

Rockwood Holdings, Inc.
Form 425
July 15, 2014

Acquisition of Rockwood Holdings
Accelerating Albemarle's Growth Strategy
Proprietary Information of Albemarle Corporation
Filed by Albemarle Corporation
(Commission File No.: 1-12658)
Pursuant to Rule 425 of the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12

Edgar Filing: Rockwood Holdings, Inc. - Form 425

of the Securities Exchange Act of 1934

Subject Company: Rockwood Holdings, Inc.

(Commission File No: 1-32609)

Proprietary Information of Albemarle Corporation
Forward Looking Statements

2

Proprietary Information of Albemarle Corporation

Some of the information presented in this document and discussions that follow, including, without limitation, statements with respect to the transaction and the anticipated consequences and benefits of the transaction, the targeted close date for the transaction, product development, changes in productivity, market trends, price, expected growth and earnings, cash flow generation, costs and cost synergies, portfolio diversification, economic trends, outlook and all other information relating to matters that are not historical facts may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There can be no assurance that actual results will not differ materially. Factors that could cause actual results to differ materially include, without limitation: the receipt and timing of necessary regulatory approvals; the ability to finance the transaction; the ability to successfully operate and integrate the operations of Rockwood Holdings, Inc. ("Rockwood") and realize estimated synergies; changes in economic conditions; and changes in the competitive landscape.

and business conditions; changes in financial and operating performance of our major customers and industries and markets served by us; the timing of orders received from customers; the gain or loss of significant customers; competition from other manufacturers; changes in the demand for our products; limitations or prohibitions on the manufacture and sale of our products; availability of raw materials; changes in the cost of raw materials and energy; changes in our markets in general; changes in laws and government regulation impacting our operations or our products; the occurrence of claims or litigation; the occurrence of natural disasters; economic unrest affecting the global economy; political instability affecting our manufacturing operations or joint ventures; changes in accounting standards; changes in the jurisdictional mix of our earnings and changes in tax laws and rates; volatility and substantial uncertainty in the debt and equity markets; technology or intellectual property infringement; decisions we may make in the future; and the other factors detailed from time to time in the reports we file with the SEC, including those described under "Risk Factors" in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this communication. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Information with respect to Rockwood, including non-GAAP information is taken or derived from Rockwood's public filings and management estimates and we take no responsibility for the accuracy or completeness of such information. It should be noted that this presentation contains certain financial measures, including Net Sales, and Segment Income, that are not required by, or presented in accordance with, accounting principles generally accepted in the United States, or GAAP. These measures are presented here to provide additional useful measurements to review our operations, provide transparency to investors and enable period-to-period comparability of financial performance. A description of non-GAAP financial measures that we use to evaluate our operations, our financial performance, and reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, can be found in the Investors section of our website at www.albemarle.com

Non-GAAP Reconciliations under Financials.

Additional Information

3

Important Information for Stockholders and Investors

Nothing in this document or the discussions that follow shall constitute a solicitation to buy or subscribe for or an offer to sell securities of Albemarle or Rockwood or a solicitation of any vote or approval. In connection with the proposed transaction, Albemarle and Rockwood will file a joint proxy statement/prospectus and other relevant documents concerning the proposed transaction with the Securities and Exchange Commission (SEC), and Albemarle will file a Registration Statement on Form S-4 with the SEC. **STOCKHOLDERS OF EACH COMPANY AND OTHER INVESTORS ARE URGED TO READ THE REGISTRATION STATEMENT, JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC (INCLUDING AMENDMENTS OR SUPPLEMENTS THERETO) REGARDING THE PROPOSED TRANSACTION WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** Stockholders and investors will be able to obtain a free registration statement and joint proxy statement/prospectus, as well as other filings containing information about Albemarle and

without charge, at the SEC's Internet site (<http://www.sec.gov>). Copies of the registration statement and joint proxy statement/prospectus and the filings with the SEC that will be incorporated by reference therein can also be obtained, without charge, by directing a request to Albemarle Corporation, 451 Florida Street, Baton Rouge, Louisiana 70801, USA, Attention: Investor Relations, Telephone: +1 (504) 732-7322, or to Rockwood Holdings, Inc., 100 Overlook Center, Princeton, New Jersey 08540, USA, Attn: Investor Relations, Telephone: (609) 524-1101.

