

DUPONT E I DE NEMOURS & CO
Form 10-Q
July 23, 2013
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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, 2013

OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

Commission File Number 1-815

E. I. du Pont de Nemours and Company
(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or other Jurisdiction of

Incorporation or Organization)

1007 Market Street, Wilmington, Delaware 19898

(Address of Principal Executive Offices)

51-0014090

(I.R.S. Employer

Identification No.)

(302) 774-1000

(Registrant's Telephone Number)

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 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 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 definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer

Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act).
Yes No

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The Registrant had 923,434,000 shares (excludes 87,041,000 shares of treasury stock) of common stock, \$0.30 par value, outstanding at July 15, 2013.

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E. I. DU PONT DE NEMOURS AND COMPANY

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The terms “DuPont” or the “company” as used herein refer to E. I. du Pont de Nemours and Company and its consolidated subsidiaries, or to E. I. du Pont de Nemours and Company, as the context may indicate.

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PART I. FINANCIAL INFORMATION

Item 1. CONSOLIDATED FINANCIAL STATEMENTS

E. I. du Pont de Nemours and Company

Consolidated Income Statements (Unaudited)

(Dollars in millions, except per share)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Net sales	\$9,844	\$9,917	\$20,252	\$20,097
Other income, net	159	291	251	305
Total	10,003	10,208	20,503	20,402
Cost of goods sold	6,057	5,844	12,250	11,779
Other operating charges	941	1,246	1,853	2,127
Selling, general and administrative expenses	983	972	1,966	1,927
Research and development expense	542	533	1,063	1,041
Interest expense	115	117	232	231
Total	8,638	8,712	17,364	17,105
Income from continuing operations before income taxes	1,365	1,496	3,139	3,297
Provision for income taxes on continuing operations	335	397	722	789
Income from continuing operations after income taxes	1,030	1,099	2,417	2,508
Income from discontinued operations after income taxes	4	76	1,972	171
Net income	1,034	1,175	4,389	2,679
Less: Net income attributable to noncontrolling interests	4	9	11	21
Net income attributable to DuPont	\$1,030	\$1,166	\$4,378	\$2,658
Basic earnings per share of common stock:				
Basic earnings per share of common stock from continuing operations	\$1.11	\$1.16	\$2.59	\$2.66
Basic earnings per share of common stock from discontinued operations	—	0.08	2.13	0.18
Basic earnings per share of common stock	\$1.11	\$1.24	\$4.73	\$2.84
Diluted earnings per share of common stock:				
Diluted earnings per share of common stock from continuing operations	\$1.10	\$1.15	\$2.58	\$2.63
Diluted earnings per share of common stock from discontinued operations	—	0.08	2.12	0.18
Diluted earnings per share of common stock	\$1.11	\$1.23	\$4.69	\$2.81
Dividends per share of common stock	\$0.45	\$0.43	\$0.88	\$0.84

See Notes to the Consolidated Financial Statements beginning on page 7.

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E. I. du Pont de Nemours and Company
 Consolidated Statements of Comprehensive Income (Unaudited)
 (Dollars in millions, except per share)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Net income	\$1,034	\$1,175	\$4,389	\$2,679
Other comprehensive income (loss), before tax:				
Cumulative translation adjustment	(14	)(412	)(223	)(242
Net revaluation and clearance of cash flow hedges to earnings:				
Additions and revaluations of derivatives designated as cash flow hedges	(8	)38	(24	)36
Clearance of hedge results to earnings	(18	)(23	)(28	)(55
Net revaluation and clearance of cash flow hedges to earnings	(26	)15	(52	)(19
Pension benefit plans:				
Net gain (loss)	—	4	56	(19
Prior service benefit	—	—	—	22
Reclassifications to net income:				
Amortization of prior service cost	3	3	6	7
Amortization of loss	239	220	480	439
Curtailment / settlement loss	—	—	153	—
Pension benefit plans, net	242	227	695	449
Other benefit plans:				
Net gain	28	—	45	—
Reclassifications to net income:				
Amortization of prior service benefit	(46	)(30	)(94	)(60
Amortization of (gain) loss	(2	)22	25	44
Curtailment / settlement gain	—	—	(153)—
Other benefit plans, net	(20	)(8	)(177	)(16
Net unrealized gain on securities	3	1	1	2
Other comprehensive income (loss), before tax	185	(177	)244	174
Income tax expense related to items of other comprehensive income	(67	)(76	)(142	)(140
Other comprehensive income (loss), net of tax	118	(253	)102	34
Comprehensive income	1,152	922	4,491	2,713
Less: Comprehensive income attributable to noncontrolling interests	4	34	11	48
Comprehensive income attributable to DuPont	\$1,148	\$888	\$4,480	\$2,665

See Notes to the Consolidated Financial Statements beginning on page 7.

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E. I. du Pont de Nemours and Company
 Condensed Consolidated Balance Sheets (Unaudited)
 (Dollars in millions, except per share)

	June 30, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$6,685	\$4,284
Marketable securities	211	123
Accounts and notes receivable, net	8,985	5,452
Inventories	6,373	7,565
Prepaid expenses	196	204
Deferred income taxes	787	613
Assets held for sale	—	3,076
Total current assets	23,237	21,317
Property, plant and equipment, net of accumulated depreciation (June 30, 2013 - \$19,494; December 31, 2012 - \$19,085)	12,698	12,741
Goodwill	4,561	4,616
Other intangible assets	4,942	5,126
Investment in affiliates	1,143	1,163
Deferred income taxes	3,864	3,936
Other assets	904	960
Total	\$51,349	\$49,859
Liabilities and Equity		
Current liabilities		
Accounts payable	\$3,613	\$4,853
Short-term borrowings and capital lease obligations	3,315	1,275
Income taxes	796	343
Other accrued liabilities	4,166	5,997
Liabilities related to assets held for sale	—	1,084
Total current liabilities	11,890	13,552
Long-term borrowings and capital lease obligations	10,765	10,465
Other liabilities	14,443	14,687
Deferred income taxes	896	856
Total liabilities	37,994	39,560
Commitments and contingent liabilities		
Stockholders' equity		
Preferred stock	237	237
Common stock, \$0.30 par value; 1,800,000,000 shares authorized; Issued at June 30, 2013 - 1,010,299,000; December 31, 2012 - 1,020,057,000	303	306
Additional paid-in capital	10,870	10,655
Reinvested earnings	17,156	14,383
Accumulated other comprehensive loss	(8,544)	(8,646)
Common stock held in treasury, at cost (87,041,000 shares at June 30, 2013 and December 31, 2012)	(6,727)	(6,727)
Total DuPont stockholders' equity	13,295	10,208
Noncontrolling interests	60	91
Total equity	13,355	10,299
Total	\$51,349	\$49,859

See Notes to the Consolidated Financial Statements beginning on page 7.

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E. I. du Pont de Nemours and Company
 Condensed Consolidated Statements of Cash Flows (Unaudited)
 (Dollars in millions)

	Six Months Ended June 30,		
	2013	2012	
Operating activities			
Net income	\$4,389	\$2,679	
Adjustments to reconcile net income to cash used for operating activities:			
Depreciation	644	702	
Amortization of intangible assets	193	198	
Other operating charges and credits - net	185	314	
Gain on sale of business	(2,682))—	
Contributions to pension plans	(176)	)(692)
Change in operating assets and liabilities - net	(5,184)	)(4,318)
Cash used for operating activities	(2,631)	)(1,117)
Investing activities			
Purchases of property, plant and equipment	(757)	)(696)
Investments in affiliates	(31)	)(14)
Proceeds from sale of business - net	4,815	—	
Proceeds from sales of assets - net	88	166	
Net (increase) decrease in short-term financial instruments	(99)	)388	
Forward exchange contract settlements	58	80	
Other investing activities - net	8	(7)
Cash provided by (used for) investing activities	4,082	(83)
Financing activities			
Dividends paid to stockholders	(823)	)(788)
Net increase in borrowings	2,369	2,406	
Repurchase of common stock	(1,000)	)(400)
Proceeds from exercise of stock options	384	406	
Payments for noncontrolling interest	—	(447)
Other financing activities - net	74	27	
Cash provided by financing activities	1,004	1,204	
Effect of exchange rate changes on cash	(149)	)(84)
Increase / (decrease) in cash and cash equivalents	\$2,306	\$(80)
Cash and cash equivalents at beginning of period	4,379	3,586	
Cash and cash equivalents at end of period	\$6,685	\$3,506	

See Notes to the Consolidated Financial Statements beginning on page 7.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Note 1. Summary of Significant Accounting Policies

Interim Financial Statements

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) for interim financial information and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair statement of the results for interim periods have been included. Results for interim periods should not be considered indicative of results for a full year. These interim Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements and Notes thereto contained in the company's Annual Report on Form 10-K for the year ended December 31, 2012, collectively referred to as the "2012 Annual Report". The Consolidated Financial Statements include the accounts of the company and all of its subsidiaries in which a controlling interest is maintained, as well as variable interest entities for which DuPont is the primary beneficiary.

Basis of Presentation

Certain reclassifications of prior year's data have been made to conform to current year's presentation, including separately stating cost of goods sold and other operating charges on the interim Consolidated Income Statements. In the third quarter 2012, the company signed a definitive agreement to sell its Performance Coatings business (which represented a reportable segment). In accordance with GAAP, the results of Performance Coatings are presented as discontinued operations and, as such, have been excluded from continuing operations and segment results for all periods presented. The sum of the individual earnings per share amounts from continuing and discontinued operations may not equal the total company earnings per share amounts due to rounding. The assets and liabilities of Performance Coatings at December 31, 2012 are presented as held for sale in the Condensed Consolidated Balance Sheet. The cash flows and comprehensive income related to Performance Coatings have not been segregated and are included in the Condensed Consolidated Statements of Cash Flows and Comprehensive Income, respectively, for all periods presented. Amounts related to Performance Coatings are consistently included in or excluded from the Notes to the interim Consolidated Financial Statements based on the financial statement line item and period of each disclosure. See Note 2 for additional information.

Change in Accounting Policy

Effective January 1, 2013, the company changed its method of valuing inventory held at a majority of its foreign and certain United States locations from the last-in, first-out (LIFO) method to the average cost method. The company believes that the average cost method is preferable to the LIFO method as it more clearly aligns with how the company actually manages its inventory and will improve financial reporting by better matching revenues and expenses. In addition, the change from LIFO to average cost will enhance the comparability of our financial results with our peer companies. As described in the guidance for accounting changes, the comparative interim Consolidated Financial Statements of prior periods are adjusted to apply the new accounting method retrospectively.

The following line items within the interim Consolidated Income Statements were affected by the change in accounting policy:

	Three Months Ended			Six Months Ended		
	June 30, 2013			June 30, 2013		
	As reported	As reported under LIFO	Change: (Decrease)/Increase	As reported	As reported under LIFO	Change: (Decrease)/Increase
Cost of goods sold	\$6,057	\$6,067	\$ (10)	\$12,250	\$12,271	\$ (21)
	1,365	1,355	10	3,139	3,118	21

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Income from continuing operations before income taxes						
Provision for income taxes on continuing operations	335	332	3	722	716	6
Income from continuing operations after income taxes	1,030	1,023	7	2,417	2,402	15
Income from discontinued operations after income taxes	4	4	—	1,972	1,972	—
Net income	\$ 1,034	\$ 1,027	\$ 7	\$ 4,389	\$ 4,374	\$ 15

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Basic and diluted earnings per share from continuing operations increased by \$0.01 and \$0.02 for the three and six months ended June 30, 2013, respectively, as a result of the above accounting policy change.

	Three Months Ended June 30, 2012			Six Months Ended June 30, 2012		
	As reported	As reported under LIFO	Change: (Decrease)/Increase	As reported	As reported under LIFO	Change: (Decrease)/Increase
Cost of goods sold	\$5,844	\$5,830	\$ 14	\$11,779	\$11,771	\$ 8
Income from continuing operations before income taxes	1,496	1,510	(14)	3,297	3,305	(8)
Provision for income taxes on continuing operations	397	400	(3)	789	792	(3)
Income from continuing operations after income taxes	1,099	1,110	(11)	2,508	2,513	(5)
Income from discontinued operations after income taxes	76	78	(2)	171	175	(4)
Net income	\$1,175	\$1,188	\$ (13)	\$2,679	\$2,688	\$ (9)

Basic and diluted earnings per share from continuing operations decreased by \$0.01 for the three and six months ended June 30, 2012, as a result of the above accounting policy change.

