CYTEC INDUSTRIES INC/DE/
Form 10-Q
July 28, 2010
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UNITED STATES

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 the quarterly period ended June 30, 2010

Commission file number 1-12372

CYTEC INDUSTRIES INC.

(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction** **of incorporation or organization)**	**22-3268660** **(I.R.S. Employer** **Identification No).**
Five Garret Mountain Plaza **Woodland Park, New Jersey** **(Address of principal executive offices)**	**07424** **(Zip Code)**

Registrant s telephone number, including area code (973) 357-3100

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 þ No ¨.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes þ No ¨.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting company. See definition of accelerated filer, large accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ Accelerated filer ¨ Non-accelerated filer ¨ Small reporting company ¨
Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No þ

There were 49,057,835 shares of common stock outstanding at July 22, 2010.

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CYTEC INDUSTRIES INC. AND SUBSIDIARIES

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PART I FINANCIAL INFORMATION

Item 1. CONSOLIDATED FINANCIAL STATEMENTS

CYTEC INDUSTRIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(Dollars in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Net sales	$ 873.9	$ 685.3	$ 1,660.7	$ 1,297.3
Manufacturing cost of sales	666.8	603.0	1,290.0	1,100.8
Selling and technical services	50.8	50.6	99.1	100.0
Research and process development	18.4	21.0	36.1	38.9
Administrative and general	33.2	30.8	62.1	60.4
Amortization of acquisition intangibles	9.0	9.4	18.5	18.6
Gain/(loss) on sale of assets	0.0	(1.4)	0.0	0.2
Earnings/(loss) from operations	95.7	(30.9)	154.9	(21.2)
Other expense, net	1.7	0.1	2.0	3.3
Net loss on early extinguishment of debt	0.0	0.0	0.7	0.0
Equity in earnings of associated companies	0.3	0.3	0.4	0.5
Interest expense, net	7.9	5.1	16.1	10.7
Earnings/(loss) before income taxes	86.4	(35.8)	136.5	(34.7)
Income tax provision/(benefit)	24.0	(11.4)	48.4	(10.4)
Net earnings/(loss)	62.4	(24.4)	88.1	(24.3)
Less: Net earnings attributable to noncontrolling interests	(0.6)	(0.4)	(1.5)	(0.6)
Net earnings/(loss) attributable to Cytec Industries Inc.	$ 61.8	$ (24.8)	$ 86.6	$ (24.9)
Earnings/(loss) per share attributable to Cytec Industries Inc.				
Basic earnings/(loss) per common share	$ 1.26	$ (0.52)	$ 1.76	$ (0.52)
Diluted earnings/(loss) per common share	$ 1.24	$ (0.52)	$ 1.75	$ (0.52)
Dividends per common share	$ 0.0125	$ 0.0125	$ 0.025	$ 0.1375

See accompanying Notes to Consolidated Financial Statements

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CYTEC INDUSTRIES INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(Dollars in millions, except per share amounts)

	June 30, 2010	December 31, 2009
Assets		
Current assets		
Cash and cash equivalents	$ 311.5	$ 261.7
Trade accounts receivable, less allowance for doubtful accounts of $5.1 and $6.6 in 2010 and 2009, respectively	455.0	374.2
Other accounts receivable	51.1	58.4
Inventories	389.4	351.9
Deferred income taxes	36.1	41.3
Currency swap receivable	0.0	34.4
Other current assets	21.9	19.0
Total current assets	1,265.0	1,140.9
Investment in associated companies	18.2	21.5
Plants, equipment and facilities, at cost	2,274.3	2,310.0
Less: accumulated depreciation	(1,142.1)	(1,133.8)
Net plant investment	1,132.2	1,176.2
Acquisition intangibles, net of accumulated amortization of $214.6 and $214.8 in 2010 and 2009, respectively	344.3	399.5
Goodwill	659.7	701.9
Deferred income taxes	14.0	11.9
Other assets	107.8	107.5
Total assets	$ 3,541.2	$ 3,559.4
Liabilities		
Current liabilities		
Accounts payable	$ 360.5	$ 276.4
Short-term borrowings	9.1	10.4
Current maturities of long-term debt	16.8	16.7
Accrued expenses	198.8	202.2
Income taxes payable	25.9	19.2
Currency swap payable	13.0	45.3
Deferred income taxes	2.1	5.2
Total current liabilities	626.2	575.4
Long-term debt	643.3	658.4
Pension and other postretirement benefit liabilities	347.8	388.8
Other noncurrent liabilities	254.3	309.7
Deferred income taxes	87.2	64.0

