Chemtura CORP
Form 10-Q
May 10, 2010

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2010
OR
.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ____________________ to ____________________

(Commission File Number) 1-15339

CHEMTURA CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	52-2183153
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

1818 Market Street, Suite 3700, Philadelphia, Pennsylvania	19103
199 Benson Road, Middlebury, Connecticut	06749
(Address of principal executive offices)	(Zip Code)

(203) 573-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed from last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ¨ Yes x No

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 the chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
¨ Yes ¨ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of “large accelerated filer,” “accelerated filer,” “non-accelerated filer” and “smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ¨	Accelerated Filer x	Non-accelerated filer ¨ (Do not check if smaller reporting company)	Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
¨Yes xNo

The number of shares of common stock outstanding as of the latest practicable date is as follows:

Class	Number of shares outstanding at March 31, 2010
Common Stock - $.01 par value	242,935,715

CHEMTURA CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
FORM 10-Q
FOR THE QUARTER ENDED MARCH 31, 2010

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PART I. FINANCIAL INFORMATION
ITEM 1. Financial Statements

CHEMTURA CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
Consolidated Statements of Operations (Unaudited)
Quarters ended March 31, 2010 and 2009
(In millions, except per share data)

	Quarters ended March 31,			
	2010		2009	
Net sales	$	603	$	464
Cost of goods sold		469		364
Selling, general and administrative		76		68
Depreciation and amortization		49		41
Research and development		9		8
Facility closures, severance and related costs		2		3
Antitrust costs		-		2
Changes in estimates related to expected allowable claims		122		-
Operating loss		(124)		(22)
Interest expense (a)		(12)		(20)
Loss on early extinguishment of debt		(13)		-
Other (expense) income, net		(2)		2
Reorganization items, net		(21)		(40)
Loss from continuing operations before income taxes		(172)		(80)
Income tax provision		(5)		(7)
Loss from continuing operations		(177)		(87)
Loss from discontinued operations, net of tax		(2)		(7)
Net loss attributable to Chemtura Corporation	$	(179)	$	(94)
Basic and diluted per share information - attributable to Chemtura Corporation:				
Loss from continuing operations, net of tax	$	(0.73)	$	(0.36)
Loss from discontinued operations, net of tax		(0.01)		(0.03)
Net loss attributable to Chemtura Corporation	$	(0.74)	$	(0.39)
Weighted average shares outstanding - Basic and Diluted		242.9		242.8

(a) Interest expense excludes unrecorded contractual interest expense of $20 million and $3 million for the quarters ended March 31, 2010 and 2009, respectively.

See accompanying notes to Consolidated Financial Statements.

CHEMTURA CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
Consolidated Balance Sheets
March 31, 2010 (Unaudited) and December 31, 2009
(In millions, except per share data)

	March 31, 2010 (unaudited)	December 31, 2009
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 159	$ 236
Accounts receivable	521	442
Inventories	515	489
Other current assets	259	227
Assets held for sale	85	85
Total current assets	1,539	1,479
NON-CURRENT ASSETS		
Property, plant and equipment	713	750
Goodwill	231	235
Intangible assets, net	455	474
Other assets	174	180
	$ 3,112	$ 3,118
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
CURRENT LIABILITIES		
Short-term borrowings	$ 301	$ 252
Accounts payable	157	126
Accrued expenses	182	178
Income taxes payable	4	5
Liabilities held for sale	36	37
Total current liabilities	680	598
NON-CURRENT LIABILITIES		
Long-term debt	2	3
Pension and post-retirement health care liabilities	143	151
Other liabilities	190	197
Total liabilities not subject to compromise	1,015	949
LIABILITIES SUBJECT TO COMPROMISE	2,104	1,997
STOCKHOLDERS' (DEFICIT) EQUITY		
Common stock - $0.01 par value		
Authorized - 500.0 shares		
Issued - 254.4 shares at March 31, 2010 and		

December 31, 2009		3		3
Additional paid-in capital		3,040		3,039
Accumulated deficit		(2,661)		(2,482)
Accumulated other comprehensive loss		(233)		(234)
Treasury stock at cost - 11.5 shares		(167)		(167)
Total Chemtura Corporation stockholders' (deficit) equity		(18)		159
Non-controlling interest		11		13
Total stockholders' (deficit) equity		(7)		172
	$	3,112	$	3,118

See accompanying notes to Consolidated Financial Statements.

CHEMTURA CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
Condensed Consolidated Statements of Cash Flows (Unaudited)
Quarters ended March 31, 2010 and 2009
(In millions)

	Quarters ended March 31, 2010	Quarters ended March 31, 2009
Increase (decrease) in cash		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss attributable to Chemtura Corporation	$ (179)	$ (94)
Adjustments to reconcile net loss attributable to Chemtura Corporation to net cash used in operating activities:		
Loss on early extinguishment of debt	13	-
Depreciation and amortization	49	44
Stock-based compensation expense	-	1
Reorganization items, net	2	34
Changes in estimates related to expected allowable claims	122	-
Changes in assets and liabilities, net of assets acquired and liabilities assumed:		
Accounts receivable	(97)	30
Impact of accounts receivable facilities	-	(93)
Inventories	(29)	59
Accounts payable	32	(40)
Pension and post-retirement health care liabilities	(7)	(4)
Liabilities subject to compromise	(1)	-
Other	(14)	(14)
Net cash used in operating activities	(109)	(77)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from divestments	-	3
Payments for acquisitions, net of cash acquired	-	(5)
Capital expenditures	(14)	(8)
Net cash used in investing activities	(14)	(10)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Amended and Restated DIP Credit Agreement	299	-
(Payments on) proceeds from DIP Credit Facility	(250)	165
Proceeds from 2007 Credit Facility, net	15	9
Proceeds from short term borrowings, net	-	1
Payments for debt issuance and refinancing costs	(16)	(19)
Net cash provided by financing activities	48	156
CASH AND CASH EQUIVALENTS		
Effect of exchange rates on cash and cash equivalents	(2)	(2)
Change in cash and cash equivalents	(77)	67
Cash and cash equivalents at beginning of period	236	68
Cash and cash equivalents at end of period	$ 159	$ 135

See accompanying notes to Consolidated Financial Statements.

