Cytec To Sell Coating Resins Business For $1.03B

The Associated Press

WOODLAND PARK, N.J. (AP) — Chemical coating maker Cytec Industries Inc. said Tuesday it has agreed to sell its coating resins business to private equity firm Advent International for $1.03 billion.

The Woodland Park, N.J.-based company said the sale will allow it to focus on its high-growth areas of advanced materials and separation technologies, boosting returns for its shareholders.

The deal includes its radiation-cured resins, liquid coating resins, powder coating resins and amino crosslinkers product lines.

Advent is also assuming $118 million in debt in the deal. It is expected to close in the first quarter 2013.

The latest deal follows Cytec's April announcement that it would sell its line of pressure sensitive adhesive products to Germany's Henkel AG for $105 million in cash. Those products generated about $94 million in business in 2011.

Separately on Tuesday, Cytec said that its board approved the repurchase of an additional $452 million in stock. That increases the company's total stock buyback authorization to $650 million.

Cytec said it plans to fund the buybacks with part of the cash proceeds from the sale of the coating resins business.

Cytec Industries shares rose 90 cents, or 1.4 percent, to $65.60 in morning trading Tuesday. Its shares are 6 percent below their 52-week high of $70.07 set Sept. 7.

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