Stockholders equity		
Preferred stock, 20,000,000 shares authorized; none issued and outstanding	0.0	0.0
Common stock, $.01 par value per share, 150,000,000 shares authorized; issued 49,316,913	0.5	0.5
Additional paid-in capital	448.2	451.0
Retained earnings	1,208.6	1,123.2
Accumulated other comprehensive (loss)/gain	(63.3)	16.0
Treasury stock, at cost, 285,568 shares in 2010 and 594,134 shares in 2009	(16.2)	(31.8)
Total Cytec Industries Inc. stockholders equity	1,577.8	1,558.9
Noncontrolling interests	4.6	4.2
Total equity	1,582.4	1,563.1
Total liabilities and stockholders equity	$ 3,541.2	$ 3,559.4

See accompanying Notes to Consolidated Financial Statements

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CYTEC INDUSTRIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(Dollars in millions)

	Six Months Ended June 30, 2010	Six Months Ended June 30, 2009
Cash flows provided by (used in) operating activities		
Net earnings/(loss)	$ 88.1	$ (24.3)
Noncash items included in net earnings/(loss):		
Depreciation	52.3	55.2
Amortization	22.5	21.7
Share-based compensation	5.6	4.1
Deferred income taxes	19.6	(21.8)
Gain on sale of assets	(2.3)	(0.2)
Loss on early extinguishment of debt	0.7	0.0
Unrealized loss/(gain) on derivative instruments	2.8	(7.4)
Other	0.3	0.5
Changes in operating assets and liabilities:		
Trade accounts receivable	(109.7)	49.2
Other receivables	5.8	27.7
Inventories	(56.6)	149.4
Other assets	1.1	(14.9)
Accounts payable	110.0	(0.4)
Accrued expenses	5.1	9.8
Income taxes payable	14.2	(11.1)
Other liabilities	(35.1)	(7.1)
Net cash provided by operating activities	124.4	230.4
Cash flows (used in) provided by investing activities		
Additions to plants, equipment and facilities	(55.6)	(116.3)
Net proceeds received on sale of assets	1.7	7.0
Net cash used in investing activities	(53.9)	(109.3)
Cash flows provided by (used in) financing activities		
Proceeds from long-term debt	0.0	108.0
Payments on long-term debt	(15.5)	(200.3)
Change in short-term borrowings, net	(1.5)	(17.8)
Cash dividends	(2.5)	(6.5)
Proceeds from the exercise of stock options	8.6	1.5
Excess tax benefits from share-based payment arrangements	0.8	0.0
Net cash used in financing activities	(10.1)	(115.1)
Effect of currency rate changes on cash and cash equivalents	(10.6)	0.9
Increase in cash and cash equivalents	49.8	6.9

Cash and cash equivalents, beginning of period	261.7	55.3
Cash and cash equivalents, end of period	$ 311.5	$ 62.2

See accompanying Notes to Consolidated Financial Statements

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CYTEC INDUSTRIES INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

(Currencies in millions, except per share amounts, unless otherwise indicated)

1. BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission for reporting on Form 10-Q and accounting principles generally accepted in the United States of America (U.S. GAAP) for interim reporting. Certain information and footnote disclosures normally included in our annual financial statements have been condensed or omitted pursuant to such rules and regulations. Financial statements prepared in accordance with U.S. GAAP require management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and other disclosures. In the opinion of management, these financial statements include all normal and recurring adjustments necessary for a fair presentation of the financial position and the results of our operations and cash flows for the interim periods presented. The results of operations for any interim period are not necessarily indicative of the results of operations for the full year. The financial statements should be read in conjunction with the Consolidated Financial Statements and Notes to the Consolidated Financial Statements contained in the Company s 2009 Annual Report on Form 10-K. Unless indicated otherwise, the terms Company , Cytec , we , us and our each refer collectively to Cytec Industries Inc. and its subsidiar

2. DIVESTITURES

In the first quarter of 2009, we sold certain of our European polyurethane product line assets for cash proceeds totaling $5.7 and recognized a pre-tax gain on sale of $1.6 ($1.0 after-tax). The gain is recorded in net gain/(loss) on sale of assets in the accompanying statements of income.

Also in the first quarter of 2009, we decided to pursue strategic alternatives for our polyurethane product line assets in Asia. Accordingly, we revised the estimated remaining useful life of the assets to reflect the period we expected to continue to use the assets and recognized incremental depreciation expense in the first quarter of 2009 of $1.2 which is recorded in manufacturing cost of sales. We also recorded a charge of $0.4 during the first quarter of 2009 for additional costs that were incurred as a result of this decision, which are recorded in selling and technical services. In the second quarter of 2009, we sold our polyurethane product line assets in Asia for $1.8 of which $1.2 was received in cash and $0.6 represents a promissory note from the purchaser. The net loss of $1.4 resulting from this sale is recorded in gain/(loss) on sale of assets in the accompanying statements of income.

3. RESTRUCTURING OF OPERATIONS

In accordance with our policy, restructuring costs are included in our corporate unallocated operating results for segment reporting purposes consistent with management s view of its businesses.

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Aggregate restructuring charges/(credits) included in the statements of income were recorded by line item as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2010	**2009**	**2010**	**2009**
Manufacturing cost of sales	$ 5.0	$ 23.9	$ 4.8	$ 26.0
Selling and technical services	0.0	4.0	(0.1)	4.5
Research and process development	0.0	3.4	0.0	3.6
Administrative and General	(0.5)	2.9	(0.6)	3.3
Other expense, net	0.3	0.0	0.3	0.0
Total	$ 4.8	$ 34.2	$ 4.4	$ 37.4

Details of 2010 restructuring initiatives are as follows:

In May 2010, we approved plans to exit the production of certain phosphorus derivative products at our Mt. Pleasant, Tennessee facility. These plans resulted in a restructuring charge of $5.1 of which $0.4 relates to the severance of 12 positions, $1.2 relates to assets write-off, and $3.5 relates to decommissioning activities. The remaining reserve of $3.7 at June 30, 2010 is expected to be paid in 2010.

Details of 2009 restructuring initiatives are as follows:

In 2009, we initiated restructuring actions across all segments and corporate functions. These actions were taken in response to the downturn in the global economy, which especially impacted the automotive, construction and general industrial markets that we serve, and led to a significant reduction in our sales and operating profitability. The following summarizes the details of the restructuring initiatives launched in 2009, which resulted in $91.9 of restructuring charges for the year ended December 31, 2009.

We launched restructuring initiatives at several of our Specialty Chemical manufacturing locations, which resulted in restructuring charges totaling $70.4 of which $40.4 is associated with severance and other employee benefits and $30.0 is associated with asset write-downs and accelerated depreciation. The manufacturing locations impacted by these initiatives are as follows:

- Closure of our manufacturing facility in La Llagosta, Spain and transfer of the manufacturing of most of the liquid coating resins products produced at the site to our facility in Werndorf, Austria.

- Transfer the manufacturing of our powder coating resins product line from Drogenbos, Belgium to our manufacturing facility in Bassano, Italy and consolidate or eliminate supply chain, sales, marketing and administrative functions at the site.