CHEMTURA CORPORATION AND SUBSIDIARIES
(DEBTOR-IN-POSSESSION)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1) NATURE OF OPERATIONS AND BANKRUPTCY PROCEEDINGS

Nature of Operations

Chemtura Corporation, together with its consolidated subsidiaries (the "Company" or "Chemtura") is dedicated to delivering innovative, application-focused specialty chemical and consumer product offerings. Chemtura's principal executive offices are located in Philadelphia, Pennsylvania and Middlebury, Connecticut. Chemtura operates in a wide variety of end-use industries, including automotive, transportation, construction, packaging, agriculture, lubricants, plastics for durable and non-durable goods, electronics, and pool and spa chemicals.

Chemtura is the successor to Crompton & Knowles Corporation ("Crompton & Knowles"), which was incorporated in Massachusetts in 1900 and engaged in the manufacture and sale of specialty chemicals beginning in 1954. Crompton & Knowles traces its roots to the Crompton Loom Works incorporated in the 1840s. Chemtura expanded its specialty chemical business through acquisitions in the United States and Europe, including the 1996 acquisition of Uniroyal Chemical Company, Inc. ("Uniroyal"), the 1999 merger with Witco Corporation ("Witco") and the 2005 acquisition of Great Lakes Chemical Corporation ("Great Lakes").

Liquidity and Bankruptcy Proceedings

The Company entered 2009 with significantly constrained liquidity. The fourth quarter of 2008 saw an unprecedented reduction in orders for the Company's products as the global recession deepened and customers saw or anticipated reductions in demand in the industries they served. The impact was more pronounced on those business segments that served cyclically exposed industries. As a result, the Company's sales and overall financial performance deteriorated resulting in the Company's non-compliance with the two financial maintenance covenants under its Amended and Restated Credit Agreement, dated as of July 31, 2007 (the "2007 Credit Facility") as of December 31, 2008. On December 30, 2008, the Company obtained a 90-day waiver of compliance with these covenants from the lenders under the 2007 Credit Facility.

The Company's liquidity was further constrained in the fourth quarter of 2008 by changes in the availability under its accounts receivable financing facilities in the United States and Europe. The eligibility criteria and reserve requirements under the Company's prior U.S. accounts receivable facility (the "U.S. Facility") tightened in the fourth quarter of 2008 following a credit rating downgrade, significantly reducing the value of accounts receivable that could be sold under the U.S. Facility compared with the third quarter of 2008. Additionally, the availability and access to the Company's European accounts receivable financing facility (the "European Facility") was restricted in late December 2008 due to the Company's financial performance which resulted in the Company's inability to sell additional receivables under the European Facility.

The crisis in the credit markets compounded the liquidity challenges faced by the Company. Under normal market conditions, the Company believed it would have been able to refinance its $370 million notes maturing on July 15, 2009 (the "2009 Notes") in the debt capital markets. However, with the deterioration of the credit market in the late summer of 2008 combined with the Company's deteriorating financial performance, the Company did not believe it would be able to refinance the 2009 Notes on commercially reasonable terms, if at all. As a result, the Company sought to refinance the 2009 Notes through the sale of one of its businesses.

On January 23, 2009, a special-purpose subsidiary of the Company entered into a new three-year U.S. accounts receivable financing facility (the "2009 U.S. Facility") that restored most of the liquidity that the Company had available to it under the prior U.S. accounts receivable facility before the fourth quarter of 2008 events described above. However, despite good faith discussions, the Company was unable to agree to terms under which it could resume the sale of accounts receivable under its European Facility during the first quarter of 2009. The balance of accounts receivable previously sold under the facility continued to decline, offsetting much of the benefit to liquidity gained by the new 2009 U.S. Facility. During the second quarter of 2009, with no agreement to restart the European Facility, the remaining balance of the accounts receivable previously sold under the facility were settled and the European Facility was terminated.

January 2009 saw no improvement in customer demand from the depressed levels in December 2008 and some business segments experienced further deterioration. Although February and March of 2009 saw incremental improvement in net sales compared to January 2009, overall business conditions remained difficult as sales declined by 43% in the first quarter of 2009 compared to the first quarter of 2008. As awareness grew of the Company's constrained liquidity and deteriorating financial performance, suppliers began restricting trade credit and, as a result, liquidity dwindled further. Despite moderate cash generation through inventory reductions and restrictions on discretionary expenditures, the Company's trade credit continued to tighten, resulting in unprecedented restrictions on its ability to procure raw materials.

In January and February of 2009, the Company was in the midst of the asset sale process with the objective of closing a transaction prior to the July 15, 2009 maturity of the 2009 Notes. Potential buyers conducted due diligence and worked towards submitting their final offers on several of the Company's businesses. However, with the continuing recession and speculation about the financial condition of the Company, potential buyers became progressively more cautious. Certain potential buyers expressed concern about the Company's ability to perform its obligations under a sale agreement. They increased their due diligence requirements or decided not to proceed with a transaction. In March 2009, the Company concluded that although there were potential buyers of its businesses, a sale was unlikely to be closed in sufficient time to offset the continued deterioration in liquidity or at a value that would provide sufficient liquidity to both operate the business and meet the Company's impending debt maturities.

By March 2009, dwindling liquidity and growing restrictions on available trade credit resulted in production stoppages as raw materials could not be purchased on a timely basis. At the same time, the Company concluded that it was improbable that it could resume sales of accounts receivable under its European Facility or complete the sale of a business in sufficient time to provide the immediate liquidity it needed to operate. Absent such an infusion of liquidity, the Company would likely experience increased production stoppages or sustained limitations on its business operations that ultimately would have a detrimental effect on the value of the Company's business as a whole. Specifically, the inability to maintain and stabilize its business operations would result in depleted inventories, missed supply obligations and damaged customer relationships.