Inventory and Stockholder's Equity increased by \$143 and \$120, respectively, as of January 1, 2012, as a result of the above accounting policy change.

There was no impact on cash used by operating activities as a result of the above change.

Note 2. Discontinued Operations

In February 2013, the company sold its Performance Coatings business to Flash Bermuda Co. Ltd., a Bermuda exempted limited liability company formed by affiliates of The Carlyle Group (collectively referred to as "Carlyle"). The sale resulted in a pre-tax gain of \$2,682 (\$1,943 net of tax). The gain was recorded in income from discontinued operations after income taxes in the company's interim Consolidated Income Statements for the six-months ended June 30, 2013.

The results of discontinued operations are summarized below:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Net sales	\$—	\$1,089	\$331	\$2,139
(Loss) income before income taxes	\$(2	)\$124	\$2,713	\$268
(Benefit from) provision for income taxes	(6)48	741	97
Income from discontinued operations after income taxes	\$4	\$76	\$1,972	\$171

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

The key components of the assets and liabilities classified as held for sale at December 31, 2012 related to Performance Coatings consisted of the following:

	December 31, 2012
Cash and cash equivalents	\$95
Accounts and notes receivable, net	783
Inventories	488
Prepaid expenses	6
Deferred income taxes - current	32
Property, plant and equipment, net of accumulated depreciation	749
Goodwill	808
Other intangible assets	67
Deferred income taxes - noncurrent	14
Other assets - noncurrent	34
Total assets held for sale	\$3,076
Accounts payable	\$408
Income taxes	17
Other accrued liabilities	237
Other liabilities - noncurrent	388
Deferred income taxes - noncurrent	34
Total liabilities related to assets held for sale	\$1,084

Note 3. Employee Separation /Asset Related Charges, Net

At June 30, 2013, total liabilities relating to the 2012 restructuring program were \$112. A complete discussion of restructuring initiatives is included in the company's 2012 Annual Report in Note 3, "Employee Separation/Asset Related Charges, Net".

Account balances for the 2012 restructuring program are summarized below:

	Employee Separation Costs	Other Non-Personnel Charges ¹	Total
Balance at December 31, 2012	\$154	\$ 7	\$161
Payments	(44	)(3	)(47
Net translation adjustment	(2	)—	(2
Balance as of June 30, 2013	\$108	\$ 4	\$112

¹ Other non-personnel charges consist of contractual obligation costs.

The company expects this plan and all related payments to be substantially complete by December 31, 2013.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Note 4. Other Income, Net

	Three Months Ended		Six Months Ended		
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012	
Cozaar [®] /Hyzaar [®] income	\$ 12	\$ 14	\$ 14	\$ 39	
Royalty income	50	22	87	62	
Interest income	45	37	72	60	
Equity in (loss) earnings of affiliates, excluding exchange gains/losses	(7	) 21	(14	) 31
Gain on sale of equity method investment	9	122	9	122	
Net gain on sales of other assets	5	5	10	10	
Net exchange gains (losses) ¹	35	50	46	(31)
Miscellaneous income and expenses, net ²	10	20	27	12	
Other income, net	\$ 159	\$ 291	\$ 251	\$ 305	

The company routinely uses foreign currency exchange contracts to offset its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities. The objective of this program is to maintain an approximately balanced position in foreign currencies in order to minimize, on an after-tax basis, the effects of exchange rate changes on net monetary asset positions. The net pre-tax exchange gains (losses) are recorded in other income, net and the related tax impact is recorded in provision for income taxes on continuing operations on the interim Consolidated Income Statements. The \$35 and \$46 net exchange gain for the three and six months ended June 30, 2013, includes a \$3 exchange gain and a \$(33) exchange (loss), respectively, associated with the devaluation of the Venezuelan bolivar.

² Miscellaneous income and expenses, net, generally includes interest items, insurance recoveries, litigation settlements and other items.

Note 5. Income Taxes

In the second quarter 2013, the company recorded a tax provision on continuing operations of \$335, including \$16 of tax expense primarily associated with the company's policy of hedging the foreign currency-denominated monetary assets and liabilities of its operations. Included in the provision was \$49 of tax expense related to a change in accrual for a prior year tax position and a \$33 tax benefit related to an enacted foreign tax law change.

Year-to-date 2013, the company recorded a tax provision on continuing operations of \$722, including \$50 of tax expense primarily associated with the company's policy of hedging the foreign currency-denominated monetary assets and liabilities of its operations. Included in the provision were the second quarter 2013 items noted above and a \$68 tax benefit derived from the 2013 extension of certain U.S. business tax provisions offset by \$26 of tax expense related to the global distribution of the proceeds from the sale of the Performance Coatings business.

In the second quarter 2012, the company recorded a tax provision on continuing operations of \$397, including \$60 of tax expense primarily associated with the company's policy of hedging the foreign currency-denominated monetary assets and liabilities of its operations.

Year-to-date 2012, the company recorded a tax provision on continuing operations of \$789, including \$23 of tax expense primarily associated with the company's policy of hedging the foreign currency-denominated monetary assets and liabilities of its operations.

Each year the company files hundreds of tax returns in the various national, state and local income taxing jurisdictions in which it operates. These tax returns are subject to examination and possible challenge by the taxing authorities. Positions challenged by the taxing authorities may be settled or appealed by the company. As a result, there is an uncertainty in income taxes recognized in the company's financial statements in accordance with accounting for income taxes and accounting for uncertainty in income taxes. It is reasonably possible that changes to the company's global unrecognized tax benefits could be significant, however, due to the uncertainty regarding the timing of completion of audits and possible outcomes, a current estimate of the range of increases or decreases that may occur within the next twelve months cannot be made.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Note 6. Earnings Per Share of Common Stock

Set forth below is a reconciliation of the numerator and denominator for basic and diluted earnings per share calculations for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Numerator:				
Income from continuing operations after income taxes attributable to DuPont	\$ 1,026	\$ 1,090	\$ 2,406	\$ 2,487
Preferred dividends	(2	)(2	)(5	)(5
Income from continuing operations after income taxes available to DuPont common stockholders	\$ 1,024	\$ 1,088	\$ 2,401	\$ 2,482
Income from discontinued operations after income taxes	\$ 4	\$ 76	\$ 1,972	\$ 171
Net income available to common stockholders	\$ 1,028	\$ 1,164	\$ 4,373	\$ 2,653
Denominator:				
Weighted-average number of common shares outstanding - Basic	922,684,000	934,057,000	925,500,000	933,982,000
Dilutive effect of the company's employee compensation plans	6,796,000	8,775,000	6,811,000	9,551,000
Weighted-average number of common shares outstanding - Diluted	929,480,000	942,832,000	932,311,000	943,533,000

The following average number of stock options were antidilutive, and therefore, were not included in the diluted earnings per share calculations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Average number of stock options	—	12,750,000	5,192,000	11,737,000

The change in the average number of stock options that were antidilutive in the three and six months ended June 30, 2013 compared to the same period last year was primarily due to changes in the company's average stock price.

Note 7. Inventories

	June 30, 2013	December 31, 2012
Finished products	\$ 3,841	\$ 4,449
Semifinished products	1,828	2,407
Raw materials, stores and supplies	1,315	1,313
	6,984	8,169
Adjustment of inventories to a last-in, first-out (LIFO) basis	(611)(604
Total	\$ 6,373	\$ 7,565

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Note 8. Goodwill and Other Intangible Assets

There were no significant changes in goodwill for the six months ended June 30, 2013.

The gross carrying amounts and accumulated amortization of other intangible assets by major class are as follows:

	June 30, 2013			December 31, 2012		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Intangible assets subject to amortization (Definite-lived):						
Customer lists	\$1,816	\$(370)	)\$1,446	\$1,847	\$(330)	)\$1,517
Patents	523	(149)	)374	525	(127)	)398
Purchased and licensed technology	1,939	(1,121)	)818	1,929	(1,016)	)913
Trademarks	57	(30)	)27	57	(29)	)28
Other ¹	213	(103)	)110	206	(98)	)108
	4,548	(1,773)	)2,775	4,564	(1,600)	)2,964
Intangible assets not subject to amortization(Indefinite-lived):						
In-process research and development	52	—	52	62	—	62
Microbial cell factories ²	306	—	306	306	—	306
Pioneer germplasm ³	975	—	975	975	—	975
Trademarks/tradenames	834	—	834	819	—	819
	2,167	—	2,167	2,162	—	2,162
Total	\$6,715	\$(1,773)	)\$4,942	\$6,726	\$(1,600)	)\$5,126

¹ Primarily consists of sales and grower networks, marketing and manufacturing alliances and noncompetition agreements.

² Microbial cell factories, derived from natural microbes, are used to sustainably produce enzymes, peptides and chemicals using natural metabolic processes. The company recognized the microbial cell factories as an intangible asset upon the acquisition of Danisco. This intangible asset is expected to contribute to cash flows beyond the foreseeable future and there are no legal, regulatory, contractual, or other factors which limit its useful life.

³ Pioneer germplasm is the pool of genetic source material and body of knowledge gained from the development and delivery stage of plant breeding. The company recognized germplasm as an intangible asset upon the acquisition of Pioneer. This intangible asset is expected to contribute to cash flows beyond the foreseeable future and there are no legal, regulatory, contractual, or other factors which limit its useful life.

The aggregate pre-tax amortization expense from continuing operations for definite-lived intangible assets was \$87 and \$193 for the three and six months ended June 30, 2013, respectively, and \$85 and \$184 for the three and six months ended June 30, 2012, respectively. The estimated aggregate pre-tax amortization expense from continuing operations for the remainder of 2013 and each of the next five years is approximately \$110, \$335, \$353, \$306, \$174 and \$169, respectively, which are primarily reported in cost of goods sold.

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Note 9. Commitments and Contingent Liabilities

Guarantees

Indemnifications

In connection with acquisitions and divestitures, the company has indemnified respective parties against certain liabilities that may arise in connection with these transactions and business activities prior to the completion of the transaction. The term of these indemnifications, which typically pertain to environmental, tax and product liabilities, is generally indefinite. In addition, the company indemnifies its duly elected or appointed directors and officers to the fullest extent permitted by Delaware law, against liabilities incurred as a result of their activities for the company, such as adverse judgments relating to litigation matters. If the indemnified party were to incur a liability or have a liability increase as a result of a successful claim, pursuant to the terms of the indemnification, the company would be required to reimburse the indemnified party. The maximum amount of potential future payments is generally unlimited. The carrying amounts recorded for all indemnifications was \$34 and \$31 as of June 30, 2013 and December 31, 2012, respectively.

Obligations for Equity Affiliates & Others

The company has directly guaranteed various debt obligations under agreements with third parties related to equity affiliates, customers and suppliers. At June 30, 2013 and December 31, 2012, the company had directly guaranteed \$499 and \$535, respectively, of such obligations. These amounts represent the maximum potential amount of future (undiscounted) payments that the company could be required to make under the guarantees. The company would be required to perform on these guarantees in the event of default by the guaranteed party.

The company assesses the payment/performance risk by assigning default rates based on the duration of the guarantees. These default rates are assigned based on the external credit rating of the counterparty or through internal credit analysis and historical default history for counterparties that do not have published credit ratings. For counterparties without an external rating or available credit history, a cumulative average default rate is used.

In certain cases, the company has recourse to assets held as collateral, as well as personal guarantees from customers and suppliers. Assuming liquidation, these assets are estimated to cover approximately 48 percent of the \$316 of guaranteed obligations of customers and suppliers. Set forth below are the company's guaranteed obligations at June 30, 2013:

	Short-Term	Long-Term	Total
Obligations for customers and suppliers ¹ :			
Bank borrowings (terms up to 8 years)	\$174	\$141	\$315
Leases on equipment and facilities (terms up to 4 years)	—	1	1
Obligations for equity affiliates ² :			
Bank borrowings (terms up to 2 years)	182	1	183
Total	\$356	\$143	\$499

¹ Existing guarantees for customers and suppliers arose as part of contractual agreements.