- Transfer the manufacturing of certain liquid coating resins products from our Hamburg, Germany site to our facility in Werndorf, Austria and consolidate or eliminate certain manufacturing, supply chain, and administrative functions at the site.

- Conversion of our manufacturing facility in Antofagasta, Chile into a blending and distribution facility to support the Mining business and eliminate manufacturing functions at the site.

- Closure of our manufacturing facility in Bogota, Colombia.

The above manufacturing restructuring initiatives include the elimination of 366 positions.

We launched restructuring initiatives across our Engineered Materials segment in response to inventory destocking by parts manufacturers that supply large commercial aircraft manufacturers as well as a sharper than expected decline in business and regional jet production rates. These initiatives resulted in $4.4 of restructuring expenses for severance and employee benefits related to the elimination of 239 positions.

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We launched several initiatives throughout 2009 in our Specialty Chemical segments and corporate functions across sales, marketing, manufacturing, supply chain, research and development, and administrative functions, including our initiative to establish a shared services center. These initiatives resulted in $17.1 of charges related to severance and employee benefits associated with the elimination of 393 positions.

For the three and six months ended June 30, 2010, we recorded net favorable adjustments of $0.3 and $0.7, respectively, related to our 2009 restructuring initiatives. All of the aforementioned initiatives were substantially complete as of December 31, 2009, with the exception of the shared services initiative, which is expected to be completed in waves throughout 2010 and 2011.

The remaining reserve at June 30, 2010 of $14.6 relating to 2009 restructuring initiatives is expected to be paid through 2012.

Details of 2008 restructuring initiatives are as follows:

In 2008, as a cost reduction initiative and to align our cost structure to the declining demand environment at that time, we decided to restructure certain activities of our Coating Resins segment. These initiatives resulted in restructuring charges of $11.1 for the twelve months ended December 31, 2008, which primarily relate to severance for 93 eliminated positions. These initiatives were completed in 2008. In 2009, the remaining balance of $0.9 was reversed as a result of actual costs being less than our forecast. All costs were paid in full as of December 31, 2009.

Details of 2007 restructuring initiatives are as follows:

In 2007, we initiated restructuring actions across our Specialty Chemicals segments to exit several mature product lines manufactured at our Willow Island, West Virginia and Wallingford, Connecticut facilities. As a result, we recorded total restructuring charges of $7.0 in 2007 and 2008. These initiatives were completed in 2008. In 2009, the remaining balance of $0.6 was reversed as a result of actual costs being less than our forecast. All costs were paid in full as of December 31, 2009.

	2007 Restructuring Initiatives	**2008 Restructuring Initiatives**	**2009 Restructuring Initiatives**		**2010 Restructuring Initiatives**		**Total**
Balance December 31, 2008	$ 2.0	$ 4.3	$ 0.0		$ 0.0		$ 6.3
2009 charges/(credits)	(0.6)	(0.9)	91.9		0.0		90.4
Non-cash items	0.0	0.0	(30.6)	(1)	0.0		(30.6)
Cash payments	(1.4)	(3.3)	(31.0)		0.0		(35.7)
Currency translation adjustments	0.0	(0.1)	1.3		0.0		1.2
Other adjustments	0.0	0.0	(0.8)	(2)	0.0		(0.8)
Balance December 31, 2009	$ 0.0	$ 0.0	$ 30.8		$ 0.0		$ 30.8
1st quarter charges/(credits)	0.0	0.0	(0.4)		0.0		(0.4)
Cash payments	0.0	0.0	(10.9)		0.0		(10.9)
Currency translation adjustments	0.0	0.0	(0.9)		0.0		(0.9)
Balance March 31, 2010	$ 0.0	$ 0.0	$ 18.6		$		$ 18.6
2nd quarter charges/(credits)	0.0	0.0	(0.3)		5.1		4.8
Non-cash items	0.0	0.0	0.0		(1.2)	(3)	(1.2)
Cash payments	0.0	0.0	(2.2)		(0.2)		(2.4)
Currency translation adjustments	0.0	0.0	(1.5)		0.0		(1.5)
Balance June 30, 2010	$ 0.0	$ 0.0	$ 14.6		$ 3.7		$ 18.3

(1) Represents accelerated depreciation of plant assets and impairment of the land at our facility in La Llagosta, Spain.
(2) Represents a reclass of an environmental related restructuring accrual to environmental liabilities.
(3) Represents write-offs of inventories and construction in progress at our Mt. Pleasant, Tennessee facility.

