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SOUTH CAROLINA
DEPARTMENT OF COMMERCE

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Cytec Announces Expansion in Greenville
Carbon Fiber Project Brings \$150 Million Investment, 225 New Jobs

Columbia, S.C. – Cytec Industries Inc. today announced the completion of the site selection for a carbon fiber expansion project announced last year; with Greenville, S.C., chosen as the location of the company's proposed new facility. Cytec's capital investment in the expansion, projected at approximately \$150 million, is in addition to a modernization and recommissioning effort completed last year at the company's existing carbon fiber manufacturing site in Greenville, which increased the annual capacity of Cytec's carbon fiber production by 33 percent and added 60 new jobs.

Cytec expects to add approximately 225 additional skilled and professional jobs when the expansion project is fully operational. Today, Cytec employs nearly 290 at its carbon fiber plants in Greenville and Rock Hill, South Carolina. Pending final approval, construction is expected to begin in 2008 with plant start-up scheduled for early 2010. The expansion would double Cytec's carbon fiber manufacturing capacity and provide additional capability to meet the demand for next-generation carbon fibers.

"We're committed to meeting the increasing needs of our customers for carbon fiber-based materials," said Cytec Executive Vice President and Chief Financial Officer James P. Cronin, who led the site selection team. "We expect to benefit from this strategic investment by focusing a large part of our additional carbon fiber capacity on Cytec Engineered Materials' advanced composites product line, which is experiencing significant growth as aerospace composites use escalates."

"Today's announcement is another positive sign that our efforts to improve the state's business climate are paying dividends," said Gov. Mark Sanford. "Cytec is an innovative world leader and this expansion enhances our state's ability to compete in the global economy for new high tech, high wage jobs. As well, given Cytec's involvement in the aerospace industry, this announcement certainly has potential in terms of future job creation, investment and growth opportunities for many years to come."

When the planned new facility goes online in 2010 it will manufacture high volumes of Cytec carbon fibers such as THORNEL[®] T300, T650 and T40/800, which are used by a variety of commercial aerospace and military customers, as well as new fibers currently under development.

"The proposed facility will be built adjacent to Cytec's existing Greenville carbon fiber plant and will leverage the surrounding developed land, rail access and some of the current infrastructure," said Cytec Engineered Materials' President Steve Speak. "And when you factor in the pool of highly-skilled talent already available and the in-depth training that the South Carolina Technical College System can provide, South Carolina's value proposition is clear and compelling."

South Carolina's state worker training program, Center for Accelerated Technical Training (CATT), was ranked 5th nationally by *Expansion Magazine*.

Speak added, "Cytec's history in Greenville County—combined with the unflagging support and enthusiasm of the local, county and state organizations involved in this project—significantly influenced our decision to invest here. South Carolina is positioned for growth and we're excited to be part of that progress through the construction of a state-of-the-art manufacturing facility."

"This expansion is great news for South Carolina. As the aerospace industry continues to grow in our state, so do opportunities for growth and job creation. By choosing to invest and expand here, Cytec is recognizing the strengths of our economy," said Secretary of Commerce Joe Taylor. "Our state's many benefits, including access to markets, skilled labor force, world-class training program and outstanding quality of life, make the Palmetto State a great place to live and work."

"In 2001, the Donaldson Center manufacturing site was on the verge of closure when Cytec acquired it. Since then, they have turned it around and in the process found that Greenville is a great advanced manufacturing location," said Jay Rogers, Chairman of the GADC Board. "This announcement confirms our viability for such technology processes and even goes further towards establishing Greenville and South Carolina as a serious contender for aviation and composites manufacturing."

South Carolina was ranked the strongest manufacturing state in the Southeast by *Business Facility* magazine.

"Cytec's announcement today is the product of a team effort involving many participants at the local and state level," said Butch Kirven, Chairman of Greenville County Council. "Cytec will add significantly to their Greenville based aviation products plant while creating many new good paying jobs for our citizens."

About Carbon Fiber

Carbon fibers act as a reinforcement material in advanced composites used by aerospace and high-performance manufacturers and offer advantages such as light weight, high tensile strength, durability and resistance to corrosion and high temperatures. More than 65 percent of Cytec's carbon fiber production is earmarked for internal use by Cytec Engineered Materials in the manufacture of advanced composites, with the balance being sold to third-party materials manufacturers focused on the aerospace industry.

Cytec Engineered Materials Profile

Cytec Engineered Materials is a global provider of technologically advanced materials for aerospace, high-performance automotive, launch and other extreme-demand applications. A business unit of Cytec Industries Inc., Cytec Engineered Materials employs over 1,600 people at 10 plants and four technology centers in North America and Europe and is headquartered in Tempe, Ariz., U.S.A.

Corporate Profile

Cytec Industries Inc. is a global specialty chemicals and materials company focused on developing, manufacturing and selling value-added products with sales in 2006 of \$3.3 billion. Cytec's products serve a diverse range of end markets including aerospace, adhesives, automotive and industrial coatings, chemical intermediates, inks, mining and plastics. Cytec uses its technology and application development expertise to create chemical and material solutions that are formulated to perform specific and important functions in the finished products of our customers.

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