² Existing guarantees for equity affiliates arose for liquidity needs in normal operations.

Imprelis®

The company has received claims and been served with multiple lawsuits alleging that the use of Imprelis® herbicide caused damage to certain trees. Sales of Imprelis® were suspended in August 2011 and the product was last applied during the 2011 spring application season. The lawsuits seeking class action status have been consolidated in multidistrict litigation in federal court in Philadelphia, Pennsylvania.

In February 2013, the court granted preliminary approval of a class action settlement. The settlement incorporates the company's existing claims process and provides certain additional relief. The proposed settlement class includes affected property owners and lawn care companies who do not "opt out" of the settlement. As part of the settlement, DuPont will pay about \$7 in plaintiffs' attorney fees and expenses. In addition, DuPont is providing a warranty against new damage, if any, caused by the use of Imprelis® on class members' properties through May 2015. The settlement notification process began on March 25, 2013 and ended on June 28, 2013 which was also the last day to "opt out" of the settlement or file a new claim. DuPont will not exercise its right to cancel the settlement based on the number of opt-outs. The court has scheduled the final approval hearing on September 27, 2013. In addition, about 115 individual actions encompassing about 385 claims for property damage have been filed in state court in various jurisdictions. DuPont has removed most of these cases to federal court in Philadelphia, Pennsylvania. Once removed to federal court, the individual actions are stayed through September 2013.

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The company has established review processes to verify and evaluate damage claims. There are several variables that impact the evaluation process including the number of trees on a property, the species of tree with reported damage, the height of the tree, the extent of damage and the possibility for trees to naturally recover over time. Upon receiving claims, DuPont verifies their accuracy and validity which often requires physical review of the property.

At June 30, 2013, DuPont had recorded charges of \$865 to resolve these claims, which included charges of \$80 and \$115 recorded during the three and six months ended June 30, 2013, respectively. The company currently estimates that total charges could be about \$900; however, there is a high degree of uncertainty. Predicting the impact of Imprelis® on living organisms and how those organisms may react over time as well as variability regarding the extended warranty period under the class action settlement are significant factors driving the uncertainty of future charges. Imprelis® was applied throughout the United States and the ability of any particular species of tree to naturally recover over time may be different depending on the property's geography and associated climate. The company has an applicable insurance program with a deductible equal to the first \$100 of costs and expenses. The insurance program limits are \$725 for costs and expenses in excess of the \$100. DuPont has submitted and will continue to submit requests for payment to its insurance carriers for costs associated with this matter. The process of seeking insurance recovery is ongoing and the timing and outcome are uncertain.

Litigation

The company is subject to various legal proceedings arising out of the normal course of its business including product liability, intellectual property, commercial, environmental and antitrust lawsuits. It is not possible to predict the outcome of these various proceedings. Except as otherwise noted, management does not anticipate their resolution will have a materially adverse effect on the company's consolidated financial position or liquidity. However, the ultimate liabilities could be significant to results of operations in the period recognized.

PFOA

DuPont used PFOA (collectively, perfluorooctanoic acids and its salts, including the ammonium salt), as a processing aid to manufacture some fluoropolymer resins at various sites around the world including its Washington Works plant in West Virginia. At June 30, 2013, DuPont has accruals of \$15 related to the PFOA matters discussed below.

The accrual includes charges related to DuPont's obligations under agreements with the U.S. Environmental Protection Agency and voluntary commitments to the New Jersey Department of Environmental Protection. These obligations include surveying, sampling and testing drinking water in and around certain company sites and offering treatment or an alternative supply of drinking water if tests indicate the presence of PFOA in drinking water at or greater than the national Provisional Health Advisory.

Drinking Water Actions

In August 2001, a class action, captioned Leach v DuPont, was filed in West Virginia state court alleging that residents living near the Washington Works facility had suffered, or may suffer, deleterious health effects from exposure to PFOA in drinking water.

DuPont and attorneys for the class reached a settlement in 2004 that binds about 80,000 residents. In 2005, DuPont paid the plaintiffs' attorneys' fees and expenses of \$23 and made a payment of \$70, which class counsel designated to fund a community health project. The company funded a series of health studies which were completed in October 2012 by an independent science panel of experts (the "C8 Science Panel"). The studies were conducted in communities exposed to PFOA to evaluate available scientific evidence on whether any probable link exists, as defined in the settlement agreement, between exposure to PFOA and human disease.

The C8 Science Panel found probable links, as defined in the settlement agreement, between exposure to PFOA and pregnancy-induced hypertension, including preeclampsia; kidney cancer; testicular cancer; thyroid disease; ulcerative colitis; and diagnosed high cholesterol.

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In May 2013, a panel of three independent medical doctors released its initial recommendations for screening and diagnostic testing of eligible class members. The medical panel is expected to address monitoring and may make additional recommendations in a subsequent report. The medical panel has not communicated its anticipated schedule for completion. The company is obligated to fund up to \$235 for a medical monitoring program for eligible class members. In January 2012, the company put \$1 in an escrow account to fund medical monitoring as required by the settlement agreement. The court has appointed a Medical Monitoring Director to implement the medical panel's recommendations who is in the process of setting up a program. Testing has not yet begun and no money has been disbursed from the fund. While it is probable that the company will incur losses related to funding the medical monitoring program, such losses cannot be reasonably estimated due to uncertainties surrounding implementation.

In addition, the company must continue to provide water treatment designed to reduce the level of PFOA in water to six area water districts, including the Little Hocking Water Association (LHWA), and private well users.

Additional Actions

An Ohio action brought by the LHWA is ongoing. In addition to general claims of PFOA contamination of drinking water, the action claims "imminent and substantial endangerment to health and or the environment" under the Resource Conservation and Recovery Act (RCRA). DuPont denies these claims and is defending itself vigorously.

Class members may pursue personal injury claims against DuPont only for those human diseases for which the C8 Science Panel determined a probable link exists. At June 30, 2013, 44 lawsuits alleging personal injury and 2 lawsuits alleging wrongful death from exposure to PFOA in drinking water are pending in federal court in Ohio and West Virginia. This is an increase in pending cases of 2 and 20 over the first quarter 2013 and year end 2012, respectively. These cases have been consolidated for discovery purposes in multi-district litigation in Ohio federal court. DuPont denies the allegations in these lawsuits and is defending itself vigorously.

While DuPont believes that it is reasonably possible that it could incur losses related to these additional actions, a range of such losses, if any, cannot be reasonably estimated at this time.

Monsanto Patent Dispute

On August 1, 2012, a St. Louis, Missouri jury awarded \$1,000 in damages to Monsanto on its claims that the company willfully infringed Monsanto's RE 39,247 patent directed to Roundup® Ready® 1 glyphosate herbicide tolerance soybean seed technology.

Monsanto alleged that by combining Pioneer's Optimum® GAT® trait with Monsanto's patented Roundup® Ready® trait, Pioneer violated its 2002 Amended and Restated Roundup® Ready® Soybean License Agreement and, in doing so, infringed Monsanto's RE 39,247 patent. The company has never sold soybeans containing a combination of the Optimum® GAT® and Roundup® Ready® traits and discontinued in 2011 its commercialization efforts for such soybeans.

In March 2013, Pioneer and Monsanto entered into technology license agreements. As part of those agreements, the company received, among other things, a non-exclusive royalty bearing license in the United States and Canada for Monsanto's Genuity® Roundup Ready 2 Yield® glyphosate tolerance trait and its dicamba tolerance trait for soybeans, post-patent regulatory access and maintenance support for Roundup Ready® 1 glyphosate tolerance trait for soybeans, Genuity® Roundup Ready 2 glyphosate tolerance trait for corn and YieldGard® corn borer insect resistance trait. The agreements require the company to make a series of up-front and variable payments subject to Monsanto delivering enabling soybean genetic material. Total annual fixed royalty payments of \$802 contemplated under the arrangement for trait technology, associated data and soybean lines to support commercial introduction are expected to come due in

years 2014 - 2017. Additionally, beginning in 2018, DuPont will pay royalties on a per unit basis related to the Genuity® Roundup Ready 2 Yield® and dicamba tolerance traits for the life of the license, subject to annual minimum payments through 2023 totaling \$950.

In a separate agreement, the company agreed to dismiss with prejudice its antitrust claims against Monsanto in exchange for a dismissal with prejudice of Monsanto's patent infringement claims and the related damages verdict. Accordingly, as of the first quarter 2013 this matter was resolved, but for the court-ordered sanctions against the company for "fraud against the court." The court unsealed the order in November 2012. The parties agreed to present the sanctions and related rulings for immediate appeal and those matters are presently on appeal.

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Titanium Dioxide Antitrust Litigation

In February 2010, two suits were filed in Maryland federal district court alleging conspiracy among DuPont, Huntsman International LLC, Kronos Worldwide Inc., Millenium Inorganics Chemicals Inc. and others to fix prices of titanium dioxide sold in the U.S. between March 2002 and the present. The cases were subsequently consolidated and in August 2012, the court certified a class consisting of U.S. customers that have directly purchased titanium dioxide since February 1, 2003. The class seeks injunctive relief and to recover alleged overcharges and treble damages plus attorneys' fees and costs. Jury trial is scheduled to begin September 9, 2013.

The company believes this case is without merit and expects to prevail. Given the inherent uncertainties in litigation, it is reasonably possible that the company could incur losses related to this matter. A range of loss, if any, cannot be reasonably estimated at this time.

Environmental

The company is also subject to contingencies pursuant to environmental laws and regulations that in the future may require the company to take further action to correct the effects on the environment of prior disposal practices or releases of chemical or petroleum substances by the company or other parties. The company accrues for environmental remediation activities consistent with the policy as described in the company's 2012 Annual Report in Note 1, "Summary of Significant Accounting Policies." Much of this liability results from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, often referred to as Superfund), RCRA and similar state and global laws. These laws require the company to undertake certain investigative, remediation and restoration activities at sites where the company conducts or once conducted operations or at sites where company-generated waste was disposed. The accrual also includes estimated costs related to a number of sites identified by the company for which it is probable that environmental remediation will be required, but which are not currently the subject of enforcement activities.

Remediation activities vary substantially in duration and cost from site to site. These activities, and their associated costs, depend on the mix of unique site characteristics, evolving remediation technologies, diverse regulatory agencies and enforcement policies, as well as the presence or absence of potentially responsible parties. At June 30, 2013, the Condensed Consolidated Balance Sheet included a liability of \$436, relating to these matters and, in management's opinion, is appropriate based on existing facts and circumstances. The average time frame over which the accrued or presently unrecognized amounts may be paid, based on past history, is estimated to be 15-20 years. Considerable uncertainty exists with respect to these costs and, under adverse changes in circumstances, potential liability may range up to three times the amount accrued as of June 30, 2013.

Note 10. Stockholders' Equity

Share Repurchase Program

In December 2012, the company's Board of Directors authorized a \$1,000 share buyback plan. In February 2013, the company entered into an accelerated share repurchase (ASR) agreement with a financial institution under which the company used \$1,000 of the proceeds from the sale of Performance Coatings for the purchase of shares of common stock. The 2012 \$1,000 share buyback plan was completed in the second quarter 2013 through the ASR agreement, under which the company purchased and retired 20.4 million shares as of June 30, 2013.

During the six months ended June 30, 2012, the company paid \$400 for the purchase and receipt of shares of common stock. During 2012, the company purchased and retired 7.8 million shares in connection with this agreement. These purchases completed the 2001 \$2,000 share buyback plan and began purchases under the 2011 \$2,000 share buyback plan authorized by the company's Board of Directors in April 2011. Under the completed 2001 plan, the company purchased a total of 42.0 million shares. Under the 2011 plan, the company has purchased 5.5 million shares at a total cost of \$284 as of June 30, 2013. There is no required completion date for the purchases under the 2011 plan.

Noncontrolling Interest

In May 2012, the company completed the acquisition of the remaining 28 percent interest in the Solae, LLC joint venture from Bunge Limited for \$447. As the purchase of the remaining interest did not result in a change of control, the difference between the carrying value of the noncontrolling interest of \$378 and the consideration paid, net of taxes of \$78, was recorded as a \$9 increase to additional paid-in capital.