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4. SHARE-BASED COMPENSATION

The fair value of each option or stock-settled share appreciation right (stock-settled SARS) award is estimated on the date of grant using a binomial-lattice option valuation model. Stock-settled SARS are economically valued the same as stock options. The binomial-lattice model takes into account variables such as volatility, dividend yield, and risk-free interest rate. In addition, the binomial-lattice model considers the contractual term of the option, the probability that the option will be exercised prior to the end of its contractual life, and the probability of termination or retirement of the option holder in computing the value of the option. The assumptions for the six months ended June 30, 2010 and 2009 are noted in the following table:

	2010	2009
Expected life (years)	6.1	6.7
Expected volatility	43.3%	48.2%
Expected dividend yield	0.19%	2.23%
Risk-free interest rate	3.75%	2.7%
Weighted-average fair value per option	$16.49	$8.58

The expected life of options granted represents the period of time that options granted are expected to be outstanding. Expected volatilities are based on the combination of implied market volatility and our historical volatility. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. As share-based compensation recognized in the consolidated statement of income is based on awards ultimately expected to vest, we incorporate the probability of pre-vesting forfeiture in determining the number of expected vested options. The forfeiture rate is based on the historical forfeiture experience and prospective analysis.

Stock Award and Incentive Plan:

The 1993 Stock Award and Incentive Plan (the 1993 Plan) provides for grants of a variety of awards, such as stock options (including incentive stock options and nonqualified stock options), non-vested stock (including performance stock), SARS (including those settled with common shares) and deferred stock awards and dividend equivalents. At June 30, 2010, there were approximately 2,400,000 shares reserved for issuance under the 1993 Plan, and 3,600,000 shares underlying all outstanding share-based compensation grants.

We have utilized the stock option component of the 1993 Plan to provide for the granting of nonqualified stock options and stock-settled SARS with an exercise price at 100% of the market price on the date of the grant. Options and stock-settled SARS are generally exercisable in installments of one-third per year commencing one year after the date of grant and annually thereafter, with contract lives of generally 10 years from the date of grant.

A summary of stock options and stock-settled SARS activity for the six months ended June 30, 2010 is presented below.

Options and Stock-Settled SARS Activity:	Number of Units	Weighted Average Exercise Price Per Unit	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2010	3,822,502	$ 39.67		
Granted	457,990	37.71		
Exercised	(268,917)	31.56		
Forfeited	(775,991)	39.78		
Outstanding at June 30, 2010	3,235,584	$ 40.04	6.2	$ 18.2
Exercisable at June 30, 2010	2,248,504	$ 42.85	5.0	$ 10.2

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Nonvested Options and Stock- Settled SARS:	Number of Units	Weighted Average Grant Date Fair Value Per Unit
Nonvested at January 1, 2010	1,093,706	$ 12.84
Granted	457,990	16.49
Vested	(518,838)	14.64
Forfeited	(45,778)	14.47
Nonvested at June 30, 2010	987,080	$ 13.50

During the six months ended June 30, 2010, we granted 457,990 stock options. The weighted-average grant-date fair value of the stock-settled SARS and stock options granted during the six months ended June 30, 2010 and 2009 was $16.49 and $8.58 per share, respectively. Total pre-tax compensation cost related to stock option and stock-settled SARS was $2.1 and $1.7 during the three months ended June 30, 2010 and 2009, respectively, and $4.0 and $3.5 during the six months ended June 30, 2010 and 2009, respectively. The total intrinsic value of stock options and stock-settled SARS exercised during the six months ended June 30, 2010 and 2009 was $3.5 and $0.1, respectively. Treasury shares have been utilized for stock option and stock-settled SARS exercises. The total fair value of stock options and stock-settled SARS vested during the six months ended June 30, 2010 and 2009 was $7.6 and $9.7, respectively.