Having carefully explored and exhausted all possibilities to gain near-term access to liquidity, the Company determined that debtor-in-possession financing presented the best available alternative for the Company to meet its immediate and ongoing liquidity needs and preserve the value of the business. As a result, having obtained the commitment of a $400 million senior secured super-priority debtor-in-possession credit facility agreement (the "DIP Credit Facility"), Chemtura and 26 of its subsidiaries organized in the United States (collectively, the "Debtors") filed for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code (the "Bankruptcy Code") on March 18, 2009 (the "Petition Date") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). The Chapter 11 cases are being jointly administered by the Bankruptcy Court. The Company's non-U.S. subsidiaries and certain U.S. subsidiaries were not included in the filing and are not subject to the requirements of the Bankruptcy Code. The Company's U.S. and worldwide operations are expected to continue without interruption during the Chapter 11 reorganization process.

The Debtors own substantially all of the Company's U.S. assets. The Debtors consist of Chemtura and the following subsidiaries:

- A&M Cleaning Products LLC
- Aqua Clear Industries, LLC
- ASEPSIS, Inc.
- ASCK, Inc.
- BioLab, Inc.
- BioLab Company Store, LLC
- Crompton Colors Incorporated
- Crompton Holding Corporation
- Crompton Monochem, Inc.
- GLCC Laurel, LLC
- Great Lakes Chemical Corporation
- Great Lakes Chemical Global, Inc.
- Kem Manufacturing Corporation
- Laurel Industries Holdings, Inc.
- Monochem, Inc.
- Naugatuck Treatment Company
- Recreational Water Products, Inc.

· Biolab Franchise Company, LLC
· BioLab Textile Additives, LLC
· CNK Chemical Realty Corporation
· GT Seed Treatment, Inc.
· HomeCare Labs, Inc
· ISCI, Inc.
· Uniroyal Chemical Company Limited
· Weber City Road LLC
· WRL of Indiana, Inc.

The principal U.S. assets and business operations of the Debtors are owned by Chemtura, BioLab, Inc. and Great Lakes Chemical Corporation.

On March 18, 2009, Raymond E. Dombrowski, Jr. was appointed Chief Restructuring Officer. In connection with this appointment, the Company entered into an agreement with Alvarez & Marsal North America, LLC ("A&M") to compensate A&M for Mr. Dombrowski's services as Chief Restructuring Officer on a monthly basis at a rate of $150 thousand per month and incentive compensation in the amount of $3 million payable upon the earlier of (a) the consummation of a Chapter 11 plan of reorganization ("Plan") or (b) the sale, transfer, or other disposition of all or a substantial portion of the assets or equity of the Company. Mr. Dombrowski is independently compensated pursuant to arrangements with A&M, a financial advisory and consulting firm specializing in corporate restructuring. Mr. Dombrowski will not receive any compensation directly from the Company and will not participate in any of the Company's employee benefit plans.

The Chapter 11 cases were filed to gain liquidity for continuing operations while the Debtors restructure their balance sheets to allow the Company to continue as a viable going concern. While the Company believes it will be able to achieve these objectives through the Chapter 11 reorganization process, there can be no certainty that it will be successful in doing so.

Under Chapter 11 of the Bankruptcy Code, the Debtors are operating their U.S. businesses as a debtor-in-possession ("DIP") under the protection of the Bankruptcy Court from their pre-filing creditors and claimants. Since the filing, all orders of the Bankruptcy Court sufficient to enable the Debtors to conduct normal business activities, including "first day" motions and the interim and final approval of the DIP Credit Facility and amendments thereto, have been entered by the Bankruptcy Court. While the Debtors are subject to Chapter 11, all transactions outside the ordinary course of business will require the prior approval of the Bankruptcy Court.

On March 20, 2009, the Bankruptcy Court approved the Debtors' "first day" motions. Specifically, the Bankruptcy Court granted the Debtors, among other things, interim approval to access $190 million of its $400 million DIP Credit Facility, approval to pay outstanding employee wages, health benefits, and certain other employee obligations and authority to continue to honor their current customer policies and programs, in order to ensure the reorganization process will not adversely impact their customers. On April 29, 2009, the Bankruptcy Court entered a final order providing full access to the $400 million DIP Credit Facility. The Bankruptcy Court also approved Amendment No. 1 to the DIP Credit Facility which provided for, among other things: (i) an increase in the outstanding amount of inter-company loans the Debtors could make to the non-debtor foreign subsidiaries of the Company from $8 million to $40 million; (ii) a reduction in the required level of borrowing availability under the minimum availability covenant; and (iii) the elimination of the requirement to pay additional interest expense if a specified level of accounts receivable financing was not available to the Company's European subsidiaries.

On July 13, 2009, the Company and the parties to the DIP Credit Facility entered into Amendment No. 2 to the DIP Credit Facility subject to approvals by the Bankruptcy Court and the Company's Board of Directors which approvals were obtained on July 14 and July 15, 2009, respectively. Amendment No. 2 amended the DIP Credit Facility to provide for, among other things, an option by the Company to extend the maturity of the DIP Credit Facility for two consecutive three month periods subject to the satisfaction of certain conditions. Prior to Amendment No. 2, the DIP Credit Facility matured on the earlier of 364 days (from the Petition Date), the effective date of a Plan or the date of termination in whole of the Commitments (as defined in the DIP Credit Facility).

As a consequence of the Chapter 11 cases, substantially all pre-petition litigation and claims against the Debtors have been stayed. Accordingly, no party may take any action to collect pre-petition claims or to pursue litigation arising as a result of pre-petition acts or omissions except pursuant to an order of the Bankruptcy Court.

On August 21, 2009, the Bankruptcy Court established October 30, 2009 as the deadline for the filing of proofs of claim against the Debtors (the "Bar Date"). Under certain limited circumstances, some creditors may be permitted to file proofs of claim after the Bar Date. Accordingly, it is possible that not all potential proofs of claim were filed as of

the filing of this Quarterly Report.

