

NEWMARKET CORPORATION AND SUBSIDIARIES
SEGMENT RESULTS AND OTHER FINANCIAL INFORMATION

(In millions except per share amounts, unaudited)

	Three Months Ended December 31		Twelve Months Ended December 31	
	2008	2007	2008	2007
Net sales:				
Petroleum additives	\$ 365.6	\$ 360.6	\$ 1,604.3	\$ 1,357.9
All other (a)	3.0	3.5	13.1	17.0
Total	\$ 368.6	\$ 364.1	\$ 1,617.4	\$ 1,374.9
Segment operating profit:				
Petroleum additives (b)	\$ 32.5	\$ 28.7	\$ 130.0	\$ 129.4
All other (a)	0.5	(2.3)	1.5	(6.7)
Segment operating profit	33.0	26.4	131.5	122.7
Corporate unallocated expenses	(4.2)	(3.6)	(15.0)	(13.8)
Interest and financing expenses	(3.2)	(2.8)	(12.0)	(11.6)
Other (expense) income, net	(0.4)	0.6	0.8	3.1
Income from continuing operations before income taxes	\$ 25.2	\$ 20.6	\$ 105.3	\$ 100.4
Net income:				
Income from continuing operations excluding special items	\$ 19.4	\$ 15.4	\$ 73.2	\$ 69.0
Special items (c)	-	11.6	-	9.5
Discontinued operations (d)	-	-	-	16.8
Net income	\$ 19.4	\$ 27.0	\$ 73.2	\$ 95.3
Basic earnings per share:				
Income from continuing operations excluding special items	\$ 1.27	\$ 0.96	\$ 4.77	\$ 4.09
Special items (c)	-	0.73	-	0.57
Discontinued operations (d)	-	-	-	1.00
Basic earnings per share	\$ 1.27	\$ 1.69	\$ 4.77	\$ 5.66
Diluted earnings per share:				
Income from continuing operations excluding special items	\$ 1.27	\$ 0.96	\$ 4.75	\$ 4.07
Special items (c)	-	0.72	-	0.56
Discontinued operations (d)	-	-	-	0.99
Diluted earnings per share	\$ 1.27	\$ 1.68	\$ 4.75	\$ 5.62

Notes to Segment Results and Other Financial Information

- (a) During the second quarter 2007 and after the settlement of the Arbitration Actions with Innospec Inc. and the resulting termination of the tetraethyl lead (TEL) marketing agreements with Innospec Inc. (see note d), we determined the continuing operations of our TEL business no longer represented a significant segment. As a result, we have reclassified the continuing results of our TEL business in the "All other" caption above. Also included in the "All other" caption is certain contract manufacturing of Ethyl Corporation and the real estate development activities.
- (b) Petroleum additives segment operating profit for twelve months 2008 includes a gain of \$3.2 million from a class action lawsuit related to raw materials.
- (c) Special items for 2007 primarily represents a reversal of deferred tax provisions that were previously provided on the undistributed earnings of certain foreign subsidiaries following our determination that no dividends would be paid by these subsidiaries for the foreseeable future. The twelve months 2007 amount was \$9.5 million and the fourth quarter 2007 after tax amount was \$11.6 million.
- (d) Discontinued operations reflect the termination of the TEL marketing agreements with Innospec Inc. effective April 1, 2007. The gain on the settlement of this business was \$22.8 million (\$14.6 million after tax or \$.84 per share) for twelve months 2007. The remaining amount for 2007 represents the after tax earnings of the discontinued business.

