount listed here in U.S. dollars is based on the exchange rate at December 31, 1996.

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- (7) On March 1, 1996, the Corporation sold its olefins business to Amoco Chemical Company for approximately \$500 million, with a gain on the sale of \$158.2 million (\$94.4 million after income taxes). On the recommendation of the Chairman and Chief Executive Officer, the Executive Compensation Committee concluded that Messrs. Walker and Elmore had made special contributions in effecting the successful disposition of the olefins business and, accordingly, were entitled to special restricted stock awards under the Corporation's Omnibus Stock Incentive Plan, which were granted on May 6, 1996. The Committee also concluded that the amount of the awards should be net of taxes and should be included in the calculations of amounts payable under the Corporation's excess benefit plans. Restricted shares are forfeitable if the award recipient's employment is terminated except by reason of death, disability or a change of control. One half of the shares become non-forfeitable on the first anniversary of the date of the award and the balance become non-forfeitable on the second anniversary of the date of the award. As of December 31, 1996, Mr. Walker held a total of 23,120 shares of restricted stock with an aggregate value of \$419,050 and Mr. Elmore held a total of 11,560 shares of restricted stock with an aggregate value of \$209,525. Dividends are paid on the shares of restricted stock.
- (8) Reflects tax reimbursement in connection with the restricted stock award discussed in Note 7.
- (9) Mr. Walker participates in the savings plan and the excess benefit plan of Ethyl Corporation. The amounts reflect the amounts reimbursed to Ethyl Corporation by the Corporation for the Corporation's allocable portion of his benefits under Ethyl Corporation's excess benefit plan and savings plan.
- (10) Includes contributions to the Corporation's savings plan (\$7,500, \$7,500 and \$5,250) and accruals in the Corporation's excess benefit plan (\$3,490, \$2,760 and \$3,167) for 1996, 1995 and 1994, respectively.
- (11) Includes contributions to the Corporation's savings plan (\$7,500, \$7,500 and \$6,162) and accruals in the Corporation's excess benefit plan (\$3,525, \$3,100 and \$2,500) for 1996, 1995 and 1994, respectively.

The following table presents information concerning stock options granted during 1996 to the Chief Executive Officer and the four next most highly compensated executive officers.

OPTION GRANTS IN LAST FISCAL YEAR

Each of the following options relates to Albemarle Common Stock and does not include a related stock appreciation right ("SAR").

NAME	INDIVIDUAL GRANTS				POTENTIAL REALIZABLE VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM	
	OPTIONS GRANTED (#)	% OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (\$)	EXPIRATION DATE	OPTION TERM	
					5% (\$)	10% (\$)
Floyd D. Gottwald, Jr.	0					
Dirk Betlem	143,000 (1)	48.81	\$17.375	8/27/06	\$1,562,829	\$3,960,492
Charles B. Walker	0					
E. Whitehead Elmore	0					
Thomas G. Avant	0					

(1) These options become exercisable in 20% increments based on the attainment of certain performance objectives. In addition, the options will become exercisable for persons who are still employed by the Corporation thirty days prior to the expiration date of the option or in the event of a change in control.

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The following table presents information concerning stock options and SAR exercised by the Chief Executive Officer and the four next most highly compensated executive officers of the Corporation and fiscal year end option/SAR values.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FY-END OPTION/SAR VALUES

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED (\$)	NUMBER OF UNEXERCISED OPTIONS/SARS AT FY-END		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS/SARS AT FY-END(3)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Floyd D. Gottwald, Jr.	7,863	\$ 40,652	6,999(1)	0	\$ 23,202	\$ 0
Dirk Betlem	0	0	57,000(1)	143,000(2)	285,000	107,250
Charles B. Walker	0	0	156,940(1)	0	782,306	0
E. Whitehead Elmore	0	0	103,878(1)	0	540,353	0
Thomas G. Avant	6,000	58,882	121,764(1)	0	639,385	0

- (1) Each of these options relates to Albemarle Common Stock and includes a tandem SAR.
- (2) This option relates to Albemarle Common Stock and does not include a tandem SAR.
- (3) These values are based on \$18.125, the closing price of Albemarle Common Stock on The New York Stock Exchange on December 31, 1996.

