Kraton Performance Polymers, Inc.
Form 424B7
April 01, 2011

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Filed pursuant to Rule 424(b)(7)

Registration No. 333-172639

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Maximum Aggregate Offering Price	Amount of Registration Fee (1)
Common Stock, par value $0.01 per share	$ 377,049,718	$ 43,775.47

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

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PROSPECTUS SUPPLEMENT

(To Prospectus dated March 7, 2011)

9,988,072 Shares

Kraton Performance Polymers, Inc.

Common Stock

The selling stockholders identified in this prospectus supplement are offering all of the shares offered hereby and will receive all of the proceeds from this offering. We will not receive any proceeds from this offering. See Selling Stockholders.

Our common stock is listed on the New York Stock Exchange under the symbol KRA. On March 31, 2011, the last reported sale price of our common stock on the New York Stock Exchange was $38.25 per share.

Investing in our common stock involves a high degree of risk. You should carefully consider the risks referenced under Risk Factors on page S-13 of this prospectus supplement, as well as the other information contained or incorporated by reference in this prospectus supplement or in the accompanying prospectus before making a decision to invest in our common stock.

	Price to Public	Underwriting Discounts and Commissions	Proceeds, Before Expenses, to the Selling Stockholders
Per Share	$ 37.75	$ 1.69875	$ 36.05125
Total	$ 377,049,718.00	$ 16,967,237.31	$ 360,082,480.69

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Delivery of the shares of common stock will be made on or about April 6, 2011.

Credit Suisse **BofA Merrill Lynch** **Morgan Stanley**

Oppenheimer & Co. **Goldman, Sachs & Co.**

KeyBanc Capital Markets **Macquarie Capital** **UBS Investment Bank**

The date of this prospectus supplement is March 31, 2011.

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Prospectus Supplement

Prospectus

We are responsible for the information contained and incorporated by reference in this prospectus supplement, the accompanying prospectus and in any related free-writing prospectus we prepare or authorize. Neither we, nor the selling stockholders have authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. This document may only be used where it is legal to sell these securities. The information contained in this prospectus supplement, the accompanying prospectus or in any related free-writing prospectus we prepare or authorize may only be accurate as of the date of the applicable document.

Neither this prospectus supplement nor the accompanying prospectus constitutes an offer, or an invitation on our behalf or on behalf of the selling stockholders to subscribe for and purchase any securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with the documents incorporated by reference and the additional information described in the accompanying prospectus under the heading Where You Can Find More Information.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Any statement made in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement. The information we have included in this prospectus supplement and the accompanying prospectus is accurate only as of the date of this prospectus supplement or the accompanying prospectus, and any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference.

The Kraton name, logo and other trademarks mentioned in this prospectus supplement, the accompanying prospectus, any free-writing prospectus or any document incorporated by reference are the property of their respective owners.

We obtained the industry and market data used throughout this prospectus supplement, the accompanying prospectus, any free-writing prospectus or any document incorporated by reference from our own internal estimates and research as well as from industry and general publications and from research, surveys and studies conducted by third parties.

In this prospectus supplement, unless we indicate otherwise or the context requires:

- Kraton, our company, we, our, ours and us refer to Kraton Performance Polymers, Inc. and its consolidated subsidiaries; and
- the SBC industry refers to the elastomeric styrenic block copolymers industry and does not include the high styrene or rigid SBC business.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

We are allowed to incorporate by reference the information contained in documents that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement, and information that we file later with the SEC will automatically update and supersede this information. We hereby incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the termination of the offering of the securities described in this prospectus supplement (other than in each case, unless otherwise indicated, documents or information that is, or is deemed to be, furnished and not filed in accordance with applicable SEC rules):

- our annual report on Form 10-K for the fiscal year ended December 31, 2010 as filed on March 7, 2011;
- our current reports on Form 8-K as filed on January 28, 2011, February 1, 2011, February 2, 2011 (two reports), February 11, 2011, February 14, 2011 and February 15, 2011;

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the information specifically incorporated by reference in our Annual Report on Form 10-K for the fiscal year ended December 31, 2009 from our Definitive Proxy Statement on Schedule 14A filed with the SEC on April 13, 2010; and

the description of our common stock contained in our registration statement on Form S-1/A, filed with the SEC on September 20, 2010.

