

**NEWMARKET CORPORATION AND SUBSIDIARIES**  
**SEGMENT RESULTS AND OTHER FINANCIAL INFORMATION**

(In millions except per share amounts, unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2006	2005	2006	2005
<b>Net sales:</b>				
Petroleum additives	\$ 325.0	\$ 269.0	\$ 624.5	\$ 506.2
Tetraethyl lead	5.1	2.8	7.5	4.8
<b>Total</b>	<b>\$ 330.1</b>	<b>\$ 271.8</b>	<b>\$ 632.0</b>	<b>\$ 511.0</b>
<b>Segment operating profit:</b>				
<b>Petroleum additives</b>	<b>\$ 27.1</b>	<b>\$ 16.4</b>	<b>\$ 52.8</b>	<b>\$ 25.6</b>
Tetraethyl lead before special item	2.3	5.5	2.5	9.7
Special item (a)	-	3.9	-	3.9
<b>Tetraethyl lead</b>	<b>2.3</b>	<b>9.4</b>	<b>2.5</b>	<b>13.6</b>
<b>Contract manufacturing and other</b>	<b>1.2</b>	<b>1.0</b>	<b>2.3</b>	<b>1.7</b>
<b>Segment operating profit</b>	<b>30.6</b>	<b>26.8</b>	<b>57.6</b>	<b>40.9</b>
Corporate unallocated expense	(2.8)	(3.3)	(5.8)	(6.2)
Special items (b)	7.7	-	7.7	-
Interest expense	(3.9)	(4.5)	(7.8)	(8.8)
Other income (expense), net	0.6	(0.2)	1.2	(0.2)
<b>Income before income taxes</b>	<b>\$ 32.2</b>	<b>\$ 18.8</b>	<b>\$ 52.9</b>	<b>\$ 25.7</b>
<b>Net income:</b>				
Earnings excluding special items	\$ 15.50	\$ 10.6	\$ 29.20	\$ 15.3
Special items (a) (b)	4.9	2.5	4.9	2.5
<b>Net income</b>	<b>\$ 20.4</b>	<b>\$ 13.1</b>	<b>\$ 34.1</b>	<b>\$ 17.8</b>
<b>Basic earnings per share:</b>				
Earnings excluding special items	\$ 0.90	\$ 0.62	\$ 1.70	\$ 0.90
Special items (a) (b)	0.28	0.15	0.29	0.15
<b>Basic earnings per share</b>	<b>\$ 1.18</b>	<b>\$ 0.77</b>	<b>\$ 1.99</b>	<b>\$ 1.05</b>
<b>Diluted earnings per share:</b>				
Earnings excluding special items	\$ 0.89	\$ 0.62	\$ 1.68	\$ 0.89
Special items (a) (b)	0.28	0.14	0.28	0.14
<b>Diluted earnings per share</b>	<b>\$ 1.17</b>	<b>\$ 0.76</b>	<b>\$ 1.96</b>	<b>\$ 1.03</b>

**Notes to Segment Results and Other Financial Information**

Certain prior period amounts have been reclassified to conform to the current presentation. There was no impact on net income in any period.

- (a) The 2005 special item in TEL represents the gain associated with the insurance settlement related to premises asbestos liabilities. The after tax gain amounted to \$2.5 million.
- (b) The 2006 special items include a \$4.4 million gain (\$2.9 million after tax) for interest on an income tax settlement, as well as a \$3.3 million gain (\$2.0 million after tax) on the sale of property.

**NEWMARKET CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(In thousands except per share amounts, unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2006	2005	2006	2005
<b>Net sales</b>	<b>\$ 330,066</b>	<b>\$ 271,842</b>	<b>\$ 632,016</b>	<b>\$ 510,956</b>
Cost of goods sold	260,365	219,681	498,311	415,682
<b>Gross profit</b>	<b>69,701</b>	<b>52,161</b>	<b>133,705</b>	<b>95,274</b>
Operating profit from TEL marketing agreements services	1,850	6,826	3,188	13,277
Selling, general, and administrative expenses	26,668	23,969	51,466	46,262
Research, development, and testing expenses	17,116	15,797	33,682	32,077
Special items income (a)	3,250	3,868	3,250	3,868
<b>Operating profit</b>	<b>31,017</b>	<b>23,089</b>	<b>54,995</b>	<b>34,080</b>
Interest and financing expenses	3,866	4,455	7,772	8,782
Other income, net (b)	5,046	131	5,643	371
<b>Income before income taxes</b>	<b>32,197</b>	<b>18,765</b>	<b>52,866</b>	<b>25,669</b>
Income tax expense	11,828	5,698	18,725	7,840
<b>Net income</b>	<b>\$ 20,369</b>	<b>\$ 13,067</b>	<b>\$ 34,141</b>	<b>\$ 17,829</b>
<b>Basic earnings per share</b>	<b>\$ 1.18</b>	<b>\$ 0.77</b>	<b>\$ 1.99</b>	<b>\$ 1.05</b>
<b>Diluted earnings per share</b>	<b>\$ 1.17</b>	<b>\$ 0.76</b>	<b>\$ 1.96</b>	<b>\$ 1.03</b>
<b>Shares used to compute basic earnings per share</b>	<b>17,232</b>	<b>17,016</b>	<b>17,177</b>	<b>16,999</b>
<b>Shares used to compute diluted earnings per share</b>	<b>17,411</b>	<b>17,305</b>	<b>17,403</b>	<b>17,310</b>

**Notes to Consolidated Statements of Income**

- (a) The 2006 special item represents a gain on the sale of property. The after tax gain was \$2.0 million. The 2005 special item represents a gain associated with the insurance settlement related to premises asbestos liabilities. The after tax gain amounted to \$2.5 million.
- (b) Other income, net for both six months 2006 and second quarter 2006 includes a gain of \$4.4 million for interest on an income tax settlement. The after tax gain amounted to \$2.9 million.

**NEWMARKET CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands)

	June 30 2006 (unaudited)	December 31 2005
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 63,872	\$ 56,413
Restricted cash	240	1,419
Trade and other accounts receivable, less allowance for doubtful accounts (\$891 - 2006; \$1,045 - 2005)	194,376	189,460
Inventories	168,099	151,999
Deferred income taxes	7,626	9,289
Prepaid expenses	5,499	3,119
<b>Total current assets</b>	<b>439,712</b>	<b>411,699</b>
Property, plant and equipment, at cost	737,479	764,945
Less accumulated depreciation and amortization	582,376	610,939
<b>Net property, plant and equipment</b>	<b>155,103</b>	<b>154,006</b>
Prepaid pension cost	17,253	18,316
Deferred income taxes	20,497	23,157
Other assets and deferred charges	42,137	44,480
Intangibles, net of amortization	47,692	49,874
<b>Total assets</b>	<b>\$ 722,394</b>	<b>\$ 701,532</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 84,636	\$ 88,350
Accrued expenses	54,215	58,847
Dividends payable	2,157	-
Book overdraft	4,114	4,222
Long-term debt, current portion	660	640
Income taxes payable	8,335	14,728
<b>Total current liabilities</b>	<b>154,117</b>	<b>166,787</b>
Long-term debt	152,849	153,189
Other noncurrent liabilities	115,706	115,496
Shareholders' equity		
Common stock and paid in capital (without par value) Issued - 17,245,259 in 2006 and 17,081,559 in 2005	86,522	85,162
Accumulated other comprehensive loss	(28,045)	(30,511)
Retained earnings	241,245	211,409
<b>Total liabilities and shareholders' equity</b>	<b>\$ 722,394</b>	<b>\$ 701,532</b>