RETIREMENT BENEFITS

The following table illustrates under the Corporation's pension plan for salaried employees the estimated benefits upon retirement at age 65, determined as of December 31, 1996, to persons with specified earnings and years of pension benefit service. To the extent benefits payable at retirement exceed amounts that may be payable under applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), they will be paid under the Corporation's excess benefit or supplemental retirement plans, as applicable. This table includes the amounts that would be payable under such plans.

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PENSION PLAN TABLE*

FINAL-AVERAGE EARNINGS	YEARS OF PENSION BENEFIT SERVICE AND ESTIMATED ANNUAL BENEFITS						
	10	15	20	25	30	35	40
\$ 300,000	\$ 43,895	\$ 65,845	\$ 87,790	\$109,740	\$131,690	\$153,635	\$175,585
350,000	51,395	77,095	102,790	128,490	154,190	179,885	205,585
400,000	58,895	88,345	117,790	147,240	176,690	206,135	235,585
450,000	66,395	99,595	132,790	165,990	199,190	232,385	265,585
500,000	73,895	110,845	147,790	184,740	221,690	258,635	295,585
550,000	81,395	122,095	162,790	203,490	244,190	284,885	325,585
600,000	88,895	133,345	177,790	222,240	266,690	311,135	355,585
650,000	96,395	144,595	192,790	240,990	289,190	337,385	385,585
700,000	103,895	155,845	207,790	259,740	311,690	363,635	415,585
750,000	111,395	167,095	222,790	278,490	334,190	389,885	445,585
800,000	118,895	178,345	237,790	297,240	356,690	416,135	475,585
850,000	126,395	189,595	252,790	315,990	379,190	442,385	505,585
900,000	133,895	200,845	267,790	334,740	401,690	468,635	535,585
950,000	141,395	212,095	282,790	353,490	424,190	494,885	565,585
1,000,000	148,895	223,345	297,790	372,240	446,690	521,135	595,585

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 \$219,485
 256,985
 294,485
 331,985
 369,485
 406,985
 444,485
 481,985
 519,485
 556,985
 594,485
 631,985
 669,485
 706,985
 744,485

* Assumes attainment of age 65 in 1996 and Social Security Covered Compensation of \$27,576.

The benefit formula under the pension plans is based on the participant's final-average earnings, which are defined as the average of the highest three consecutive calendar years' earnings (base pay plus 50% of incentive bonuses paid in any fiscal year) during the 10 consecutive calendar years immediately preceding the date of determination. The years of pension benefit service for certain of the executive officers named in the above compensation table as of December 31, 1996, are: Thomas G. Avant, 26; and E. Whitehead Elmore, 27. Benefits under the pension plans are computed on the basis of a life annuity with 60 months guaranteed payments. The benefits listed in the above compensation table are not subject to deduction for Social Security or other offset payments. Pension benefits payable to Messrs. Gottwald and Walker will be paid from the pension plan of Ethyl Corporation.

Dirk Betlem currently is covered by the Albemarle S.A. Pension Plan (Belgium), which provides for a lump sum payment at age 65 equal to years of service times the sum of 4% of final average pay up to covered compensation plus 17.5% of the excess of final average pay over covered compensation. This amount is multiplied by 1.20 for married individuals. Mr. Betlem's accrued benefit as of December 31, 1996, determined as an annual benefit payable at age 65, is \$16,079. Such amount is determined in Belgian francs. The amount shown in U.S. dollars is based on the exchange rate at December 31, 1996.

EXCESS BENEFIT PLANS

The Corporation maintains excess benefit plans in the form of non-qualified

pension plans (the "Excess Plans") that provide eligible individuals the difference between the benefits they actually accrue under the qualified employee pension and savings plans of the Corporation and the benefits they would have accrued under such plans, but for the maximum benefit and annual addition limitations and the limitation on compensation that may be recognized thereunder, under the Code. Certain key employees may be granted additional pension service benefits equal to 4% of final pay for each year of service to the Corporation up to fifteen years, net of certain other benefits received from the Corporation, previous employers and Social Security. These benefits have been granted to Mr. Walker. All benefits under the Excess Plans vest upon a Change in Control of the Corporation, as defined in the Plans.