The Debtors have received approximately 15,400 proofs of claim covering a broad array of areas. Approximately 8,000 proofs of claim have been asserted in "unliquidated" amounts or contain an unliquidated component that are treated as being asserted in "unliquidated" amounts. Excluding proofs of claim in "unliquidated" amounts, the aggregate amount of proofs of claim filed totaled approximately $23.6 billion. See Note 20 - Legal Proceedings and Contingencies for a discussion of the proofs of claim filed against the Debtors.

The Company is in the process of evaluating the amounts asserted in and the factual and legal basis of the proofs of claim filed against the Debtors. Based upon the Company's initial review and evaluation, which is continuing, a significant number of proofs of claim are duplicative and/or legally or factually without merit. As to those claims, the Company has filed and intends to file objections with the Bankruptcy Court. However, there can be no assurance that certain of these claims will not be allowed in full.

Further, while the Debtors believe they have insurance to cover certain asserted claims, there can be no assurance that material uninsured obligations will not be allowed as claims in the Chapter 11 cases. Because of the substantial number of asserted contested claims, as to which review and analysis is ongoing, there is no assurance as to the ultimate value of claims that will be allowed in the Chapter 11 cases, nor is there any assurance as to the ultimate recoveries for the Debtors' stakeholders, including the Debtors' bondholders and the Company's shareholders. The differences between amounts recorded by the Debtors and proofs of claim filed by the creditors will continue to be investigated and resolved through the claims reconciliation process.

The Company has recognized certain charges related to expected allowed claims. As the Company completes the process of evaluating and resolving the proofs of claim, appropriate adjustments to the Company's Consolidated Financial Statements will be made. Adjustments may also result from actions of the Bankruptcy Court, settlement negotiations, rejection of executory contracts and real property leases, determination as to the value of any collateral securing claims and other events. Any such adjustments could be material to the Company's results of operations and financial condition in any given period. For additional information on liabilities subject to compromise, see Note 4 - Liabilities Subject to Compromise and Reorganization Items, Net.

As provided by the Bankruptcy Code, the Debtors have the exclusive right to file and solicit acceptance of a Plan for 120 days after the Petition Date with the possibility of extensions thereafter. On February 23, 2010, the Bankruptcy Court granted the Company's application for extensions of the period during which it has the exclusive right to file a Plan from February 11, 2010 to June 11, 2010. The Bankruptcy Court had previously granted the Company's applications for extensions of the exclusivity period on July 28, 2009 and October 27, 2009. There can be no assurance that a Plan will be filed by the Debtors or confirmed by the Bankruptcy Court, or that any such Plan will be consummated. After a Plan has been filed with the Bankruptcy Court, the Plan, along with a disclosure statement approved by the Bankruptcy Court, will be sent to all creditors and other parties entitled to vote to accept or reject the Plan. Following the solicitation period, the Bankruptcy Court will consider whether to confirm the Plan. In order to confirm a Plan, the Bankruptcy Court must make certain findings as required by the Bankruptcy Code. The Bankruptcy Court may confirm a Plan notwithstanding the non-acceptance of the Plan by an impaired class of creditors or equity security holders if certain requirements of the Bankruptcy Code are met.

On January 15, 2010 the Company entered into Amendment No. 3 of the DIP Credit Facility that provided for, among other things, the consent of the Company's DIP lenders to the sale of the polyvinyl chloride ("PVC") additives business.

On February 9, 2010, the Bankruptcy Court granted interim approval of an Amended and Restated Senior Secured Super-Priority Debtor-in-Possession Credit Agreement (the "Amended and Restated DIP Credit Agreement") by and among the Debtors, Citibank N.A. and the other lenders party thereto. The Amended and Restated DIP Credit Agreement provides for a first priority and priming secured revolving and term loan credit commitment of up to an aggregate of $450 million. The proceeds of the loans and other financial accommodations incurred under the Amended and Restated DIP Credit Agreement were used to, among other things, refinance the obligations outstanding under the DIP Credit Facility and provide working capital for general corporate purposes. The Amended and Restated DIP Credit Agreement provided a substantial reduction in the Company's financing costs through interest rate reductions and the avoidance of the extension fees that would have been payable under the DIP Credit Facility in February and May 2010. The Amended and Restated DIP Credit Agreement closed on February 12, 2010 with the drawing of the $300 million term loan. On February 18, 2010, the Bankruptcy Court entered a final order providing full access to the Amended and Restated DIP Credit Agreement. The Amended and Restated DIP Credit Agreement matures on the earlier of 364 days after the closing, the effective date of a Plan or the date of termination in whole of the Commitments (as defined in the Amended and Restated DIP Credit Agreement).

The ultimate recovery by the Debtors' creditors and the Company's shareholders, if any, will not be determined until confirmation and implementation of a Plan. No assurance can be given as to what recoveries, if any, will be assigned

in the Chapter 11 cases to each of these constituencies. A Plan could result in the Company's shareholders receiving little or no value for their interests and holders of the Debtors' unsecured debt, including trade debt and other general unsecured creditors, receiving less, and potentially substantially less, than payment in full for their claims. Because of such possibilities, the value of the Company's common stock and unsecured debt is highly speculative. Accordingly, the Company urges that appropriate caution be exercised with respect to existing and future investments in any of these securities. Although the shares of the Company's common stock continue to trade on the Pink Sheets Electronic Quotation Service ("Pink Sheets") under the symbol "CEMJQ," the trading prices may have little or no relationship to the actual recovery, if any, by the holders under any eventual Bankruptcy Court-approved Plan. The opportunity for any recovery by holders of the Company's common stock under such Plan is uncertain as all creditors' claims must be met in full, with interest where due, before value can be attributed to the common stock and, therefore, the shares of the Company's common stock may be cancelled without any compensation pursuant to such Plan.