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Other Comprehensive Income

A summary of the changes in other comprehensive income for the three and six months ended June 30, 2013 and 2012 is provided as follows:

	Three Months Ended		Three Months Ended		Affected Line Item in Consolidated Income Statements ¹		
	June 30, 2013		June 30, 2012				
	Pre-Tax	Tax	Pre-Tax	Tax			
Cumulative translation adjustment	\$(14)	\$—	\$(14)	\$(412)	\$—	\$ (412)	
Net revaluation and clearance of cash flow hedges to earnings:							
Additions and revaluations of derivatives designated as cash flow hedges	(8)	2	(6)	38	(15)	23	See (2) below
Clearance of hedge results to earnings:							
Foreign currency contracts	(7)	3	(4)	(3)	1	(2)	Net Sales
Commodity contracts	(11)	4	(7)	(20)	9	(11)	Cost of goods sold
Net revaluation and clearance of cash flow hedges to earnings	(26)	9	(17)	15	(5)	10	
Pension benefit plans:							
Net gain	—	—	—	4	7	11	See (2) below
Prior service cost	—	—	—	—	(1)	(1)	See (2) below
Reclassifications to net income:							
Amortization of prior service cost	3	(1)	2	3	(1)	2	See (3) below
Amortization of loss	239	(82)	157	220	(77)	143	See (3) below
Pension benefit plans, net	242	(83)	159	227	(72)	155	
Other benefit plans:							
Net gain	28	(9)	19	—	—	—	See (2) below
Reclassifications to net income:							
Amortization of prior service benefit	(46)	17	(29)	(30)	9	(21)	See (3) below
Amortization of (gain) loss	(2)	—	(2)	22	(7)	15	See (3) below
Other benefit plans, net	(20)	8	(12)	(8)	2	(6)	
Net unrealized gain on securities	3	(1)	2	1	(1)	—	
Other comprehensive income (loss)	\$185	\$(67)	\$118	\$(177)	\$(76)	\$(253)	

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	Six Months Ended		Six Months Ended		Affected Line Item in Consolidated Income Statements ¹		
	June 30, 2013		June 30, 2012				
	Pre-Tax	Tax	Pre-Tax	Tax			
Cumulative translation adjustment	\$(223)	\$—	\$ (223)	\$(242)	\$—	\$ (242)	
Net revaluation and clearance of cash flow hedges to earnings:							
Additions and revaluations of derivatives designated as cash flow hedges	(24 )	)9	(15 )	)36	(15 )	)21	See (2) below
Clearance of hedge results to earnings:							
Foreign currency contracts	(3 )	)1	(2 )	)6	(4 )	)2	Net Sales
Commodity contracts	(25 )	)10	(15 )	)49	(21 )	)28	Cost of goods sold
Net revaluation and clearance of cash flow hedges to earnings	(52 )	)20	(32 )	)19	)8	(11)	
Pension benefit plans:							
Net gain (loss)	56	(14 )	)42	(19 )	)10	(9)	See (2) below
Prior service benefit	—	—	—	22	(8 )	)14	See (2) below
Reclassifications to net income:							
Amortization of prior service cost	6	(2 )	)4	7	(2 )	)5	See (3) below
Amortization of loss	480	(164 )	)316	439	(152 )	)287	See (3) below
Curtailment loss	1	—	1	—	—	—	See (3) below
Settlement loss	152	(45 )	)107	—	—	—	See (3) below
Pension benefit plans, net	695	(225 )	)470	449	(152 )	)297	
Other benefit plans:							
Net gain	45	(15 )	)30	—	—	—	See (2) below
Reclassifications to net income:							
Amortization of prior service benefit	(94 )	)34	(60 )	)60	)20	(40)	See (3) below
Amortization of loss	25	(9 )	)16	44	(15 )	)29	See (3) below
Curtailment gain	(154 )	)54	(100)	—	—	—	See (3) below
Settlement loss	1	—	1	—	—	—	See (3) below
Other benefit plans, net	(177 )	)64	(113)	(16 )	)5	(11)	
Net unrealized gain on securities	1	(1 )	)—	2	(1 )	)1	
Other comprehensive income	\$244	\$(142 )	)\$ 102	\$ 174	\$(140 )	)\$ 34	

¹ Represents the income statement line item within the interim Consolidated Income Statement affected by the pre-tax reclassification out of other comprehensive income (loss).

² These amounts represent changes in accumulated other comprehensive income excluding changes due to reclassifying amounts to the interim Consolidated Income Statements.

³ These accumulated other comprehensive income components are included in the computation of net periodic benefit cost of the company's pension and other long-term employee benefit plans. See Note 12 for additional information.

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The changes and after-tax balances of components comprising accumulated other comprehensive income (loss) are summarized below:

	Cumulative Translation Adjustment	Net Revaluation and Clearance of Cash Flow Hedges to Earnings	Pension Benefit Plans	Other Benefit Plans	Unrealized Gain (Loss) on Securities	Total
2013						
Balance January 1, 2013	\$(167	)\$3	\$(8,686	)\$202	\$2	\$(8,646)
Other comprehensive income before reclassifications	(223	) (15	) 42	30	1	(165)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(17	) 428	(143	) (1	) 267
Balance June 30, 2013	\$(390	) \$(29	) \$(8,216	) \$89	\$2	\$(8,544)

	Cumulative Translation Adjustment	Net Revaluation and Clearance of Cash Flow Hedges to Earnings	Pension Benefit Plans	Other Benefit Plans	Unrealized Gain on Securities	Total
2012						
Balance January 1, 2012	\$(244	) \$41	\$(8,276	) \$(274	) \$3	\$(8,750)
Other comprehensive income before reclassifications	(242	) 20	(20	) (1	) —	(243)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(32	) 292	(11	) 1	250
Balance June 30, 2012	\$(486	) \$29	\$(8,004	) \$(286	) \$4	\$(8,743)

Note 11. Financial Instruments

Debt

The estimated fair value of the company's total debt including interest rate financial instruments was determined using level 2 inputs within the fair value hierarchy, as described in the company's 2012 Annual Report in Note 1, "Summary of Significant Accounting Policies." Based on quoted market prices for the same or similar issues or on current rates offered to the company for debt of the same remaining maturities, the fair value of the company's debt was approximately \$14,750 and \$13,015 as of June 30, 2013 and December 31, 2012, respectively. The increase was primarily due to the issuance in the first quarter 2013 of \$1,250 of 2.80% Notes due February 15, 2023 and \$750 of 4.15% Notes due February 15, 2043 and an increase in short-term borrowings, partially offset by debt maturities and a decrease in the fair value due to changes in market interest rates during the six months ended June 30, 2013.

Cash Equivalents

The fair value of cash equivalents approximates its stated value. The estimated fair value of the company's cash equivalents was determined using level 1 and level 2 inputs within the fair value hierarchy, as described in the

company's 2012 Annual Report in Note 1, "Summary of Significant Accounting Policies." Level 1 measurements are based on quoted market prices and level 2 measurements are based on current interest rates for similar instruments with comparable credit risk and time to maturity. The company held \$1,334 and \$0 of money market funds (level 1 measurements) as of June 30, 2013 and December 31, 2012, respectively. The company held \$3,467 and \$2,026 of other cash equivalents (level 2 measurements) as of June 30, 2013 and December 31, 2012, respectively.

Derivative Instruments

Objectives and Strategies for Holding Derivative Instruments

In the ordinary course of business, the company enters into contractual arrangements (derivatives) to reduce its exposure to foreign currency, interest rate and commodity price risks. The company has established a variety of derivative programs to be utilized for financial risk management. These programs reflect varying levels of exposure coverage and time horizons based on an assessment of risk.

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Derivative programs have procedures and controls and are approved by the Corporate Financial Risk Management Committee, consistent with the company's financial risk management policies and guidelines. Derivative instruments used are forwards, options, futures and swaps. The company has not designated any nonderivatives as hedging instruments.

The company's financial risk management procedures also address counterparty credit approval, limits and routine exposure monitoring and reporting. The counterparties to these contractual arrangements are major financial institutions and major commodity exchanges. The company is exposed to credit loss in the event of nonperformance by these counterparties. The company utilizes collateral support annex agreements with certain counterparties to limit its exposure to credit losses. The company's derivative assets and liabilities are reported on a gross basis in the Condensed Consolidated Balance Sheets. The company anticipates performance by counterparties to these contracts and therefore no material loss is expected. Market and counterparty credit risks associated with these instruments are regularly reported to management.

The notional amounts of the company's derivative instruments were as follows:

	June 30, 2013	December 31, 2012
Derivatives designated as hedging instruments:		
Interest rate swaps	\$1,000	\$1,000
Foreign currency contracts	651	1,083
Commodity contracts	348	753
Derivatives not designated as hedging instruments:		
Foreign currency contracts	9,565	6,733
Commodity contracts	136	242

Foreign Currency Risk

The company's objective in managing exposure to foreign currency fluctuations is to reduce earnings and cash flow volatility associated with foreign currency rate changes. Accordingly, the company enters into various contracts that change in value as foreign exchange rates change to protect the value of its existing foreign currency-denominated assets, liabilities, commitments and cash flows.

The company routinely uses forward exchange contracts to offset its net exposures, by currency, related to the foreign currency-denominated monetary assets and liabilities of its operations. The primary business objective of this hedging program is to maintain an approximately balanced position in foreign currencies so that exchange gains and losses resulting from exchange rate changes, net of related tax effects, are minimized. The company also uses foreign currency exchange contracts to offset a portion of the company's exposure to certain foreign currency-denominated revenues so that gains and losses on these contracts offset changes in the USD value of the related foreign currency-denominated revenues. The objective of the hedge program is to reduce earnings and cash flow volatility related to changes in foreign currency exchange rates.

Interest Rate Risk

The company uses interest rate swaps to manage the interest rate mix of the total debt portfolio and related overall cost of borrowing. Interest rate swaps involve the exchange of fixed for floating rate interest payments to effectively convert fixed rate debt into floating rate debt based on USD LIBOR. Interest rate swaps allow the company to achieve a target range of floating rate debt.

Commodity Price Risk

Commodity price risk management programs serve to reduce exposure to price fluctuations on purchases of inventory such as copper, corn, soybeans and soybean meal. The company enters into over-the-counter and exchange-traded derivative commodity instruments to hedge the commodity price risk associated with energy feedstock and agricultural commodity exposures.

Fair Value Hedges

Interest Rate Swaps

At June 30, 2013, the company maintained a number of interest rate swaps, which were implemented at the time debt instruments were issued. All interest rate swaps qualify for the shortcut method of hedge accounting, thus there is no ineffectiveness related to these hedges.

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Cash Flow Hedges

Foreign Currency Contracts

The company uses foreign currency exchange instruments such as forwards and options to offset a portion of the company's exposure to certain foreign currency-denominated revenues so that gains and losses on these contracts offset changes in the USD value of the related foreign currency-denominated revenues.

Commodity Contracts

The company enters into over-the-counter and exchange-traded derivative commodity instruments, including options, futures and swaps, to hedge the commodity price risk associated with energy feedstock and agriculture commodity exposures.

While each risk management program has a different time maturity period, most programs currently do not extend beyond the next two-year period. Cash flow hedge results are reclassified into earnings during the same period in which the related exposure impacts earnings. Reclassifications are made sooner if it appears that a forecasted transaction will not materialize. The following table summarizes the after-tax effect of cash flow hedges on accumulated other comprehensive income (loss) for the three and six months ended June 30, 2013 and 2012:

	Three Months Ended		Six Months Ended	
	June 30,	June 30,	June 30,	June 30,
	2013	2012	2013	2012
Beginning balance	\$(12)	\$18	\$3	\$41
Additions and revaluations of derivatives designated as cash flow hedges	(6 )	)24	(15 )	)20
Clearance of hedge results to earnings	(11 )	)13	)17	)32)
Ending balance	\$(29 )	)\$29	\$(29 )	)\$29

At June 30, 2013, the after-tax amount expected to be reclassified from accumulated other comprehensive income (loss) into earnings over the next 12 months is \$(24).