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COMPENSATION OF DIRECTORS

Outside directors are paid (i) \$1,000 for attendance at each Board meeting and (ii) \$600 for attendance at each meeting of a committee of the Board of which he was a member. In addition, each such director is paid a quarterly fee of \$5,000. Employee members of the Board of Directors are not paid separately for their service on the Board or its committees.

Any director retiring from the Board after age 60 with at least five years' service on the Board will receive \$12,000 per year for life, payable in quarterly installments. The service requirement for this benefit may be waived in certain circumstances. Any director retiring under other circumstances will receive \$12,000 per year, payable in quarterly installments, commencing no earlier than age 60, for a period not to exceed his years of service on the Board. The payment period limitation on this benefit may be waived in certain circumstances. Such retirement payments to former directors may not commence and may be discontinued under certain circumstances.

On each July 1, the Corporation awards to each non-employee director that number of whole shares of Albemarle Common Stock when multiplied by the closing price of Albemarle Common Stock on the immediately preceding business day, as reported in THE WALL STREET JOURNAL, as shall as nearly as possible equal but not exceed \$2,000. The shares of Albemarle Common Stock awarded under the Directors' Stock Plan are nonforfeitable and the recipient directors immediately and fully vest in Albemarle Common Stock issued under the plan. Subject only to such limitations on transfer as may be specified by applicable securities laws, directors may sell the shares received under the Directors' Stock Plan at any time. The Directors' Stock Plan provides that no awards may be made after July 1, 2004.

Non-employee Directors may defer, in ten percent increments, all or part of their retainer fee and meeting fees into either a deferred cash account or a deferred stock account, or a percentage of the fees into each of the accounts, both of which are unfunded and maintained for record-keeping purposes only. Distributions under the Deferred Compensation Plan, paid in a single sum or in up to ten annual installments, cannot begin within two years of the beginning of the deferral year. The maximum aggregate number of shares of Albemarle Common Stock that may be issued under the Deferred Compensation Plan is 100,000 shares.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Executive Compensation Committee of the Corporation's Board of Directors consisted of Messrs. William W. Berry, Joseph C. Carter, Jr., and Emmett J. Rice (Chairman), until March 1, 1996, when the Board of Directors was restructured. At that time, Mr. Andersson and Mrs. Whittemore replaced Messrs. Berry and Carter on the Committee. Mr. Carter is a Senior Counsel in Hunton & Williams, which firm regularly acts as counsel to the Corporation.

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COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Committee is delegated the power to administer the compensation program of the Corporation applicable to its executive officers. Accordingly, the Committee submits this report on executive compensation to the shareholders.

OVERALL OBJECTIVES

The objectives of the Corporation's executive compensation program are to:

- o Provide balanced, competitive total compensation that will enable the Corporation to attract, motivate and retain highly qualified executives.
- o Provide incentives for enhancing the profitability of the Corporation by rewarding executives for meeting individual and corporate goals.
- o Align the financial interests of the executives closely to those of the shareholders by strongly encouraging executive ownership of Albemarle Common Stock.

ELEMENTS OF THE PROGRAM

The Committee believes the interests of the shareholders will be best served if the compensation program consists of cash compensation and equity ownership with an increasing portion of compensation being at risk depending upon performance. The program includes: base salary, annual bonuses in cash or cash and stock, and grants of stock options with or without SARs and restricted stock. The Committee considers all elements of the program when setting appropriate compensation.

The Corporation seeks to maintain its executive compensation packages around the mid-range of those offered generally in the job markets in which the Corporation competes for talent and experience. The Corporation's stock option and restricted stock program is administered to recognize outstanding performance that consequently drives shareholder value.

In December 1996, the Committee met with each of the executive officers to review the executive's 1996 goals and the extent to which the goals had been achieved. The Committee also will review 1997 corporate and executive initiatives to establish 1997 goals.

COMPETITIVE MARKET

The Committee uses compensation surveys provided by compensation consultants in determining the market rates for executive pay. The surveys include companies that are larger and smaller than the Corporation. Some are limited to companies in the chemical business, including, but not limited to, some of the companies included in the S&P Chemical Composite shown in the Performance Graph. References to the "market" in this Report refer to these survey data.

BASE SALARIES

Base salaries are based on evaluations of positions and duties of each executive, market data for the position and internal equities among the positions. The Committee considers each of the individual factors but does not assign a specific value to each factor, and a subjective element is acknowledged in evaluating each executive's overall span of responsibility and control.