Participants in Solicitation

Albemarle, Rockwood, their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Albemarle's directors and executive officers is available in its proxy statement filed with the SEC by Albemarle on March 28, 2014, and information regarding Rockwood's directors and executive officers is available in its proxy statement filed with the SEC by Rockwood on March 28, 2014. Other information regarding participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, was contained in the joint proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available. Documents can be obtained free of charge from the sources indicated above.

Proprietary Information of Albemarle Corporation

Albemarle is taking a decisive step in our growth strategy by acquiring Rockwood Holdings

Albemarle will be one of the world's largest specialty chemical companies by enterprise value.

Enhanced customer reach

Increased diversity across end markets, technologies and geographies

Improved scale

Leading positions across four high margin business segments

Lithium

Refinery and Polyolefin Catalysts

Bromine

Surface Treatment

Create more consistent and
predictable earnings growth

4

Proprietary Information of Albemarle Corporation

Rockwood is a market leader with attractive growth characteristics

5

Proprietary Information of Albemarle Corporation

6
Lithium
Performance
Chemicals
Catalysts
Surface
Treatment
Global
Ranking
Growth
#1
#1 / #2

#1 / #2

#2

2.0x -

3.0x

GDP

1.0x -

2.0x

GDP

1.0x -

2.0x

GDP

1.0x

GDP

Key

Competitors

2014E

EBITDA

Margins

42%

21%

19%

22%

The combined company will be poised for growth in the most attractive specialty chemicals segments

Proprietary Information of Albemarle Corporation

NewCo Revenue (\$m)

NewCo EBITDA (\$m) and Margin (%)

Source: Management guidance.

Note: USD in Millions.

ALB Standalone EBITDA (\$m) and Margin (%)

ALB Standalone Revenue (\$m)

CAGR: (0.2%)

Our growth will be accelerated and our margins will be enhanced

\$2,348

\$2,733

\$2,670

\$2,594

\$2,731
\$0
\$700
\$1,400
\$2,100
\$2,800
\$3,500
2010E
2011E
2012E
2013E
2014E
Revenue
\$4,146
\$4,340
\$4,559
\$4,803
\$5,042
\$0
\$1,500
\$3,000
\$4,500
\$6,000
2014E
2015E
2016E
2017E
2018E
Revenue
\$554
\$647
\$688
\$575
\$550
23.6%
23.7%
25.8%
22.2%
20.1%
15.0%
20.0%
25.0%
30.0%
\$0
\$200
\$400
\$600
\$800
2010E
2011E

2012E
2013E
2014E
EBITDA
EBITDA Margin

1,065
1,112
1,267
1,404
1,507
25.7%
25.6%
27.8%
29.2%
29.9%
22.0%
24.0%
26.0%
28.0%
30.0%
32.0%

\$0
\$200
\$400
\$600
\$800
\$1,000
\$1,200
\$1,400
\$1,600

2014E
2015E
2016E
2017E
2018E

EBITDA
EBITDA Margin

\$
\$
\$
\$

Proprietary Information of Albemarle Corporation

Proprietary Information of Albemarle Corporation

8

Performance

Chemicals

Catalyst

Solutions

Albemarle

(1)

2013A EBITDA

(2)

: \$635MM

Surface Treatment

Lithium
Rockwood
2013A EBITDA

(2)
: \$356MM
Performance

Chemicals
Catalyst
Solutions
Pro-Forma
2013A EBITDA

(2)
: \$991MM
Surface Treatment

Lithium
Albemarle
(1)

Americas
Europe/ME
Asia

Rockwood
Americas
Asia

Rest of World
Europe/ME
Americas

Europe / ME
Pro-Forma
Asia

Rest of World

We will be more diverse across businesses and geographies

58%

42%

51%

49%

37%

27%

18%

18%

37%

39%

20%

4%

46%

31%

22%

21%

53%

16%

10%

Source: Company filings .

(1)

Unadjusted for divestiture of Antioxidants and Ibuprofen businesses announced in April 2014.

(2)

Calculated before corporate overhead expenses for ALB, ROC and NewCo of \$59MM, \$33MM and \$92MM, respectively.

Diversity Across Business Lines (EBITDA before Corporate Overhead Allocation)

Diversity Across Geographies (net sales)

What will happen next?

Stay focused on safety and delivering on our commitments to stakeholders

Business as usual

as we work to close the transaction

Integration team comprised of employees from both companies

Will bring **change**

and **opportunity**

Focus is on creating one company that is larger and stronger

Expect to close transaction in Q1 2015

Will provide updates as the integration progresses

9

Proprietary Information of Albemarle Corporation