Derivatives not Designated in Hedging Relationships

Foreign Currency Contracts

The company routinely uses forward exchange contracts to reduce its net exposure, by currency, related to foreign currency-denominated monetary assets and liabilities of its operations so that exchange gains and losses resulting from exchange rate changes are minimized. The netting of such exposures precludes the use of hedge accounting; however, the required revaluation of the forward contracts and the associated foreign currency-denominated monetary assets and liabilities intends to achieve a minimal earnings impact, after taxes. Additionally, the company has cross-currency swaps to hedge foreign currency fluctuations on long-term intercompany loans.

In 2012, the company initiated a program to utilize forward exchange contracts to reduce the net exposure related to foreign currency-denominated monetary assets and liabilities of its discontinued operations.

Commodity Contracts

The company utilizes options, futures and swaps that are not designated as hedging instruments to reduce exposure to commodity price fluctuations on purchases of inventory such as corn, soybeans and soybean meal.

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Fair Values of Derivative Instruments

The table below presents the fair values of the company's derivative assets and liabilities within the fair value hierarchy, as described in the company's 2012 Annual Report in Note 1, "Summary of Significant Accounting Policies."

	Balance Sheet Location	Fair Value Using Level 2 Inputs	
		June 30, 2013	December 31, 2012
Asset derivatives:			
Derivatives designated as hedging instruments:			
Interest rate swaps ¹	Other assets	\$40	\$55
Foreign currency contracts	Accounts and notes receivable, net	8	7
		48	62
Derivatives not designated as hedging instruments:			
Foreign currency contracts ²	Accounts and notes receivable, net	176	88
Total asset derivatives ³		\$224	\$150
Cash collateral ^{1,2}	Other accrued liabilities	\$39	\$44
Liability derivatives:			
Derivatives designated as hedging instruments:			
Foreign currency contracts	Other accrued liabilities	\$1	\$10
Commodity contracts	Other accrued liabilities	2	—
		3	10
Derivatives not designated as hedging instruments:			
Foreign currency contracts	Other accrued liabilities	35	76
Commodity contracts	Other accrued liabilities	1	1
		36	77
Total liability derivatives ³		\$39	\$87

¹ Cash collateral held as of June 30, 2013 and December 31, 2012 represents \$20 and \$13, respectively, related to interest rate swap derivatives designated as hedging instruments.

² Cash collateral held as of June 30, 2013 and December 31, 2012 represents \$19 and \$31, respectively, related to foreign currency derivatives not designated as hedging instruments.

³ The company's derivative assets and liabilities subject to enforceable master netting arrangements totaled \$20 at June 30, 2013 and \$40 at December 31, 2012.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Effect of Derivative Instruments

Three Months Ended June 30,	Amount of Gain (Loss) Recognized in OCI ¹ (Effective Portion)		Amount of Gain (Loss) Recognized in Income ²		Income Statement Classification
	2013	2012	2013	2012	
Derivatives designated as hedging instruments:					
Fair value hedges:					
Interest rate swaps	\$—	\$—	\$(8	)\$(1	) Interest expense ³
Cash flow hedges:					
Foreign currency contracts	2	27	7	4	Net sales
Commodity contracts	(10	)12	11	19	Cost of goods sold
	(8	)39	10	22	
Derivatives not designated as hedging instruments:					
Foreign currency contracts	—	—	90	238	Other income, net ⁴
Commodity contracts	—	—	(14	)3	) Cost of goods sold
	—	—	76	235	
Total derivatives	\$(8	)\$39	\$86	\$257	
Six Months Ended June 30,					
Derivatives designated as hedging instruments:					
Fair value hedges:					
Interest rate swaps	\$—	\$—	\$(15	)\$(4	) Interest expense ³
Cash flow hedges:					
Foreign currency contracts	16	17	3	7	Net sales
Commodity contracts	(40	)18	25	48	Cost of goods sold
	(24	)35	13	51	
Derivatives not designated as hedging instruments:					
Foreign currency contracts	—	—	196	110	Other income, net ⁴
Commodity contracts	—	—	(8	)14	) Cost of goods sold
	—	—	188	96	
Total derivatives	\$(24	)\$35	\$201	\$147	

¹ OCI is defined as other comprehensive income (loss).² For cash flow hedges, this represents the effective portion of the gain (loss) reclassified from accumulated OCI into

income during the period. For the three and six months ended June 30, 2013 and 2012, there was no material ineffectiveness with regard to the company's cash flow hedges.

³ Gain (loss) recognized in income of derivative is offset to \$0 by gain (loss) recognized in income of the hedged item.

Gain (loss) recognized in other income, net, was partially offset by the related gain (loss) on the foreign
4 currency-denominated monetary assets and liabilities of the company's operations, which were \$(55) and \$(188) for
the three months ended June 30, 2013 and 2012, respectively, and \$(150) and \$(141) for the six months ended
June 30, 2013 and 2012, respectively.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Note 12. Long-Term Employee Benefits

Pension Plans

In February 2013, DuPont completed the sale of its Performance Coatings business. As a result of the sale, the company recorded settlement and curtailment charges of \$153. See Note 2 for additional information.

The following sets forth the components of the company's net periodic benefit cost for pensions:

	Three Months Ended		Six Months Ended		
	June 30,		June 30,		
	2013	2012	2013	2012	
Service cost	\$68	\$66	\$139	\$134	
Interest cost	271	295	544	592	
Expected return on plan assets	(378)(379)(760)(760)
Amortization of loss	239	220	480	439	
Amortization of prior service cost	3	3	6	7	
Curtailment loss	—	—	1	—	
Settlement loss	—	—	152	—	
Net periodic benefit cost	\$203	\$205	\$562	\$412	

Other Long-Term Employee Benefit Plans

In conjunction with the sale of the Performance Coating business as noted above, the company recorded a \$154 curtailment gain and a \$1 settlement charge. See Note 2 for additional information.

The following sets forth the components of the company's net periodic benefit cost for other long-term employee benefits:

	Three Months Ended		Six Months Ended		
	June 30,		June 30,		
	2013	2012	2013	2012	
Service cost	\$8	\$10	\$16	\$19	
Interest cost	33	48	66	96	
Amortization of (gain) loss	(2	)22	25	44
Amortization of prior service benefit	(46)(30)(94)(60)
Curtailment gain	—	—	(154)—	
Settlement loss	—	—	1	—	
Net periodic benefit cost	\$(7)\$50	\$(140)\$99	

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Dollars in millions, except per share)

Note 13. Segment Information

Effective January 1, 2013, to better indicate operating performance, the company eliminated the allocation of non-operating pension and other postretirement employee benefit costs from segment pre-tax operating income (loss) (PTOI). Segment PTOI is defined as income (loss) from continuing operations before income taxes excluding non-operating pension and other postretirement employee benefit costs, exchange gains (losses), corporate expenses and interest. Certain reclassifications of prior year data have been made to conform to current year classifications.

Three Months Ended June 30,	Agriculture	Electronics & Communications	Industrial & Biosciences	Nutrition & Health	Performance Chemicals	Performance Materials	Safety & Protection	Pharmaceuticals	Others	Total
2013										
Segment sales	\$ 3,631	\$ 653	\$ 304	\$ 865	\$ 1,782	\$ 1,670	\$ 1,017	\$ —	\$ 3	\$ 9,925
Less: Transfers	2	5	4	—	53	16	1	—	—	81
Net sales	3,629	648	300	865	1,729	1,654	1,016	—	3	9,844
PTOI	861	² 95	43	61	264	336	172	18	(73)	1,777
2012										
Segment sales	\$ 3,388	\$ 795	\$ 300	\$ 885	\$ 1,968	\$ 1,699	\$ 986	\$ —	\$ 1	\$ 10,022
Less: Transfers	2	5	2	—	69	24	3	—	—	105
Net sales	3,386	790	298	885	1,899	1,675	983	—	1	9,917
PTOI	682	² 221	³ 42	105	594	344	181	16	(224) ⁴	1,961
Six Months Ended June 30,										
2013										
Segment sales	\$ 8,300	\$ 1,269	\$ 593	\$ 1,733	\$ 3,367	\$ 3,229	\$ 1,924	\$ —	\$ 4	\$ 20,419
Less: Transfers	7	9	7	—	107	35	2	—	—	167
Net sales	8,293	1,260	586	1,733	3,260	3,194	1,922	—	4	20,252
PTOI	2,342	² 144	84	137	515	628	310	22	(164)	4,018
2012										
Segment sales	\$ 7,468	\$ 1,472	\$ 588	\$ 1,693	\$ 3,868	\$ 3,299	\$ 1,927	\$ —	\$ 2	\$ 20,317
Less: Transfers	4	9	5	—	146	50	6	—	—	220
Net sales	7,464	1,463	583	1,693	3,722	3,249	1,921	—	2	20,097
PTOI	1,970	² 280	³ 81	184	1,165	621	340	43	(300) ⁴	4,384

As of June 30, 2013, Agriculture net assets were \$9,207, an increase of \$4,451 from \$4,756 at December 31, 2012.

¹ The increase was primarily due to higher trade receivables due to normal seasonality in the sales and cash collections cycle.

Included charges of \$(80) and \$(115) during the three and six months ended June 30, 2013, respectively, and \$(265) and \$(315) during the three and six months ended June 30, 2012, respectively, recorded in other operating charges associated with the company's process to fairly resolve claims associated with the use of Imprelis[®]. See Note 9 for additional information.

³

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Included a \$122 gain recorded in other income, net related to the sale of the company's interest in an equity method investment.

⁴ Included a \$(137) charge recorded in other operating charges related to the company's settlement of litigation with INVISTA.

Reconciliation to Consolidated Income Statements

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Total segment PTOI	\$ 1,777	\$ 1,961	\$ 4,018	\$ 4,384
Non-operating pension and other postretirement employee benefit costs	(126)	(174)	(273)	(350)
Net exchange gains (losses), including affiliates	35	50	46	(31)
Corporate expenses	(206)	(224)	(420)	(475)
Interest expense	(115)	(117)	(232)	(231)
Income from continuing operations before income taxes	\$ 1,365	\$ 1,496	\$ 3,139	\$ 3,297

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Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statements About Forward-Looking Statements

This report contains forward-looking statements which may be identified by their use of words like "plans," "expects," "will," "anticipates," "believes," "intends," "projects," "estimates" or other words of similar meaning. All statements that address expectations or projections about the future, including statements about the company's strategy for growth, product development, regulatory approval, market position, anticipated benefits of recent acquisitions, outcome of contingencies, such as litigation and environmental matters, expenditures and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements also involve risks and uncertainties, many of which are beyond the company's control. Some of the important factors that could cause the company's actual results to differ materially from those projected in any such forward-looking statements are:

- Fluctuations in energy and raw material prices;
- Failure to develop and market new products and optimally manage product life cycles;
- Outcome of significant litigation and environmental matters, including those related to divested businesses;
- Failure to appropriately manage process safety and product stewardship issues;
- Effect of changes in tax, environmental and other laws and regulations or political conditions in the United States of America (U.S.) and other countries in which the company operates;
- Conditions in the global economy and global capital markets, including economic factors, such as inflation, deflation and fluctuations in currency exchange rates, interest rates and commodity prices, as well as regulatory requirements;
- Impact of business disruptions, including supply disruptions, and security threats, regardless of cause, including acts of sabotage, cyber-attacks, terrorism or war, weather events and natural disasters;
- Inability to protect and enforce the company's intellectual property rights; and
- Successful integration of acquired businesses and completion of divestitures of underperforming or non-strategic assets or businesses.

For additional information on these and other risks and factors that could affect our forward-looking statements, see Part II, Item 1A on page 37 of this report and the company's Risk Factors set forth under Part I, Item 1A of the company's 2012 Annual Report.

Recent Developments

Exploring Strategic Alternatives for the Performance Chemicals Segment

On July 23, 2013, DuPont announced that it is exploring strategic alternatives for its Performance Chemicals segment that may include a full or partial separation of each of these businesses from the company through a spin-off, sale or other transaction. The segment includes the DuPont Titanium Technologies and DuPont Chemicals & Fluoroproducts businesses. The company may pursue a different strategic alternative for each business.

Disposition of a Business

On August 30, 2012, the company entered into a definitive agreement with Flash Bermuda Co. Ltd., a Bermuda exempted limited liability company formed by affiliates of The Carlyle Group (collectively referred to as "Carlyle") in which Carlyle agreed to purchase certain subsidiaries and assets comprising the company's Performance Coatings business. In February 2013, the sale was completed resulting in a pre-tax gain of approximately \$2.7 billion (\$1.9 billion net of tax). The gain was recorded in income from discontinued operations after income taxes in the interim Consolidated Income Statement for the six months ended June 30, 2013.