Continuation of the Company as a going concern is contingent upon, among other things, the Company’s and/or Debtors’ ability (i) to comply with the terms and conditions of the Amended and Restated DIP Credit Agreement; (ii) to obtain confirmation of a Plan under the Bankruptcy Code; (iii) to return to profitability; (iv) to generate sufficient cash flow from operations; and (v) to obtain financing sources to meet the Company's future obligations. These matters raise substantial doubt about the Company's ability to continue as a going concern. The Consolidated Financial Statements do not reflect any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of these uncertainties. Additionally, a Plan could materially change amounts reported in the Consolidated Financial Statements, which do not give effect to all adjustments of the carrying value of assets and liabilities that may be necessary as a consequence of completing a reorganization under Chapter 11 of the Bankruptcy Code.

In addition, as part of the Company’s emergence from Chapter 11, the Company may be required to adopt fresh start accounting in a future period. If fresh start accounting is applicable, our assets and liabilities will be recorded at fair value as of the fresh start reporting date. The fair value of our assets and liabilities as of such fresh start reporting date may differ materially from the recorded values of assets and liabilities on our Consolidated Balance Sheets. Further, if fresh start accounting is required, the financial results of the Company after the application of fresh start accounting may not be comparable to historical trends.

2) BASIS OF PRESENTATION AND ACCOUNTING POLICIES

Basis of Presentation

The information in the foregoing Consolidated Financial Statements for the quarters ended March 31, 2010 and 2009 is unaudited but reflects all adjustments which, in the opinion of management, are necessary for a fair presentation of the results of operations for the interim periods presented. All such adjustments are of a normal recurring nature, except as otherwise disclosed in the accompanying notes to the Consolidated Financial Statements.

The Consolidated Financial Statements include the accounts of Chemtura and the wholly-owned and majority-owned subsidiaries that it controls. Other affiliates in which the Company has a 20% to 50% ownership interest or a non-controlling majority interest are accounted for in accordance with the equity method. Other investments in which the Company has less than 20% ownership are recorded at cost. All significant intercompany balances and transactions have been eliminated in consolidation.

The Consolidated Financial Statements have been prepared in accordance with Accounting Standards Codification (“ASC”) Section 852-10-45, Reorganizations - Other Presentation Matters (“ASC 852-10-45”). ASC 852-10-45 does not ordinarily affect or change the application of U.S. generally accepted accounting principles (“GAAP”). However, it does require the Company to distinguish transactions and events that are directly associated with the reorganization in connection with the Chapter 11 cases from the ongoing operations of the business. Expenses incurred and settlement impacts due to the Chapter 11 cases are reported separately as reorganization items, net on the Consolidated Statements of Operations for the quarters ended March 31, 2010 and 2009. Interest expense related to pre-petition indebtedness has been reported only to the extent that it will be paid during the pendency of the Chapter 11 cases or is permitted by Bankruptcy Court approval or is expected to be an allowed claim. The pre-petition liabilities subject to compromise are disclosed separately on the March 31, 2010 and December 31, 2009 Consolidated Balance Sheets. These liabilities are reported at the amounts expected to be allowed by the Bankruptcy Court, even if they may be settled for a lesser amount. These expected allowed claims require management to estimate the likely claim amount that will be allowed by the Bankruptcy Court prior to its ruling on the individual claims. These estimates are based on, among other things, reviews of claimants’ supporting material, obligations to mitigate such claims, and assessments by management and third-party advisors. The Company expects that its estimates, although based on the best available information, will change as the claims are resolved by the Bankruptcy Court.

The Consolidated Financial Statements have been prepared in conformity with GAAP, which require the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Certain reclassifications have been made to the prior period financial information to conform to the current period presentation. The interim Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and notes included in the Company's Annual Report on Form 10-K for the period ended December 31, 2009, as amended. The consolidated results of operations for the quarter ended March 31, 2010 are not necessarily indicative of the results expected for the full year.

Accounting Policies and Other Items

Cash and cash equivalents include bank term deposits with original maturities of three months or less. Included in cash and cash equivalents in the Company's Consolidated Balance Sheets at both March 31, 2010 and December 31, 2009 is $1 million of restricted cash that is required to be on deposit to support certain letters of credit and performance guarantees, the majority of which will be settled within one year.

Included in accounts receivable are allowances for doubtful accounts of $30 million and $31 million, as of March 31, 2010 and December 31, 2009, respectively.

During the quarters ended March 31, 2010 and 2009, the Company made interest payments of approximately $8 million and $21 million, respectively. During the quarters ended March 31, 2010 and 2009, the Company made payments for income taxes (net of refunds) of $2 million and $7 million, respectively.

Accounting Developments

In June 2009, the FASB issued guidance now codified as ASC Topic 810, Consolidation ("ASC 810"), which amends certain guidance for determining whether an entity is a variable interest entity ("VIE"). ASC 810 requires an enterprise to perform an analysis to determine whether the Company's variable interests give it a controlling financial interest in a VIE. A company would be required to assess whether it has an implicit financial responsibility to ensure that a VIE operates as designed when determining whether it has the power to direct the activities of the VIE that most significantly impact the entity's economic performance. In addition, ASC 810 requires ongoing reassessments of whether an enterprise is the primary beneficiary of a VIE. The standard is effective for financial statements for interim or annual reporting periods that begin after November 15, 2009. Earlier application is prohibited. The Company has adopted the provisions of ASC 810 effective as of January 1, 2010 and its adoption did not have a material impact on its results of operations, financial condition or its disclosures.

3) DEBTOR CONDENSED COMBINED FINANCIAL STATEMENTS

Condensed Combined Financial Statements for the Debtors as of March 31, 2010 and December 31, 2009 and for the quarters ended March 31, 2010 and 2009 are presented below. These Condensed Combined Financial Statements include investments in subsidiaries carried under the equity method.