Salaries for some executive officers for 1997 are being maintained at current levels to reflect the increased emphasis on more compensation being tied to the long-term performance of the Corporation. Total compensation for executive officers is thought to be in line with the market as described above.

ANNUAL BONUSES

The purpose of the annual bonus plan is to provide a means that recognizes excellence in performance measured against individual, division, department and corporate objectives and increases in shareholder value. The Committee, in its discretion, may award bonuses annually to management-level employees.

Annual bonus awards are reviewed by the Committee in conjunction with senior management, and are based on evaluation of the performance, level of responsibility and leadership of the individual executive in relation to overall corporate results. The Committee does not assign a specific value to each factor. Overall awards for 1996 generally were down substantially from 1995.

STOCK OPTIONS AND RESTRICTED STOCK

Under the Corporation's Omnibus Stock Incentive Plan approved by the shareholders, the Committee, in its discretion, may grant options to purchase shares of Albemarle Common Stock (with or without related SARs) and restricted stock to any executive of the Corporation or any subsidiary who has contributed or can be expected to contribute to the Corporation's profits or growth. The Committee determines the amount of the grant, the term of the options and the requisite conditions for exercise and the terms of the restricted stock.

During 1996, the Committee granted to three officers options (without related SARs) to purchase an aggregate of 293,000 shares of Albemarle Common Stock. The options vest when either earnings or stock price targets are met. The option awards have an exercise price equal to fair market value at the date of grant and a ten-year exercise period. They become exercisable as set forth in footnote 1 on page 7. For a discussion of restricted stock awards granted in 1996, see footnote 7 on Page 7.

CEO COMPENSATION

Mr. Floyd D. Gottwald, Jr., the Chief Executive Officer of the Corporation, received a base salary for 1996 of \$665,000. Mr. Gottwald asked not to be considered for a bonus for 1996, placing a greater emphasis on creating shareholder value to which he is committed. Consequently, his annual compensation for 1996 was \$168,000 less than 1995. The Committee believes that Mr. Gottwald has taken significant steps, including the successful disposition of the olefins business, to position the Corporation for the future. The Committee also recognizes that, as a major shareholder, the Chief Executive Officer's focus is on maximizing long-term value for the Corporation's shareholders.

SECTION 162(M)

Section 162(m) of the Code provides certain criteria for the tax deductibility of compensation in excess of \$1 million paid to the Corporation's executive officers. To meet the criteria applicable to performance-based compensation (as defined in Section 162(m) of the Code), certain of the Corporation's benefit plans would have

to be amended to limit the Committee's discretion to determine individual awards based on individual performance factors and other factors as the Committee may determine, from time to time, to be relevant.

The Committee believes that the flexibility on awards is an important feature of the plans and one that serves the best interests of the Corporation by allowing the Committee to recognize and motivate individual executive officers as circumstances warrant. Further, the Committee does not anticipate that there will be a significant amount of compensation subject to loss of tax deductibility. Consequently, the Committee does not propose at the present time to amend any plan to comply with the performance-based criteria.

THE EXECUTIVE COMPENSATION COMMITTEE

Emmett J. Rice, Chairman
Craig R. Andersson
Anne Marie Whitemore

February 26, 1997

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PERFORMANCE GRAPH

Cumulative Total Shareholder Return*
Performance From March 1, 1994, through December 31, 1996

[GRAPH GOES HERE]

	March 31, 1994	Dec. 31, 1994	Dec. 31, 1995	Dec. 31, 1996
Albemarle	\$100	\$106	\$150	\$142
S&P 500	\$100	\$101	\$139	\$171
S&P Chem Composite	\$100	\$103	\$135	\$167

*ASSUMES \$100 INVESTED ON FIRST DAY OF MARCH 1994. DIVIDENDS ARE REINVESTED QUARTERLY.

DESIGNATION OF AUDITORS

The Board of Directors has designated Coopers & Lybrand L.L.P., certified public accountants, as the Corporation's independent auditors for fiscal year 1997, subject to shareholder approval. A representative of Coopers & Lybrand L.L.P. is expected to be present at the annual meeting with an opportunity to make a statement and to be available to respond to appropriate questions.