Any information incorporated or deemed to be incorporated by reference shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that the information contained in this prospectus supplement modifies or supersedes that information.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus supplement is delivered, upon written or oral request of any such person, a copy of any or all of the information that has been or may be incorporated by reference in this prospectus supplement, excluding all exhibits unless an exhibit has been specifically incorporated by reference into this prospectus supplement. Requests for such copies should be directed to:

Secretary

Kraton Performance Polymers, Inc.

15710 John F. Kennedy Blvd.

Suite 300

Houston, Texas 77032

Telephone: (281) 504-4700

We make these filings available through our web site at *www.kraton.com*. Our web site and the information contained on that site, or connected to that site, are not incorporated by reference into this prospectus supplement.

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SUMMARY

Our Company

General

We believe we are the world s leading producer of styrenic block copolymers (SBCs) as measured by 2010 sales revenue. We market our products under the widely recognized KRATON® brand. SBCs are highly engineered synthetic elastomers that we invented and commercialized almost 50 years ago, which enhance the performance of numerous end use products, imparting greater flexibility, resilience, strength, durability and processability. We focus on the end use markets we believe offer the highest growth potential and greatest opportunity to differentiate our products from competing products. Within these end use markets, we believe that we provide our customers with a broad portfolio of highly-engineered and value-enhancing polymers that are critical to the performance of our customers products. We seek to maximize the value of our product portfolio by introducing innovations that command premium pricing and by consistently upgrading from lower margin products. As the industry leader, we believe we maintain significant competitive advantages, including an almost 50-year proven track record of innovation; world-class technical expertise; customer, geographical and end use market diversity; and industry-leading customer service capabilities. These advantages are supported by a global infrastructure and a long history of successful capital investments and operational excellence.

Our SBC products are found in many everyday applications, including disposable baby diapers, the rubberized grips of toothbrushes, razor blades, power tools and in asphalt formulations used to pave roads. We believe that there are many untapped uses for our products, and we will continue to develop new applications for SBCs. We also develop, manufacture and market niche, non-SBC products that we believe have high growth potential, such as isoprene rubber latex (IRL). IRL is a highly-engineered, reliable synthetic substitute for natural rubber latex. We believe the versatility of IRL offers significant opportunities for new, high-margin applications. Our IRL products, which are used in applications such as surgical gloves and condoms, have not been found to contain the proteins present in natural latex and are, therefore, not known to cause allergies. We believe we produce the highest purity IRL globally and that we are the only significant third-party supplier of the product. Our IRL business has grown at a compound annual growth rate of 36%, based on revenues, from 2008 to the end of 2010.

We currently offer approximately 800 products to more than 700 customers in over 60 countries worldwide, and we manufacture our polymers at five manufacturing facilities on four continents, including our flagship plant in Belpre, Ohio, the most diversified SBC plant in the world. Our facility in Japan is operated by an unconsolidated manufacturing joint venture. Our products are typically developed using our proprietary, and in many cases patent-protected, technology and require significant engineering, testing and certification. In 2010, we were awarded 81 patents for new products or applications and at December 31, 2010, we had approximately 1,053 granted patents and approximately 349 pending patent applications. We are widely regarded as the industry s leading innovator and cost-efficient manufacturer in our end use markets. We work closely with our customers to design products that meet application-specific performance and quality requirements. We expect these innovations to drive our organic growth, sustain our leadership position, expand our market share, improve our margins and produce a high return on invested capital.