Chemtura Corporation and Subsidiaries in Reorganization
Condensed Combined Statements of Operations
(Debtor-in-Possession)
(In millions)

	Quarters ended March 31,	
	2010	2009
Net sales	$ 488	$ 360
Cost of goods sold	415	320
Selling, general and administrative	47	44
Depreciation and amortization	36	26
Research and development	5	5
Antitrust costs	-	2
Changes in estimates related to expected allowable claims	122	-
Operating loss	(137)	(37)
Interest expense	(14)	(24)
Loss on early extinguishment of debt	(13)	-
Other income, net	10	-
Reorganization items, net	(21)	(40)
Equity in net (loss) earnings of subsidiaries	(1)	12
Loss before income taxes	(176)	(89)
Income tax provision	(2)	(1)
Loss from continuing operations	(178)	(90)
Loss from discontinued operations, net of tax	(1)	(4)
Net loss	$ (179)	$ (94)

Chemtura Corporation and Subsidiaries in Reorganization
Condensed Combined Balance Sheet
(Debtor-in-Possession)
(In millions)

	March 31, 2010	December 31, 2009
ASSETS		
Current assets	$ 737	$ 706
Intercompany receivables	511	538
Investment in subsidiaries	1,901	1,942
Property, plant and equipment	401	422
Goodwill	149	149
Other assets	393	397
Total assets	$ 4,092	$ 4,154
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities	$ 465	$ 400
Intercompany payables	40	65
Other long-term liabilities	71	73
Total liabilities not subject to compromise	576	538
Liabilities subject to compromise (a)	3,523	3,444
Total stockholders' (deficit) equity	(7)	172
Total liabilities and stockholders' (deficit) equity	$ 4,092	$ 4,154

(a) Includes inter-company payables of $1,419 million as of March 31, 2010 and $1,447 million as of December 31, 2009.

Chemtura Corporation and Subsidiaries in Reorganization
Condensed Combined Statement of Cash Flows
(Debtor-in-Possession)
(In millions)

	Quarters ended March 31, 2010	2009
Increase (decrease) to cash		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (179)	$ (94)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on early extinguishment of debt	13	-
Depreciation and amortization	36	29
Stock-based compensation expense	-	1
Reorganization items, net	2	34
Changes in estimates related to expected allowable claims	122	-
Changes in assets and liabilities, net	(79)	(72)
Net cash used in operating activities	(85)	(102)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from divestments	-	3
Payments for acquisitions, net of cash acquired	-	(5)
Capital expenditures	(9)	(7)
Net cash used in investing activities	(9)	(9)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Amended and Restated DIP Credit Agreement	299	-
Proceeds from DIP Credit Facility	(250)	165
Proceeds from 2007 Credit Facility, net	15	9
Payments for debt issuance and refinancing costs	(16)	(19)
Net cash provided by financing activities	48	155
CASH AND CASH EQUIVALENTS		
Change in cash and cash equivalents	(46)	44
Cash and cash equivalents at beginning of period	81	23
Cash and cash equivalents at end of period	$ 35	$ 67

4) LIABILITIES SUBJECT TO COMPROMISE AND REORGANIZATION ITEMS, NET

As a consequence of the Chapter 11 cases, substantially all claims and litigations against the Debtors in existence prior to the filing of the petitions for relief or relating to acts or omissions prior to the filing of the petitions for relief are stayed. These estimated claims are reflected in the Consolidated Balance Sheet as liabilities subject to compromise as of March 31, 2010 and December 31, 2009. These amounts represent the Company's estimate of known or potential pre-petition liabilities that are probable of resulting in an allowed claim against the Debtors in connection with the Chapter 11 cases and are recorded at the estimated amount of the allowed claim which may be different from the amount for which the liability will be settled. Such claims remain subject to future adjustments. Adjustments may result from actions of the Bankruptcy Court, negotiations, rejection or acceptance of executory contracts and real property leases, determination as to the value of any collateral securing claims, proofs of claim or other events.

The Bankruptcy Court established October 30, 2009 as the Bar Date for filing proofs of claim against the Debtors. The Debtors have received approximately 15,400 proofs of claim covering a broad array of areas. The Company is in the process of evaluating the amounts asserted in and the factual and/or legal basis of the proofs of claim filed against the Debtors. These proofs of claim may result in additional liabilities, some or all of which may be subject to compromise, and the amounts of which may be material. See Note - 20 Legal Proceedings and Contingencies for further discussion of the Company's Chapter 11 claims assessment.

The amounts of liabilities subject to compromise consist of the following:

(In millions)		As of March 31, 2010		As of December 31, 2009
6.875% Notes due 2016 (a)	$	500	$	500
7% Notes due July 2010 (a)		370		370
6.875% Debentures due 2026 (a)		150		150
2007 Credit Facility (a)		166		152
Other borrowings		3		3
Total debt subject to compromise		1,189		1,175
Pension and post-retirement health care liabilities		377		405
Accounts payable		127		130
Environmental reserves		50		42
Litigation reserves		240		125
Unrecognized tax benefits and other taxes		78		78
Accrued interest expense		7		7
Other miscellaneous liabilities		36		35
Total liabilities subject to compromise	$	2,104	$	1,997

Reorganization items are presented separately in the Consolidated Statements of Operations on a net basis and represent items realized or incurred by the Company as a direct result of the Chapter 11 cases.

The reorganization items, net recorded in the Consolidated Statements of Operations consist of the following:

(In millions)	Quarters ended March 31,			
		2010		2009
Professional fees	$	18	$	5
Write-off debt discounts and premiums (a)		-		24
Write-off debt issuance costs (a)		-		7
Write-off deferred charges related to termination of U.S. accounts receivable facility		-		4
Rejections or terminations of lease agreements (b)		2		-
Severance - closure of manufacturing plants and warehouses (b)		1		-
Total reorganization items, net	$	21	$	40

(a) The carrying value of pre-petition debt has been adjusted to its respective face value as this represents the expected allowable claim in the Chapter 11 cases. As a result, unamortized debt issuance costs, discounts and premiums were charged to reorganization items, net on the Consolidated Statements of Operations.

(b) Represents charges for cost savings initiatives for which Bankruptcy Court approval has been obtained. For additional information see Note 19 – Restructuring Activities.