Coopers & Lybrand L.L.P.'s principal function is to audit the consolidated financial statements of the Corporation and its subsidiaries and, in connection with that audit, to review certain related filings with the Securities and Exchange Commission and to conduct limited reviews of the financial statements included in the Corporation's quarterly reports.

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FINANCIAL STATEMENTS

A copy of the Corporation's Annual Report on Form 10-K for the year 1996, as required to be filed with the Securities and Exchange Commission, will be provided on written request without charge to any shareholder whose proxy is being solicited by the Board of Directors. The written request should be directed to:

E. Whitehead Elmore, Esq.
Senior Vice President, Secretary and General Counsel
Albemarle Corporation
330 South Fourth Street
P.O. Box 1335
Richmond, Virginia 23210

PROPOSALS FOR 1998 ANNUAL MEETING

Under the regulations of the Securities and Exchange Commission, any shareholder desiring to make a proposal to be acted upon at the 1998 annual meeting of shareholders must present such proposal to the Corporation at its principal office in Richmond, Virginia, not later than November 24, 1997, in order for the proposal to be considered for inclusion in the Corporation's proxy statement. The Corporation anticipates holding the 1998 annual meeting on April 22, 1998.

The Corporation's bylaws provide that, in addition to any other applicable requirements, for business to be properly brought before the annual meeting by a shareholder, the shareholder must give timely notice in writing to the Secretary of the Corporation not later than 60 days prior to the meeting. As to each matter, the notice should contain (i) a brief description of the matter and the reasons for addressing it at the annual meeting, (ii) the name, record address of and number of shares beneficially owned by the shareholder proposing such business and (iii) any material interest of the shareholder in such business.

OTHER MATTERS

The Board of Directors is not aware of any matters to be presented for action at the meeting other than as set forth herein. However, if any other matters properly come before the meeting, or any adjournment thereof, the person or persons voting the proxies will vote them in accordance with their best judgment.

By Order of the Board of Directors

E. WHITEHEAD ELMORE, SECRETARY

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NOTICE
and
PROXY STATEMENT
for
ANNUAL MEETING
of
SHAREHOLDERS
April 23, 1997

[LOGO]

ALBEMARLE CORPORATION
330 SOUTH FOURTH STREET
P.O. BOX 1335
RICHMOND, VIRGINIA 23210

PROXY

ALBEMARLE CORPORATION
RICHMOND, VIRGINIA

PROXY FOR ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 23, 1997

The undersigned hereby appoints Floyd D. Gottwald, Jr., and Emmett J. Rice, or either of them, with full power of substitution in each, proxies to vote all shares of the undersigned in Albemarle Corporation, at the annual meeting of shareholders to be held April 23, 1997, and at any and all adjournments thereof.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS. THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS SPECIFIED. IF NO SPECIFICATION IS MADE, THIS

PROXY WILL BE VOTED FOR ALL NOMINEES AND FOR PROPOSAL 2.

PLEASE MARK, SIGN, DATE AND RETURN THE PROXY CARD PROMPTLY
USING THE ENCLOSED ENVELOPE.

(Continued and to be signed on reverse side.)

ALBEMARLE CORPORATION

PLEASE MARK VOTE IN OVAL IN THE FOLLOWING MANNER USING DARK INK ONLY. []

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR ALL NOMINEES AND FOR
PROPOSAL 2.

1. ELECTION OF DIRECTORS:

[] For All [] Withhold All [] For All Except

Nominees: Craig R. Andersson, Dirk Betlem, Floyd D. Gottwald, Jr., John D.
Gottwald, Andre B. Lacy, Seymour S. Preston, III, Emmett J. Rice,
Charles B. Walker and Anne Marie Whittemore.

INSTRUCTION: To withhold authority to vote FOR any such nominee(s), write the
name(s) of the nominee(s) in the space provided below.

2. The proposal to approve the appointment of Coopers & Lybrand L.L.P. as
the auditors for the Corporation for 1997.

[] FOR [] AGAINST [] ABSTAIN

3. In their discretion, the Proxies are authorized to vote upon such other
business and matters incident to the conduct of the meeting as may
properly come before the meeting.

Dated _____, 1997

Signature

Please sign name exactly as it appears
on the stock certificate. Only one of
several joint owners or co-owners need
sign. Fiduciaries should give full
title.