Over the past several years, we have implemented a range of strategic initiatives designed to enhance our profitability and end use market position. These include fixed asset investments to expand our capacity in high value products, to enhance productivity at our existing facilities and to significantly reduce our fixed cost structure through headcount reductions, production line closures at our Pernis, the Netherlands, facility (Pernis) and system upgrades. During this period, we have shifted our portfolio to higher-margin products, substantially exited low-margin businesses such as footwear and implemented smart pricing strategies that have improved our

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overall margins and return on invested capital. We believe these initiatives provide us with a strong platform to drive growth, create significant operating leverage and position us to benefit from volume recovery in our end use markets.

Our End Use Markets

We have aligned our commercial activities to serve four core end use markets that we believe have the highest growth and profitability potential: (1) Advanced Materials; (2) Adhesives, Sealants and Coatings; (3) Paving and Roofing; and (4) Emerging Businesses. The following table describes our four core end use markets and other end use markets, and their approximate relative sizes:

	Revenue Mix (1)			
End Use Markets	**2010**	**2009**	**2008**	**Selected Applications/Products**
Advanced Materials	31%	31%	30%	Soft touch for consumer products (tooth brushes and razor blades) and power tools Impact resistant engineering plastics Impact resistant for polyolefin based totes and bins Automotive components Elastic films for disposable diapers and adult incontinence branded products Skin care products and lotions Disposable food packaging Medical packaging films and tubing, often as alternative to PVC Wire & cable insulation/jacketing, alternative to PVC
Adhesives, Sealants and Coatings	32%	32%	32%	Tapes and labels Non-woven and industrial adhesives Industrial and consumer weather sealants
Paving and Roofing	28%	26%	31%	Asphalt modification for performance roadways, bridges and airports Asphalt modification for roofing felts and shingles
Emerging Businesses	7%	7%	3%	Surgical gloves Condoms
Other Markets	2%	4%	4%	Lubricants and fuel additives High styrenics packaging Footwear

(1) Based on 2010, 2009 and 2008 sales of $1,228 million, $920 million and $1,171 million (excludes by-product sales, which are reported as other revenues).

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Our Competitive Strengths

We believe the following competitive strengths help us to sustain our market leadership position and contribute to our ability to generate superior margins and strong cash flow. We expect these strengths to support our growth in the future:

The Market Leader in SBCs: We believe we hold the number one global market position, based on 2010 sales revenue, in each of our four core end use markets, with sales of approximately $1,228 million and sales volumes of approximately 307 kilotons for the year ended December 31, 2010. We generated approximately 98% of our 2010 product sales in our core end use markets. Our Belpre, Ohio facility is the most product-diversified SBC plant in the world, and we believe our Wesseling, Germany facility is world scale and cost efficient. As the pioneer of SBCs almost 50 years ago, we believe our KRATON® brand is widely recognized for our industry leadership, and we are particularly well regarded for our process technology expertise and long track record of market-driven innovation.

Growth Through Innovation and Technological Know-How: SBC production and product development requires complex and specific expertise, which we believe many of our competitors are currently unable to replicate. As the industry pioneer, Kraton maintains a constant focus on enhancing the value-added attributes of our products and on developing new applications for SBCs. At December 31, 2010, we had approximately 1,053 granted patents and approximately 349 pending patent applications. Our Vision 20/20 program targets generating 20% of sales revenues from new products or applications introduced in the prior five years. In 2010, we generated 13% of our sales from innovation driven revenue. We believe that our new product innovation will allow us to drive increases in our volume, expand unit contribution margins (the excess of the sale price of a unit of product over the variable cost to produce that unit) and increase our customers reliance on Kraton s products and technical expertise. For example, for the year ended December 31, 2010, our Emerging Businesses end use market, which includes isoprene rubber (IR) and IRL, represented 7% of sales revenues. Furthermore, our IRL business has grown, on a revenue basis, at a compound annual growth rate of 36% from 2008 to the end of 2010 and is earning a unit contribution margin in excess of the company s as a whole. In addition to IRL, we believe we have a robust portfolio of innovations at various stages of development and commercialization that we believe will fuel our future growth. Examples include, PVC alternatives for wire & cable and medical applications, and polymers used in slush molding for automotive applications, and our Nexar family of membrane polymers for water filtration and breathable fabrics.