5) COMPREHENSIVE (LOSS) INCOME

An analysis of the Company’s comprehensive loss follows:

(In millions)	Quarters ended March 31, 2010	2009
Net loss	$ (179)	$ (94)
Other comprehensive income (loss), (net of tax):		
Foreign currency translation adjustments	(24)	(55)
Unrecognized pension and other post-retirement benefit costs	26	(1)
Comprehensive loss	(177)	(150)
Comprehensive income attributable to the non-controlling interest	(1)	1
Comprehensive loss attributable to Chemtura Corporation	$ (178)	$ (149)

The components of accumulated other comprehensive loss, net of tax at March 31, 2010 and December 31, 2009, are as follows:

(In millions)	March 31, 2010	December 31, 2009
Foreign currency translation adjustment	$ 89	$ 114
Unrecognized pension and other post-retirement benefit costs	(322)	(348)
Accumulated other comprehensive loss	$ (233)	$ (234)

Reclassifications from other comprehensive loss to earnings related to the Company’s natural gas price swap contracts aggregated to a $1 million pre-tax loss during the quarter ended March 31, 2009. All price swap contracts have matured as of December 31, 2009.

6) DIVESTITURE

On December 23, 2009, the Company entered into a Share and Asset Purchase Agreement with SK Atlas, LLC and SK Capital Partners II, LP (collectively “SK”), New York-based private equity concerns focusing on the specialty materials, chemicals and healthcare industries, whereby SK agreed to acquire the Company’s global PVC additives business. The agreement included the sale of certain assets, the stock of a European subsidiary and the assumption by SK of certain liabilities.

On December 23, 2009, the Company filed a motion with the Bankruptcy Court (the “Sale Motion”), pursuant to Section 363 of the Bankruptcy Code, seeking, among other things, approval of an auction process and bidding procedures that would govern the sale of the PVC additives business to SK or another bidder with the highest or otherwise best offer and approval of the sale of the PVC additives business in accordance with the auction process and bidding procedures. On January 14, 2010, the Bankruptcy Court entered an order (the “Bidding Procedures Order”) establishing an auction process and bidding procedures (the “Auction”) to govern the sale of the PVC additives business. On January 15, 2010, the Company entered into Amendment No. 3 of the DIP Credit Facility that provided for, among other things, the consent of its DIP lenders to the sale of the PVC additives business. The lenders under the Amended and Restated DIP Credit Agreement also consented to this transaction. Pursuant to the Bidding Procedures Order, the Auction was held on February 22, 2010. At the Auction, Galata Chemicals LLC (formerly known as Artek Aterian Holding Company, LLC) and its sponsors, Aterian Investment Partners Distressed Opportunities, LP and Artek Surfin Chemicals Ltd. (collectively, “Galata”), emerged as the bidder with the highest and otherwise best bid for the PVC additives business.

On February 23, 2010, pursuant to the Bidding Procedures Order and following the Auction, the Company entered into a Share and Asset Purchase Agreement ("SAPA") with Galata whereby Galata agreed to acquire the Company's PVC additives business for cash consideration of $16 million and to assume certain liabilities, including certain pension obligations and environmental liabilities. The purchase price is subject to certain adjustments including a post-closing net working capital adjustment. On February 23, 2010, the Bankruptcy Court held a hearing on the Sale Motion pursuant to Section 363 of the Bankruptcy Code and issued an order approving, among other things, the sale of the PVC additives business to Galata. The transaction closed on April 30, 2010. The SAPA resulted in an incremental $14 million of cash proceeds and favorable modifications to the share and asset purchase agreement compared to the initial share and asset purchase agreement with SK.

The PVC additives business, which is a reporting unit within the Industrial Engineered Products segment, is reported as a discontinued operation in the accompanying Consolidated Financial Statements as the Company will not have significant continuing cash flows or continuing involvement in the operations of the disposed business. The results of operations for this business have been removed from the results of continuing operations for all periods presented. The assets and liabilities of discontinued operations have been reclassified and are segregated in the Consolidated Balance Sheets.

The Galata SAPA provides for the sale of assets and the assignment of liabilities with carrying amounts as follows:

(In millions)		March 31, 2010		December 31, 2009
Accounts receivable	$	37	$	29
Inventory		44		51
Other current assets		3		3
Other assets		1		2
Total assets held for sale	$	85	$	85
Accounts payable	$	4	$	2
Accrued expenses		6		6
Pension and post-retirement health care liabilities		26		28
Other liabilities		-		1
Total liabilities held for sale	$	36	$	37

Loss from discontinued operations for all periods presented consist of the following:

	Quarters ended March 31,			
(In millions)		2010		2009
Net sales	$	67	$	53
Pre-tax loss from discontinued operations	$	(2)	$	(8)
Income tax benefit		-		1
Loss from discountinued operations	$	(2)	$	(7)

7) SALE OF ACCOUNTS RECEIVABLE

On January 23, 2009, the Company entered into the 2009 U.S. Facility with up to $150 million of capacity and a three-year term with certain lenders under its 2007 Credit Facility. Lenders who participated reduced their commitments to the 2007 Credit Facility pro-rata to their commitments to purchase U.S. eligible accounts receivable under the 2009 U.S. Facility.

Under the 2009 U.S. Facility, certain subsidiaries of the Company sold their accounts receivable to a special purpose entity ("SPE") that was created for the purpose of acquiring such receivables and selling an undivided interest therein to certain purchasers. In accordance with the receivables purchase agreements, the purchasers were granted an undivided ownership interest in the accounts receivable owned by the SPE. The amount of such undivided ownership interest will vary based on the level of eligible accounts receivable as defined in the agreement. In addition, the

purchasers retained a security interest in all the receivables owned by the SPE.

The 2009 U.S. Facility was terminated on March 23, 2009 as a condition of the Debtors entering into the DIP Credit Facility. All accounts receivable was sold back by the purchasers and the SPE to their original selling entity using proceeds of $117 million from the DIP Credit Facility.