As of June 30, 2010, there was $9.1 of total unrecognized compensation cost related to stock options and stock-settled SARS. That cost is expected to be recognized over a weighted-average period of 1.3 years as the majority of our awards vest over three years. Compensation cost related to stock options and stock-settled SARS capitalized in inventory as of June 30, 2010 and December 31, 2009 was approximately $0.3 and $0.2, respectively.

Cash received (for stock options only) and the tax (deficiency)/benefit realized from stock options and stock settled SARS exercised and deferred shares issued were $8.6 and $1.0 for the six months ended June 30, 2010 and $1.5 and $(0.2) for the six months ended June 30, 2009, respectively. Cash used to settle cash-SARS exercises for the six months ended June 30, 2010 was immaterial at less than $0.1. There were no cash-SARS exercises for the six months ended June 30, 2009. The liability related to our cash-settled SARS was $2.5 at June 30, 2010 and $1.7 at December 31, 2009.

As provided under the 1993 Plan, we have also issued non-vested stock, non-vested stock units, and performance stock. Non-vested stock and stock units are subject to certain restrictions on ownership and transferability that lapse upon vesting. Performance share payouts are based on the attainment of certain financial performance objectives and may vary depending on the degree to which the performance objectives are met. During the six months ended June 30, 2010, we granted 60,525 units of non-vested stock units. The total amount of share-based compensation expense recognized for non-vested shares, non-vested units, and performance stock for three months ended June 30, 2010 and 2009 was $0.5 and $0.2, respectively, and for six months ended June 30, 2010 and 2009 was $0.9 and $0.4, respectively.

As of June 30, 2010 and December 31, 2009, our additional paid-in capital pool (APIC Pool) which represents excess tax benefits available to absorb potential future tax deficiencies was $68.1 and $69.9, respectively.

5. EARNINGS PER SHARE (EPS)

Basic earnings/(loss) per common share excludes dilution and is computed by dividing net earnings/(loss) available to common stockholders by the weighted-average number of common shares outstanding (which includes shares outstanding, less performance and non-vested shares for which vesting criteria have not been met) plus deferred stock awards, weighted for the period outstanding. Diluted earnings per common share is computed by dividing net earnings available to common stockholders by the sum of the weighted-average number of common shares outstanding for the period adjusted (i.e., increased) for all additional common shares that would have been outstanding if potentially dilutive common shares had been issued and any proceeds of the issuance had been used to repurchase common stock at the average market price during the period. Under this method, an increase in the fair market value of the Company s stock can result in a greater dilutive effect from potentially dilutive common shares. The proceeds are assumed to be the sum of the amount to be paid to the Company upon exercise of options, the amount of compensation cost attributed to future services and not yet recognized, and the amount of income taxes that would be credited to or deducted from capital upon exercise.

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The following table sets forth the computation of basic and diluted earnings per common share for the three and six months ended June 30 (in thousands, except net earnings/(loss) in millions and per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
Numerator:				
Net earnings/(loss) attributable to Cytec Industries, Inc.	$ 61.8	$ (24.8)	$ 86.6	$ (24.9)
Denominator:				
Weighted average shares outstanding	49,226	48,154	49,152	47,818
Effect of dilutive shares:				
Options and stock-settled SARS	366	0	378	0
Non-vested shares and units	48	0	45	0
Diluted average shares outstanding	49,640	48,154	49,575	47,818
Basic earnings/(loss) per common share	$ 1.26	$ (0.52)	$ 1.76	$ (0.52