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

	Three Months Ended December 31		Twelve Months Ended December 31	
	2008	2007	2008	2007
Net sales	\$ 368,595	\$ 364,119	\$ 1,617,431	\$ 1,374,874
Cost of goods sold (a)	291,475	291,563	1,302,937	1,078,302
Gross profit	77,120	72,556	314,494	296,572
Selling, general, and administrative expenses	28,634	29,655	116,382	111,115
Research, development, and testing expenses	20,173	20,447	81,752	76,834
Operating profit	28,313	22,454	116,360	108,623
Interest and financing expenses	3,192	2,814	12,046	11,557
Other income, net	111	976	1,012	3,358
Income from continuing operations before income taxes	25,232	20,616	105,326	100,424
Income tax expense (benefit) (b)	5,873	(6,380)	32,099	21,874
Income from continuing operations	19,359	26,996	73,227	78,550
Discontinued operations (c):				
Gain on settlement of discontinued business (net of tax)	-	-	-	14,554
Income from operations of discontinued business (net of tax)	-	-	-	2,217
Net income	\$ 19,359	\$ 26,996	\$ 73,227	\$ 95,321
Basic earnings per share				
Income from continuing operations	\$ 1.27	\$ 1.69	\$ 4.77	\$ 4.66
Discontinued operations (c)	-	-	-	1.00
	\$ 1.27	\$ 1.69	\$ 4.77	\$ 5.66
Diluted earnings per share				
Income from continuing operations	\$ 1.27	\$ 1.68	\$ 4.75	\$ 4.63
Discontinued operations (c)	-	-	-	0.99
	\$ 1.27	\$ 1.68	\$ 4.75	\$ 5.62
Shares used to compute basic earnings per share	15,196	16,001	15,362	16,841
Shares used to compute diluted earnings per share	15,242	16,117	15,430	16,957
Cash dividends declared per share	\$ 0.20	\$ 0.20	\$ 0.80	\$ 0.575

Notes to Consolidated Statements of Income

- (a) Cost of goods sold for twelve months 2008 includes a gain of \$3.2 million from a legal settlement related to raw materials.
- (b) Income tax (benefit) expense for both twelve months 2007 and fourth quarter 2007 includes a special item primarily representing a reversal of deferred tax provisions that were previously provided on the undistributed earnings of certain foreign subsidiaries following our determination that no dividends would be paid by these subsidiaries for the foreseeable future. The twelve months 2007 amount was \$9.5 million and the fourth quarter 2007 amount was \$11.6 million
- (c) Discontinued operations reflect the termination of the TEL marketing agreements with Innospec Inc. effective April 1, 2007. The gain on the settlement of this business was \$22.8 million (\$14.6 million after tax or \$.84 per share) for twelve months 2007. The income from operations for twelve months 2007 represents the after tax earnings of the discontinued business. Income from operations before tax amounted to \$3.5 million for the twelve months 2007.

NEWMARKET CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, unaudited)

	December 31 2008	December 31 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 21,761	\$ 71,872
Trade and other accounts receivable, less allowance for doubtful accounts (\$1,141 - 2008; \$1,059 - 2007)	203,551	207,190
Inventories	201,072	193,694
Deferred income taxes	14,090	18,727
Prepaid expenses and other current assets	5,704	3,558
Total current assets	446,178	495,041
Property, plant and equipment, at cost	848,011	789,634
Less accumulated depreciation and amortization	606,275	606,072
Net property, plant and equipment	241,736	183,562
Prepaid pension cost	159	2,616
Deferred income taxes	37,744	21,396
Other assets and deferred charges	31,566	22,764
Intangibles, net of amortization and goodwill	54,069	45,555
Total assets	\$ 811,452	\$ 770,934
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 60,505	\$ 104,636
Accrued expenses	63,715	57,043
Dividends payable	2,646	3,154
Book overdraft	999	6,249
Long-term debt, current portion	784	736
Income taxes payable	7,264	5,843
Total current liabilities	135,913	177,661
Long-term debt	236,378	157,061
Other noncurrent liabilities	148,038	119,205
Shareholders' equity		
Common stock and paid in capital (without par value) Issued and Outstanding - 15,199,207 in 2008 and 15,566,225 in 2007	115	5,235
Accumulated other comprehensive loss	(95,750)	(34,360)
Retained earnings	386,758	346,132
Total liabilities and shareholders' equity	\$ 811,452	\$ 770,934