Certain of the Company's European subsidiaries maintained a separate European Facility to sell up to approximately $244 million (€175 million) of the eligible accounts receivable directly to a purchaser. This facility terminated during the second quarter of 2009 and there were no outstanding accounts receivable that had been sold as of June 30, 2009. The availability and access to the European Facility was restricted by the purchaser in late December 2008 in light of the Company's financial performance. As a result, the Company was unable to sell additional accounts receivable under this program during the first and second quarters of 2009. Despite good faith discussions, the Company was unable to conclude an agreement to resume sales of accounts receivable under the European Facility either prior to the Chapter 11 filing or thereafter. During the second quarter of 2009, with no agreement to restart the European Facility, the remaining balance of the accounts receivable previously sold under this facility was settled and the facility was terminated.

The costs associated with these facilities of $2 million for the quarter ended March 31, 2009 are included in other income (expense), net in the Consolidated Statements of Operations.

Following the termination of the 2009 U.S. Facility, deferred financing costs of approximately $4 million related to this facility were charged to reorganization items, net in the Consolidated Statements of Operations.

8) INVENTORIES

Components of inventories are as follows:

(In millions)	March 31, 2010	December 31, 2009
Finished goods	$ 331	$ 319
Work in process	44	41
Raw materials and supplies	140	129
	$ 515	$ 489

Included in the above net inventory balances are inventory obsolescence reserves of approximately $30 million and $32 million at March 31, 2010 and December 31, 2009, respectively.

9) PROPERTY, PLANT AND EQUIPMENT

(In millions)	March 31, 2010	December 31, 2009
Land and improvements	$ 80	$ 81
Buildings and improvements	245	248
Machinery and equipment	1,225	1,236
Information systems equipment	224	226
Furniture, fixtures and other	30	30
Construction in progress	55	54
	1,859	1,875
Less accumulated depreciation	1,146	1,125
	$ 713	$ 750

Depreciation expense from continuing operations was $39 million and $32 million for the quarters ended March 31, 2010 and 2009, respectively. Depreciation expense from continuing operations includes accelerated depreciation of

certain fixed assets associated with the Company's restructuring programs and divestment activities of $11 million and $2 million for the quarters ended March 31, 2010 and 2009, respectively.

10) GOODWILL AND INTANGIBLE ASSETS

Goodwill by reportable segment is as follows:

(In millions)		Industrial Performance Products	AgroSolutions Engineered Products		Total
Goodwill at December 31, 2009	$	268	57	$	325
Accumulated impairments at December 31, 2009		(90)	-		(90)
Net Goodwill at December 31, 2009		178	57		235
Impact of foreign currency translation		(4)	-		(4)
Goodwill at March 31, 2010		264	57		321
Accumulated impairments at March 31, 2010		(90)	-		(90)
Net Goodwill at March 31, 2010	$	174	57	$	231

The Company has elected to perform its annual goodwill impairment procedures for all of its reporting units in accordance with ASC Subtopic 350-20, Intangibles – Goodwill and Other - Goodwill ("ASC 350-20") as of July 31, or sooner, if events occur or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. The Company estimates the fair value of its reporting units utilizing income and market approaches through the application of discounted cash flow and market comparable methods (Level 3 inputs as described in Note 17 – Financial Instruments and Fair Value Measurements). The assessment is required to be performed in two steps: step one to test for a potential impairment of goodwill and, if potential impairments are identified, step two to measure the impairment loss through a full fair valuing of the assets and liabilities of the reporting unit utilizing the acquisition method of accounting.

The Company continually monitors and evaluates business and competitive conditions that affect its operations and reflects the impact of these factors in its financial projections. If permanent or sustained changes in business or competitive conditions occur, they can lead to revised projections that could potentially give rise to impairment charges.

During the quarter ended March 31, 2009, there was continued weakness in the global financial markets, resulting in additional decreases in the valuation of public companies and restricted availability of capital. Additionally, the Company's stock price continued to decrease due to constrained liquidity, deteriorating financial performance and the Debtors filing of a petition for relief under Chapter 11 of the Bankruptcy Code. These events were of sufficient magnitude to the Company to conclude it was appropriate to perform a goodwill impairment review as of March 31, 2009. The Company used its own estimates of the effects of the macroeconomic changes on the markets it serves to develop an updated view of its projections. Those updated projections have been used to compute updated estimated fair values of its reporting units. Based on these estimated fair values used to test goodwill for impairment in accordance with ASC 350-20, the Company concluded that no impairment existed in any of its reporting units at March 31, 2009.

For the quarter ended March 31, 2010, the Company's consolidated performance was in line with expectations while the performance of the Company's AgroSolutions Engineered Products (formerly known as Crop Protection Engineered Products) reporting unit was below expectations. However, the longer-term forecasts for this reporting unit are still sufficient to support its level of goodwill. As such, the Company concluded that no circumstances exist that would more likely than not reduce the fair value of any of its reporting units below their carrying amount and an interim impairment test was not considered necessary as of March 31, 2010.

The Company’s intangible assets (excluding goodwill) are comprised of the following:

	March 31, 2010			December 31, 2009		
(In millions)	Gross Cost	Accumulated Amortization	Net Intangibles	Gross Cost	Accumulated Amortization	Net Intangibles
Patents	$ 125	$ (53)	$ 72	$ 127	$ (49)	$ 78
Trademarks	268	(60)	208	273	(61)	212
Customer relationships	149	(39)	110	152	(38)	114
Production rights	45	(20)	25	45	(19)	26
Other	73	(33)	40	76	(32)	44
Total	$ 660	$ (205)	$ 455	$ 673	$ (199)	$ 474

The decrease in gross intangible assets since December 31, 2009 is primarily due to foreign currency translation.

Amortization expense from continuing operations related to intangible assets amounted to $9 million for the quarters ended March 31, 2010 and 2009.

11) DEBT

The Company’s debt is comprised of the following:

(In millions)	March 31, 2010	December 31, 2009
6.875% Notes due 2016 (a)	$ 500	$ 500
7% Notes due July 2010 (a)	370	370
6.875% Debentures due 2026 (a)	150	150
2007 Credit Facility (a)	166	152
Amended and Restated DIP Credit Agreement	299	-
DIP Credit Facility	-	250
Other borrowings (b)	7	8
Total Debt	1,492	1,430
Less: Short-term borrowings	(301)	