In accordance with generally accepted accounting principles in the U.S. (GAAP), the results of Performance Coatings are presented as discontinued operations and, as such, have been excluded from continuing operations and segment results for all periods presented. See Note 2 to the interim Consolidated Financial Statements for additional information.

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Results of Operations

Overview

The following is a summary of the results of continuing operations for the three months ended June 30, 2013:

Net sales were \$9.8 billion, 1 percent below prior year, principally reflecting lower price in Performance Chemicals.

• Total company volume increased 1 percent with increases in Agriculture, Performance Chemicals, Performance Materials, and Safety & Protection, offset by decreases in Electronics & Communications and Nutrition & Health.

• Agriculture sales increased 7 percent from higher global pricing for seed and volume growth in insecticides and fungicides. Pre-tax operating income (PTOI) for Agriculture increased 26 percent as lower charges for Imprelis® herbicide claims were partially offset by higher seed input costs and increased operating costs resulting from cool and wet weather conditions.

• Total segment PTOI was \$1.8 billion versus \$2.0 billion, down 9 percent from the prior year, as Performance Chemicals PTOI declined \$330 million, reflecting a significant reduction in global titanium dioxide prices.

The following is a summary of the results of continuing operations for the six months ended June 30, 2013:

• Net sales of \$20.3 billion were up 1 percent with volume up 2 percent principally reflecting higher Agriculture volumes in U.S. & Canada, Europe and Latin America.

• Agriculture PTOI of \$2.3 billion increased \$0.4 billion on sales growth and lower charges incurred related to Imprelis® herbicide claims, partially offset by higher seed input costs.

• Total segment PTOI of \$4.0 billion declined 8 percent as Performance Chemicals PTOI decreased \$650 million or 56 percent versus the prior year.

• Income from continuing operations after income taxes was \$2.4 billion, down 4 percent versus \$2.5 billion for the same period last year.

• Proceeds from the sale of the Performance Coatings segment funded a \$1 billion share buyback.

• Cost productivity gains and restructuring savings are on track to meet or exceed full-year targets.

Net Sales

Net sales for the second quarter 2013 decreased 1 percent to \$9.8 billion from \$9.9 billion in the prior year. The decrease principally reflects lower local prices and negative currency impact. Higher volume stemmed from global increases for Performance Chemicals and Safety & Protection, and for Agriculture in Europe. Sales in developing markets, which include China, India and countries located in Latin America, Eastern and Central Europe, Middle East, Africa and Southeast Asia increased 1 percent to \$2.8 billion with a 7 percent volume increase. Higher volume was largely offset by lower local prices and negative currency impact.

The table below shows a regional breakdown of net sales based on location of customers and percentage variances from the prior year:

Three Months Ended June 30, 2013	Percent Change vs. 2012	Percent Change Due to:		
		Local Price	Currency Effect	Volume
Net Sales (\$ Billions)				

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Worldwide	\$9.8	(1)	(1)	(1)	1
U.S. & Canada	4.7	1		2		—		(1
Europe, Middle East & Africa (EMEA)	2.1	—		(3)	(2)
Asia Pacific	2.1	(8)	(6)	(2
Latin America	0.9	7		(4		)	(1)
								12

Net sales for the six months ended June 30, 2013 were \$20.3 billion versus \$20.1 billion in the prior year, an increase of 1 percent, principally reflecting higher Agriculture volumes in U.S. & Canada, Europe and Latin America, and higher volumes of titanium

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dioxide in Europe and Asia Pacific. Currency reduced sales by 1 percent, principally reflecting a stronger dollar versus the Yen, Brazilian real and Euro. Higher local prices for Agriculture and Nutrition & Health were essentially offset by lower prices in the other segments. Sales in developing markets totaling \$5.8 billion improved 3 percent as 7 percent volume growth was partly offset by lower local prices and negative currency impact. The percentage of total company sales in these markets increased to 29 percent from 28 percent in the prior year. The company expects currency to continue to negatively impact results during the second half 2013.

	Six Months Ended June 30, 2013		Percent Change Due to:		
	Net Sales (\$ Billions)	Percent Change vs. 2012	Local Price	Currency Effect	Volume
Worldwide	\$20.3	1	—	(1)	)2
U.S. & Canada	9.6	4	3	—	1
Europe, Middle East & Africa (EMEA)	4.8	—	(1)	)(1	)2
Asia Pacific	3.9	(8	) (6	)(2)—
Latin America	2.0	5	—	(3	)8

Other Income, Net

Other income, net, totaled \$159 million for the second quarter 2013, a decrease of \$132 million compared to \$291 million in the prior year. The decrease was due primarily to a \$122 million gain recorded in the second quarter 2012 related to the sale of the company's interest in an equity method investment and \$11 million of interest expense associated with a change in accrual for a prior year tax position recorded in the second quarter 2013.

For the six months ended June 30, 2013, other income, net was \$251 million compared to \$305 million last year, a decrease of \$54 million. The decrease was due primarily to a \$122 million gain recorded in the second quarter 2012 related to the sale of the company's interest in an equity method investment and \$11 million of interest expense associated with a change in accrual for a prior year tax position recorded in the second quarter 2013 offset by \$77 million of favorable exchange gains.

Additional information related to the company's other income, net, is included in Note 4 to the interim Consolidated Financial Statements.

Cost of Goods Sold (COGS)

COGS totaled \$6.1 billion in the second quarter 2013 versus \$5.8 billion in the prior year, a 4 percent increase. COGS as a percent of net sales increased 3 percentage points to 62 percent, primarily due to higher Agriculture input and titanium ore costs.

COGS for the six months ended June 30, 2013 was \$12.3 billion, an increase of 4 percent versus \$11.8 billion in the prior year. COGS as a percent of net sales increased 1 percentage point to 60 percent, primarily due to higher Agriculture input and titanium ore costs.

Other Operating Charges

Other operating charges totaled \$0.9 billion in the second quarter 2013 versus \$1.2 billion in the prior year, a \$0.3 billion or 24 percent decrease, primarily due to lower Imprelis® herbicide claims and other litigation charges.

Other operating charges for the six months ended June 30, 2013 was \$1.9 billion, a decrease of 13 percent versus \$2.1 billion in the prior year, primarily due to lower Imprelis® herbicide claims and other litigation charges.

See Note 9 to the interim Consolidated Financial Statements for more information related to these matters.

Selling, General and Administrative Expenses (SG&A)

SG&A totaled \$983 million for the second quarter 2013 versus \$972 million in the prior year, relatively flat for the period. SG&A was approximately 10 percent of net sales for the second quarter 2013 and 2012.

Year-to-date SG&A totaled \$2.0 billion versus \$1.9 billion in 2012. The increase for the six months ended June 30, 2013 was due to increased global commissions and selling and marketing investments primarily in the Agriculture segment. SG&A was approximately 10 percent of net sales for the six months ended June 30, 2013 and 2012.

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Research and Development Expense (R&D)

R&D totaled \$542 million and \$533 million for the second quarter 2013 and 2012, respectively. The increase was primarily due to continued growth investment in the Agriculture segment. R&D was approximately 6 and 5 percent of net sales for the second quarter 2013 and 2012, respectively.

Year-to-date R&D totaled \$1.1 billion versus \$1.0 billion in 2012. The increase for the six months ended June 30, 2013 was primarily due to continued growth investment in the Agriculture segment. R&D was approximately 5 percent of net sales for the six months ended June 30, 2013 and 2012.

Interest Expense

Interest expense totaled \$115 million in the second quarter 2013, compared to \$117 million in 2012. For the six months ended June 30, 2013, interest expense was \$232 million versus \$231 million. Interest expense was essentially flat for both periods.

Provision for Income Taxes on Continuing Operations

The company's effective tax rate for the second quarter 2013 was 24.5 percent on pre-tax income from continuing operations as compared to 26.5 percent on pre-tax income from continuing operations in 2012. The lower effective tax rate principally relates to benefits associated with certain U.S. business tax provisions in 2013 and the tax impacts associated with the company's policy of hedging the foreign currency-denominated monetary assets and liabilities of its operations.

The company's effective tax rate for the six months ended June 30, 2013 was 23.0 percent on pre-tax income from continuing operations as compared to 23.9 percent on pre-tax income from continuing operations in 2012. The lower effective tax rate principally relates to benefits associated with certain U.S. business tax provisions in 2013 in addition to geographic mix of earnings.

See Note 5 to the interim Consolidated Financial Statements for additional information.

Income from Continuing Operations after Income Taxes

Income from continuing operations after income taxes for second quarter 2013 was \$1.0 billion, down 6 percent, versus \$1.1 billion in the same period last year. Year-to-date 2013 income from continuing operations after income taxes was \$2.4 billion, down 4 percent, compared to \$2.5 billion in the same period last year. The decreases in both periods are due to the reasons noted above.

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Segment Reviews

Summarized below are comments on individual segment sales and pre-tax operating income (loss) (PTOI) for the three and six month periods ended June 30, 2013 compared with the same periods in 2012. Effective January 1, 2013, to better indicate operating performance, the company eliminated the allocation of non-operating pension and other postretirement employee benefit costs from segment pre-tax operating income (loss) (PTOI). Segment PTOI is defined as income (loss) from continuing operations before income taxes excluding non-operating pension and other postretirement employee benefit costs, exchange gains (losses), corporate expenses and interest. Certain reclassifications of prior year data have been made to conform to current year classifications. All references to prices are on a U.S. dollar (USD) basis, including the impact of currency. A reconciliation of segment sales to consolidated net sales and segment PTOI to income from continuing operations before income taxes for the three and six month periods ended June 30, 2013 and 2012 is included in Note 13 to the interim Consolidated Financial Statements.

The following table summarizes second quarter and year-to-date 2013 segment sales and related variances versus prior year:

	Three Months Ended				
	June 30, 2013	Percentage Change Due to:			
Segment	Percent	Price	Volume	Portfolio and Other	
Sales	Change vs.				
(\$ Billions)	2012				
Agriculture	\$3.6	7	6	1	—
Electronics & Communications	0.7	(18)	(6)	(12)	—
Industrial Biosciences	0.3	1	1	—	—
Nutrition & Health	0.9	(2)	2	(2)	(2)
Performance Chemicals	1.8	(9)	(15)	6	—
Performance Materials	1.7	(2)	(3)	2	(1)
Safety & Protection	1.0	3	(2)	5	—

	Six Months Ended				
	June 30, 2013	Percentage Change Due to:			
Segment	Percent	Price	Volume	Portfolio and Other	
Sales	Change vs.				
(\$ Billions)	2012				
Agriculture	\$8.3	11	6	5	—
Electronics & Communications	1.3	(14)	(5)	(9)	—
Industrial Biosciences	0.6	1	2	(1)	—
Nutrition & Health	1.7	2	4	—	(2)
Performance Chemicals	3.4	(13)	(12)	(1)	—
Performance Materials	3.2	(2)	(3)	2	(1)
Safety & Protection	1.9	—	(2)	2	—

Agriculture - PTOI of \$861 million increased \$179 million compared to the same quarter last year. Higher seed input costs and increased operating costs resulting from unfavorable weather conditions were more than offset by sales growth and lower charges incurred related to Imprelis® herbicide claims. Agriculture sales increased 7 percent from higher global pricing for seeds and increased demand for insecticides and fungicides. Second quarter 2013 and second quarter 2012 PTOI included charges of \$80 million and \$265 million, respectively, related to Imprelis® herbicide claims.

Year-to-date PTOI of \$2.3 billion increased \$0.4 billion, despite higher seed input costs, on sales growth and lower charges incurred related to Imprelis® herbicide claims. Agriculture sales increased 11 percent driven by seed price

gains and volume growth, reflecting strong corn seed sales in North America and insecticide and fungicide volumes in North America and Latin America. Year-to-date 2013 PTOI and year-to-date 2012 PTOI included charges of \$115 million and \$315 million, respectively, related to Imprelis® herbicide claims.