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Diverse Global Manufacturing Capabilities and End Use Market Exposures: We manufacture our polymers at five manufacturing facilities on four continents (North America, Europe, South America and Asia) producing what we believe to be the highest quality grades available of unhydrogenated SBCs (USBCs,) hydrogenated SBCs (HSBCs,) and high purity IRL. We believe we are the only SBC producer with this breadth of technical capabilities and global footprint, selling approximately 800 products to more than 700 customers in over 60 countries. Since 2003, we have successfully completed plant expansions totaling 60 kilotons of capacity at a total cost of less than $50 million, giving us a total capacity of 420 kilotons. Our manufacturing and product footprint allow revenue diversity, both geographically and by end use market. We believe our scale and footprint make us an attractive customer for our monomer suppliers, which, in turn, allows us to offer a high degree of supply security to customers.

Long-Standing, Strong Customer Relationships Supported by Leading Service-Offering: We sell our products to over 700 customers, many of which we have had relationships with for 15 years or more. Our customers are broad-based, with no single customer accounting for more than 5% of our sales revenue in 2010 (our top 10 customers together represented 29% of sales in 2010). Our customers manufacturing processes are typically calibrated to the performance specifications of our products. Given the technical expertise and investment required to develop these formulations and the lead times required to replace them, we believe our customers face high switching costs. We believe our customers view our products as being high value-added, even though our products generally represent a small proportion of the overall cost of the finished product. Leveraging our global infrastructure, we believe we offer our customers a best-in-class service level that aligns us to their respective business models through on demand order delivery and product development specifically designed for each customer s needs.

Experienced Management Team with a Track Record of Growth and Productivity Improvements: Our senior management team has an average industry experience of approximately 25 years, most of which has been with some of the world s leading companies, including Koch Industries, Hoechst AG and Chevron Phillips Chemical. Since early 2008, when the majority of the current executive team was put in place, we have instituted a number of strategic initiatives designed to enhance productivity, reduce costs and capital intensity, expand margins and drive innovation-led growth.

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Our Business Strategy

Building on these competitive strengths, we are focused on achieving profitable top-line growth and improving margins through the introduction of highly-engineered, high value-added products to drive strong and sustainable cash flow.

Drive Growth and Margin Expansion Through Innovation: We have an almost 50-year track record of innovation dating back to our development of the first SBCs. Our research and development effort is focused on end use markets and new product developments that we believe offer high growth as well as opportunities to develop highly-differentiated products for our customers, thus yielding higher margin potential. We work very closely with our longstanding customer base to produce products that solve their specific technical requirements. For example, to address an industry trend to provide an alternative to PVC in applications such as medical packaging and wire and cable, we have developed and commercialized a series of custom-designed polymers and compounds. In addition to this innovation-led growth, we believe that there are a number of end use market dynamics that will also drive growth in our business, such as the general demand by customers for higher value-added product performance characteristics.

Pursue Smart Pricing: In late 2007, we undertook a comprehensive review of our entire product portfolio, including both product-specific and customer-specific profitability analysis. As a result, we took a variety of actions including reducing or eliminating our exposure to lower margin business and increasing our prices to reflect the significant value-added benefits of our products to our customers products. Since the end of 2007, we have increased our unit contribution margins by more than 50%. We will continue to pursue pricing strategies that reflect the contribution to the end product of our high value and complex product offerings for which limited substitutes exist.

Invest in Key Growth Initiatives: For the year ended December 31, 2010, capital expenditures were approximately $56 million. We currently expect 2011 capital expenditures will be approximately $80 million to $85 million. Our minimum annual capital expenditure levels to maintain and achieve required improvements in our facilities in each of the next three to five years are expected to be approximately $16 million to $22 million. Included in our 2011 capital expenditure estimate is $13 million for engineering related to our ongoing assessment of a possible HSBC manufacturing facility in Asia, $11 million to replace IR production from the closure of our Pernis facility, $6 million for the multi-year systems and control upgrades, approximately $3 million to replace our coal-burning boilers with natural gas boilers at our Belpre, Ohio, facility, and $3 million for IRL expansion at our Paulinia facility.

