

NEWMARKET CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, unaudited)

	Nine Months Ended September 30	
	2004	2003
Cash and cash equivalents at beginning of year	\$ 29,052	\$ 15,478
Cash flows from operating activities:		
Net income	30,146	32,334
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation and amortization	32,185	34,714
Amortization of deferred financing costs	2,111	3,685
Cumulative effect of accounting changes	-	(2,549)
Gain on sale of phenolic antioxidant business	-	(23,196)
Gain on insurance settlement	(13,245)	-
Noncash pension expense	7,984	6,950
Deferred income tax (benefit) expense	(2,200)	18
Working capital changes	(19,450)	6,970
Cash pension contributions	(9,695)	(7,802)
TEL working capital advance	558	1,270
Proceeds from insurance settlement	7,650	-
Proceeds from legal settlement	-	4,825
Other, net	1,551	882
Cash provided from operating activities	37,595	58,101
Cash flows from investing activities:		
Capital expenditures	(10,108)	(7,236)
Purchase of certain property	(3,323)	-
Proceeds from sale of phenolic antioxidant business	-	27,770
Proceeds from sale of certain assets	-	12,576
Prepayment for TEL marketing agreements services	-	(3,200)
Other, net	29	174
Cash (used in) provided from investing activities	(13,402)	30,084
Cash flows from financing activities:		
Repayment of revolving credit agreement	(17,000)	-
Repayment of debt - previous agreements	(53,807)	(332,643)
Issuance of revolving credit agreement	50,000	-
Issuance of senior notes and term loan	-	265,000
Debt issuance costs	(1,279)	(13,299)
Proceeds from exercise of stock options	811	313
Other, net	(426)	(401)
Cash used in financing activities	(21,701)	(81,030)
Effect of foreign exchange on cash and cash equivalents	(2,058)	(572)
Increase in cash and cash equivalents	434	6,583
Cash and cash equivalents at end of period	\$ 29,486	\$ 22,061