Electronics & Communications - PTOI of \$95 million declined \$126 million due primarily to the absence of a \$122 million gain recorded in second quarter 2012 related to the sale of the company's interest in an equity method investment, as well as lower sales volume in photovoltaics, partially offset by \$20 million of income from an organic light emitting diode (OLED) technology

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licensing agreement realized during second quarter 2013. Sales volumes were impacted as share gains were more than offset by lower usage of materials per photovoltaic module and reduced selling prices, primarily from pass-through of lower metals prices.

Year-to-date PTOI of \$144 million declined \$136 million due primarily to the absence of a \$122 million gain recorded in second quarter 2012 related to the sale of the company's interest in an equity method investment, as well as lower sales volume in photovoltaics, partially offset by \$20 million of income from an OLED technology licensing agreement realized during second quarter 2013. Sales volumes were impacted as share gains were more than offset by lower usage of materials per photovoltaic module and reduced selling prices, primarily from pass-through of lower metals prices.

Industrial Biosciences - PTOI of \$43 million was up 2 percent on higher sales for Sorona[®] polymer for carpeting partially offset by lower enzyme demand for ethanol production, primarily in the U.S., and animal nutrition, which was impacted by the avian flu outbreak in China.

Year-to-date PTOI of \$84 million was up 4 percent on increased demand and higher margins for Sorona[®] polymer for carpeting partially offset by lower enzyme demand for U.S. ethanol production.

Nutrition & Health - PTOI of \$61 million decreased \$44 million due primarily to higher guar inventory costs, lower enablers product line volume, one-time costs associated with harmonizing systems and processes, and growth investments. Volumes reflect both general market softness in Europe and Asia and unseasonably cool weather in North America and Europe.

Year-to-date PTOI of \$137 million decreased \$47 million due largely to higher guar inventory costs, partially offset by pricing gains and increased demand for probiotics.

Performance Chemicals - PTOI of \$264 million was \$330 million lower, due primarily to price declines in the titanium dioxide market. Lower prices for refrigerants and fluoropolymers, coupled with higher operating costs also contributed to lower PTOI. Titanium dioxide volume was up 12 percent year over year and 18 percent on a sequential basis.

Year-to-date PTOI of \$515 million was \$650 million lower, due largely to price declines in the titanium dioxide market and lower prices and reduced volume in fluoropolymers.

Performance Materials - PTOI of \$336 million decreased 2 percent due primarily to a combination of lower selling prices and negative currency impact, partially offset by higher volume. Volume growth in the automotive and packaging markets was partially offset by continued softness in the industrial and electronics markets.

Year-to-date PTOI of \$628 million increased 1 percent due primarily to higher volume partially offset by lower selling prices and negative currency. Volume growth in packaging markets was partially offset by weak demand in the European automotive market, and continued softness in the industrial and electronics markets.

Safety & Protection - PTOI of \$172 million decreased \$9 million as higher volume and productivity gains were offset by weaker sales mix and an unfavorable currency impact. Higher volume reflects increased demand for U.S. ballistics military protection, protective garments, and construction products.

Year-to-date PTOI of \$310 million decreased \$30 million due primarily to weaker sales mix and unfavorable currency, as well as lower plant utilization, partially offset by higher volume in industrial and automotive markets.

Pharmaceuticals - Second quarter PTOI was \$18 million, including certain one-time benefits, compared to \$16 million in the same period last year. Year-to-date PTOI of \$22 million compared to \$43 million in the prior year reflects the expiration of the patents for Cozaar[®]/Hyzaar[®].

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Liquidity & Capital Resources

(Dollars in millions)	June 30, 2013	December 31, 2012
Cash, cash equivalents and marketable securities	\$6,896	\$4,407
Total debt	14,080	11,740

Total debt at June 30, 2013 was \$14.1 billion, an increase of \$2.4 billion from \$11.7 billion at December 31, 2012. The increase was primarily due to the issuance in the first quarter 2013 of \$1,250 million of 2.80% Notes due February 15, 2023 and \$750 million of 4.15% Notes due February 15, 2043 and an increase in short-term borrowings, partially offset by debt maturities during the six months ended June 30, 2013.

The company believes its ability to generate cash from operations and access to capital markets will be adequate to meet anticipated cash requirements to fund working capital, capital spending, dividend payments, debt maturities and other cash needs. The company's liquidity needs can be met through a variety of sources, including: cash provided by operating activities, cash and cash equivalents, marketable securities, commercial paper, syndicated credit lines, bilateral credit lines, equity and long-term debt markets, and asset sales. The company's current strong financial position, liquidity and credit ratings provide excellent access to the capital markets. In addition, spending and capital productivity actions have been implemented. The company will continue to monitor the financial markets in order to respond to changing conditions. Depending on these conditions, the proceeds of commercial paper may be invested in cash equivalents or marketable securities.

Pursuant to its cash discipline policy, the company seeks first to maintain a strong balance sheet and second, to return excess cash to shareholders unless the opportunity to invest for growth is compelling. Cash, cash equivalents and marketable securities provide primary liquidity to support all short-term debt obligations. A substantial majority of the company's cash, cash equivalents and marketable securities is held by foreign subsidiaries. The company believes that it has sufficient sources of domestic liquidity to support its assumption that undistributed earnings at June 30, 2013 can be considered reinvested indefinitely. The company has access to approximately \$4.3 billion in unused credit lines with several major financial institutions as additional support to meet short-term liquidity needs and general corporate purposes, including letters of credit.

The company continually reviews its debt portfolio and occasionally may rebalance it to ensure adequate liquidity and an optimum debt maturity schedule.

The company's credit ratings impact its access to the debt capital market and cost of capital. The company remains committed to a strong financial position and strong investment-grade rating. The company's long-term and short-term credit ratings are as follows:

	Long-term	Short-term	Outlook
Standard & Poor's	A	A-1	Stable
Moody's Investors Service	A2	P-1	Stable
Fitch Ratings	A	F1	Stable

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Summary of Cash Flows

Cash used for operating activities was \$2.6 billion for the six months ended June 30, 2013 compared to cash used for operating activities of \$1.1 billion during the same period last year. The \$1.5 billion change was primarily due to lower cash earnings and higher working capital within the Agriculture segment.

Cash provided by other operating charges and credits, net for the six months ended June 30, 2013 totaled \$0.2 billion, essentially unchanged from the same period last year. Other operating charges and credits - net primarily consists of expenses related to pension plans as well as reclassifications of items whose cash effects are investing or financing activities.

Cash provided by investing activities was \$4.1 billion for the six months ended June 30, 2013 compared to cash used for investing activities of \$0.1 billion for the same period last year. The \$4.2 billion change was primarily due to the proceeds received from the sale of the Performance Coatings business. See Note 2 to the interim Consolidated Financial Statements for additional information.

Purchases of property, plant and equipment for the six months ended June 30, 2013 totaled \$0.8 billion, a slight increase from the same period last year.

Cash provided by financing activities was \$1.0 billion for the six months ended June 30, 2013 compared to cash provided by financing activities of \$1.2 billion for the same period last year. The \$0.2 billion decrease was due primarily to an increase in the repurchase of common stock, partially offset by a reduction in payments for noncontrolling interest.

(Dollars in millions)	Six Months Ended	
	June 30, 2013	2012
Cash used for operating activities	\$(2,631	)(1,117)
Purchases of property, plant and equipment	(757	)(696)
Free cash flow	\$(3,388	)(1,813)

Free cash flow is a measurement not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. All companies do not calculate non-GAAP financial measures in the same manner and, accordingly, the company's free cash flow definition may not be consistent with the methodologies used by other companies. The company defines free cash flow as cash provided by operating activities less purchases of property, plant and equipment, and therefore indicates operating cash flow available for payment of dividends, other investing activities and other financing activities. Free cash flow is useful to investors and management to evaluate the company's cash flow and financial performance, and is an integral financial measure used in the company's financial planning process.

Dividends paid to shareholders during the six months ended June 30, 2013 totaled \$0.8 billion. In April 2013, the Board of Directors declared a second quarter common stock dividend of \$0.45 per share, a 5 percent dividend increase over the January 2013 dividend. The second quarter dividend was the company's 435th consecutive quarterly dividend since the company's first dividend in the fourth quarter 1904.

In December 2012, the company's Board of Directors authorized a \$1 billion share buyback plan. In February 2013, the company entered into an accelerated share repurchase (ASR) agreement with a financial institution under which the company used \$1 billion of the proceeds from the sale of Performance Coatings for the purchase of shares of common stock. The 2012 \$1 billion share buyback plan was completed in the second quarter 2013 through the ASR agreement, under which the company purchased and retired 20.4 million shares as of June 30, 2013. See Part II, Item 2 and Note 10 to the interim Consolidated Financial Statements for additional information.

In February 2012, the company paid \$400 million for the purchase of shares of common stock. The shares were received and retired in May 2012. See Note 10 to the interim Consolidated Financial Statements for additional information.

Guarantees and Off-Balance Sheet Arrangements

For detailed information related to Guarantees, Indemnifications, and Obligations for Equity Affiliates and Others, see page 33 of the company's 2012 Annual Report, and Note 9 to the interim Consolidated Financial Statements.

Table of Contents**Contractual Obligations**

Information related to the company's contractual obligations at December 31, 2012 can be found on page 33 of the company's 2012 Annual Report. The company's contractual obligations at June 30, 2013 have increased approximately \$4.3 billion versus prior year-end. The increase is primarily due to the issuance of \$2.0 billion in debt during the first quarter 2013 as well as the technology license agreement discussed below.

On March 25, 2013, DuPont, through its subsidiary, Pioneer Hi-Bred International, Inc. ("Pioneer"), entered into technology license agreements with Monsanto Company. As part of those agreements, DuPont received a non-exclusive, royalty bearing license in the United States and Canada for Monsanto's Genuity[®] Roundup Ready 2 Yield[®] glyphosate tolerance trait and for Monsanto's dicamba tolerance trait. These herbicide tolerance traits are incorporated into soybean seeds. In addition, DuPont receives post-patent regulatory data access and maintenance support for the Roundup Ready[®] 1 glyphosate tolerance trait for soybeans, the Genuity[®] Roundup Ready 2 glyphosate tolerance trait for corn, and the YieldGard[®] corn borer insect resistance trait for corn. These traits are already incorporated into several of DuPont Pioneer's corn and soybean varieties. DuPont also grants Monsanto licenses to certain DuPont Pioneer disease resistance technology and corn defoliation patents.

Under these agreements, DuPont will make a series of up-front and variable based royalty payments subject to future delivery of enabling soybean genetic material. Total annual fixed royalty payments of \$802 million contemplated under the arrangement for trait technology, associated data and soybean lines to support commercial introduction are expected to come due in years 2014-2017. Additionally, beginning in 2018, DuPont will pay royalties on a per unit basis related to the Genuity[®] Roundup Ready 2 Yield[®] and dicamba tolerance traits for the life of the license, subject to annual minimum payments through 2023 totaling \$950 million.

The company's total contractual obligations for license agreements as of June 30, 2013 are as follows:

(Dollars in millions)	Total at June 30, 2013	Payments Due In			
		Remainder 2013	2014 - 2015	2016 - 2017	2018 and beyond
License agreements	\$2,235	\$85	\$605	\$595	\$950

PFOA

Further to the discussion under "PFOA" on page 37 of the company's 2012 Annual Report and Note 9 to the interim Consolidated Financial Statements:

DuPont has made considerable progress on its commitment to no longer make, use or buy PFOA by 2015, or sooner if possible, and as of the second quarter 2013 has already achieved this goal for fluoropolymer resins. In addition, the company continues to make progress toward eliminating the use of PFOA in the manufacture of certain raw materials for perfluoroelastomer parts and some fluoroelastomers.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Note 11, "Financial Instruments", to the interim Consolidated Financial Statements. See also Part II, Item 7A, Quantitative and Qualitative Disclosures About Market Risk, on page 38 of the company's 2012 Annual Report for information on the company's utilization of financial instruments and an analysis of the sensitivity of these instruments.

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Item 4. CONTROLS AND PROCEDURES

a) Evaluation of Disclosure Controls and Procedures

The company maintains a system of disclosure controls and procedures to give reasonable assurance that information required to be disclosed in the company's reports filed or submitted under the Securities Exchange Act of 1934 (Exchange Act) is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. These controls and procedures also give reasonable assurance that information required to be disclosed in such reports is accumulated and communicated to management to allow timely decisions regarding required disclosures.

As of June 30, 2013, the company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), together with management, conducted an evaluation of the effectiveness of the company's disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on that evaluation, the CEO and CFO concluded that these disclosure controls and procedures are effective.

b) Changes in Internal Control over Financial Reporting

There has been no change in the company's internal control over financial reporting that occurred during the quarter ended June 30, 2013 that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

The company is subject to various litigation matters, including, but not limited to, product liability, patent infringement, antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental torts. Information regarding certain of these matters is set forth below and in Note 9 to the interim Consolidated Financial Statements.

Litigation

Imprelis® Herbicide Claims Process

Information related to this matter is included in Note 9 to the interim Consolidated Financial Statements under the heading Imprelis®.

PFOA: Environmental and Litigation Proceedings

For purposes of this report, the term PFOA means collectively perfluorooctanoic acid and its salts, including the ammonium salt and does not distinguish between the two forms. Information related to this matter is included in Note 9 to the interim Consolidated Financial Statements under the heading PFOA.

Monsanto Patent Dispute

Information related to this matter is included in Note 9 to the interim Consolidated Financial Statements under the heading Monsanto Patent Dispute.

Environmental Proceedings

Belle Plant, West Virginia

The U.S. Environmental Protection Agency (EPA) is investigating three chemical releases at DuPont's Belle facility in West Virginia which occurred in January 2010. One of the releases involved the death of a DuPont employee after exposure to phosgene.

Chambers Works Plant, Deepwater, New Jersey

In 2010, the government initiated an enforcement action alleging that the facility violated recordkeeping requirements of certain provisions of the Clean Air Act (CAA) and the Federal Clean Air Act Regulations (FCAR) governing Leak Detection and Reporting (LDAR) and that it failed to report emissions of a compound from Chambers Works' waste water treatment facility under the Emergency Planning and Community Right-to-Know Act. The alleged non-compliance was identified by EPA in 2007 and 2009 following separate environmental audits. DuPont is in settlement negotiations with EPA and the Department of Justice (DOJ).

LaPorte Plant, LaPorte, Texas

EPA conducted a multimedia inspection at the LaPorte facility in January 2008. DuPont, EPA and DOJ began discussions in the fall 2011 relating primarily to the management of certain materials in the facility's waste water treatment system. These negotiations continue.

Sabine Plant, Orange, Texas

In June 2012, DuPont began discussions with DOJ and EPA related to a multimedia inspection that the EPA conducted at the Sabine facility in March 2009. The discussions primarily involve the management of materials in the facility's waste water treatment system, hazardous waste management and air emissions.

Yerkes Plant, Buffalo, New York

The government alleges that the facility violated recordkeeping requirements of certain provisions of the CAA and the FCAR governing LDAR and that it failed to accurately report emissions under the Emergency Planning and

Community Right-to-Know Act. The alleged non-compliance was identified by EPA in 2006 and 2010 following separate environmental audits. DuPont is in settlement negotiations with EPA and DOJ.

Federal Insecticide, Fungicide and Rodenticide Act (FIFRA)

In July 2012, DuPont received a “notice of noncompliance and show cause” letter from EPA Region III for alleged violations of FIFRA related to product labeling and adverse effects reporting for Imprelis®.

Washington Works Plant, West Virginia

In 2011, the U.S. government initiated an enforcement action alleging that the Washington Works plant violated certain regulatory provisions of the CAA governing LDAR. The alleged non-compliance was identified between 2007 and 2010, following an environmental audit conducted in 2007 and the submission of responses to an information request received in 2009. DuPont is in settlement negotiations with the EPA and DOJ.

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DuPont (Australia) Pty Limited

The New South Wales Environmental Protection Authority (NSWEPA) alleges that 2011 dust particulate emissions from a DuPont (Australia) Pty Limited facility caused damage to trees, shrubs, and garden plants. In April 2012, NSWEPA commenced proceedings against DuPont (Australia) Pty Limited and under applicable laws and regulations, fines of up to AUD 1,000,000 (approximately \$1,000,000) can be imposed. In July 2013, at the conclusion of NSWEPA's argument, the court dismissed the charges against DuPont.

Item 1A. RISK FACTORS

Further to the company's risk factors discussed in Part I, Item 1A, Risk Factors, in the company's 2012 Annual Report:

The company's results of operations and financial condition could be seriously impacted by business disruptions and security breaches, including cybersecurity incidents.

Business and/or supply chain disruptions, plant and/or power outages and information technology system and/or network disruptions, regardless of cause including acts of sabotage, employee error or other actions, geo-political activity, weather events and natural disasters could seriously harm the company's operations as well as the operations of its customers and suppliers. Failure to effectively prevent, detect and recover from security breaches, including attacks on information technology and infrastructure by hackers; viruses; breaches due to employee error or actions; or other disruptions could result in misuse of the company's assets, business disruptions, loss of property including trade secrets and confidential business information, legal claims or proceedings, reporting errors, processing inefficiencies, negative media attention, loss of sales and interference with regulatory compliance. Like most major corporations, DuPont is the target of industrial espionage, including cyber-attacks, from time to time. DuPont has determined that these attacks have resulted, and could result in the future, in unauthorized parties gaining access to at least certain confidential business information. However, to date, the company has not experienced any financial impact, changes in the competitive environment or business operations that it attributes to these attacks. Although management does not believe that the company has experienced any material losses to date related to security breaches, including cybersecurity incidents, there can be no assurance that it will not suffer such losses in the future. The company actively manages the risks within its control that could lead to business disruptions and security breaches. As these threats continue to evolve, particularly around cybersecurity, the company may be required to expend significant resources to enhance its control environment, processes, practices and other protective measures. Despite these efforts, such events could materially adversely affect the company's business, financial condition or results of operations.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In December 2012, the company's Board of Directors authorized a \$1 billion share buyback plan.

In February 2013, the company entered into an accelerated share repurchase (ASR) agreement with a financial institution under which the company used \$1 billion of the proceeds from the sale of Performance Coatings for the purchase of shares of common stock. The 2012 \$1 billion share buyback plan was completed in the second quarter 2013 through the ASR agreement, under which the company purchased and retired 20.4 million shares at an average price of \$49.02 per share at a total cost of \$1 billion, as of June 30, 2013.

The following table summarizes information with respect to the company's purchase of its common stock during the three months ended June 30, 2013:

Month	Total Number of Shares Purchased ⁽²⁾	Average Price Paid per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Program ⁽²⁾	Approximate Value of Shares that May Yet Be Purchased
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				Under the Program (Dollars in millions) ^{(1),(2)}
May	3,459,392	\$49.02	3,459,392	\$—
Total	3,459,392		3,459,392	

¹ The 2012 \$1 billion share buyback plan was completed in the second quarter 2013.

Shares purchased in May 2013 include the final share delivery amount under the ASR agreement. In February 2013, the Company received 16,938,387 as an initial share delivery under the ASR agreement, which represented 80% of the \$1 billion notional amount of the ASR agreement. The average price paid per share and total number of shares

² purchased as part of the 2012 share buyback plan was determined using the volume-weighted average price of the company's common stock over the term of the ASR agreement. The 2012 \$1 billion share buyback plan was completed in the second quarter 2013 through the ASR agreement under which the company purchased and retired 20.4 million shares at an average price of \$49.02 per share at a total cost of \$1 billion as of June 30, 2013.

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Item 4. MINE SAFETY DISCLOSURES

Information regarding mine safety and other regulatory actions at the company's surface mine in Starke, Florida is included in Exhibit 95 to this report.

Item 6. EXHIBITS

Exhibits: The list of exhibits in the Exhibit Index to this report is incorporated herein by reference.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

E. I. DU PONT DE NEMOURS AND COMPANY
(Registrant)

Date: July 23, 2013

By: /s/ Nicholas C. Fanandakis

Nicholas C. Fanandakis
Executive Vice President and
Chief Financial Officer
(As Duly Authorized Officer and
Principal Financial and Accounting Officer)

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EXHIBIT INDEX

Exhibit Number	Description
3.1	Company's Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the company's Annual Report on Form 10-K for the year ended December 31, 2012).
3.2	Company's Bylaws, as last amended effective November 1, 2009 (incorporated by reference to Exhibit 3.2 to the company's Annual Report on Form 10-K for the year ended December 31, 2009).
4	The company agrees to provide the Commission, on request, copies of instruments defining the rights of holders of long-term debt of the company and its subsidiaries.
10.1*	The DuPont Stock Accumulation and Deferred Compensation Plan for Directors, as last amended effective January 1, 2009 (incorporated by reference to Exhibit 10.1 to the company's Annual Report on Form 10-K for the year ended December 31, 2008).
10.2*	Company's Supplemental Retirement Income Plan, as last amended effective June 4, 1996 (incorporated by reference to Exhibit 10.2 to the company's Annual Report on Form 10-K for the year ended December 31, 2011).
10.3*	Company's Pension Restoration Plan, as restated effective July 17, 2006 (incorporated by reference to Exhibit 10.3 to the company's Quarterly Report on Form 10-Q for the period ended June 30, 2011).
10.4*	Company's Rules for Lump Sum Payments, as last amended effective December 20, 2007 (incorporated by reference to Exhibit 10.4 to the company's Quarterly Report on Form 10-Q for the period ended June 30, 2011).
10.5*	Company's Stock Performance Plan, as last amended effective January 25, 2007 (incorporated by reference to Exhibit 10.5 to the company's Annual Report on Form 10-K for the year ended December 31, 2011).
10.6*	Company's Equity and Incentive Plan as amended and restated effective March 2, 2011 and approved by the company's shareholders on April 27, 2011 (incorporated by reference to pages B1-B15 of the company's Annual Meeting Proxy Statement dated March 18, 2011).
10.7*	Form of Award Terms under the company's Equity and Incentive Plan.
10.8*	Company's Retirement Savings Restoration Plan, as last amended effective January 1, 2013 (incorporated by reference to Exhibit 10.8 to the company's Annual Report on Form 10-K for the year ended December 31, 2012).
10.9*	Company's Retirement Income Plan for Directors, as last amended January 2011 (incorporated by reference to Exhibit 10.9 to the company's Quarterly Report on Form 10-Q for the period ended March 31, 2012).

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Exhibit Number	Description
10.10*	Company's Management Deferred Compensation Plan, adopted on May 2, 2008, as last amended May 12, 2010 (incorporated by reference to Exhibit 10.11 to the company's Quarterly Report on Form 10-Q for the period ended June 30, 2010).
10.11*	Supplemental Deferral Terms for Deferred Long Term Incentive Awards and Deferred Variable Compensation Awards (incorporated by reference to Exhibit 10.15 to the company's Annual Report on Form 10-K for the year ended December 31, 2008).
10.12*	Purchase Agreement dated as of August 30, 2012, by and between E.I. du Pont de Nemours and Company and Flash Bermuda Co. Ltd. (incorporated by reference to Exhibit 2.1 to the company's Current Report on Form 8-K filed on September 4, 2012) (the "Purchase Agreement"). The company agrees to furnish supplementally a copy of any omitted schedules to the Commission upon request.
10.13*	Amendment to purchase Agreement, dated as of January 31, 2013, by and between E. I. du Pont de Nemours and Company and Flash Bermuda Co. Ltd. (incorporated by reference to Exhibit 10.13 to the company's Annual Report on Form 10-K for the year ended December 31, 2012).
12	Computation of Ratio of Earnings to Fixed Charges.
18.1	Preferability Letter of Independent Registered Public Accounting Firm (incorporated by reference to Exhibit 18.1 to the company's Quarterly Report on Form 10-Q for the period ended March 31, 2013).
31.1	Rule 13a-14(a)/15d-14(a) Certification of the company's Principal Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification of the company's Principal Financial Officer.
32.1	Section 1350 Certification of the company's Principal Executive Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
32.2	Section 1350 Certification of the company's Principal Financial Officer. The information contained in this Exhibit shall not be deemed filed with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by the registrant under the Securities Act of 1933, as amended.
95	Mine Safety Disclosures.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

101.LAB XBRL Taxonomy Extension Label Linkbase Document

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

*Management contract or compensatory plan or arrangement required to be filed as an exhibit to this Form 10-Q.

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