Continue to Pursue Operational Efficiencies: We have a history of implementing continuous process and cost improvement plans that have resulted in a significant reduction in our cost position and an improvement in the way we run our business. Since the beginning of 2008, we have implemented cost saving initiatives that have reduced costs by over $50 million, on an annual basis. These initiatives include:

- approximately $25 million for programs to streamline our operations and lower staffing levels,
- approximately $10 million associated with the shutdown of SIS production at our Pernis facility in 2008;
- approximately $5 million in cost reductions related to the implementation of our new Enterprise Resource Planning (ERP) system in 2009; and
- approximately $12 million in ongoing cost reductions related to the shutdown of IR production at our Pernis facility.

Through these actions, we have created substantial operating leverage in our business and we continue to pursue initiatives to lower our cost structure and improve operational efficiencies.

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Corporate and Other Information

Our business is conducted through Kraton Polymers LLC, a Delaware limited liability company, and its consolidated subsidiaries. Prior to our initial public offering, Kraton Polymers LLC s parent company was Polymer Holdings LLC, a Delaware limited liability company. On December 16, 2009, Polymer Holdings LLC (Polymer Holdings), was converted from a Delaware limited liability company to a Delaware corporation and renamed Kraton Performance Polymers, Inc., which remains Kraton Polymers LLC s parent company. Trading in our common stock on the New York Stock Exchange commenced on December 17, 2009 under the symbol KRA.

Our principal executive offices are located at 15710 John F. Kennedy Boulevard, Suite 300, Houston, Texas 77032, and our telephone number is (281) 504-4700. Our corporate web site address is *www.kraton.com*. We do not incorporate the information contained on, or accessible through, our corporate web site into this prospectus supplement or the accompanying prospectus, and you should not consider it part of this prospectus supplement or the accompanying prospectus.

Selling Stockholders

As of March 25, 2011, certain affiliates of TPG Capital, L.P. (collectively, TPG) owned approximately 18.80% of our common stock and certain affiliates of J.P. Morgan Partners, LLC (collectively, JPMP) owned approximately 12.53% of our common stock. After the sale of our common stock by TPG and JPMP in this offering, TPG and JPMP will no longer own shares of our common stock.

Recent Developments

Pricing. We have implemented a series of global price increases in 2011, which have been generally broad-based across our end use markets in response to higher raw material costs and other factors.

Operations of our USBC facility at the Kashima Petrochemical Complex, Japan. We own a 50% equity investment in a manufacturing joint venture with JSR Corporation in Kashima Japan. Our earnings from this unconsolidated joint venture were $487,000, $403,000 and $437,000 for the years ended December 31, 2010, 2009 and 2008, respectively. Operations of our USBC facility at the Kashima Petrochemical Complex were shut down on March 11, 2011, as part of a complex wide emergency procedure in response to the recent earthquake. Although our USBC facility was not damaged, it has been confirmed that there has been damage to the broader infrastructure at the Kashima Petrochemical Complex as a result of the earthquake and tsunami. Loading berths, roads and infrastructure around the facility have been damaged. Operations at our facility remain suspended due to a lack of monomers and utilities. Currently, it is impossible for us to give an estimate of when our facility will be back in operation. We continue to monitor the situation closely and are working with our partners to expedite returning our facility to normal operations. At the present time, we are able to meet our customers forecasted demand from our inventories and have initiated contingency plans to provide our customers with products from our other global manufacturing sites to mitigate any supply disruptions.

February 2011 Refinancing Transactions. On February 11, 2011, we refinanced our existing indebtedness by completing an offering of $250.0 million in aggregate principal amount of 6.75% Senior Notes due 2019 through an institutional private placement and entering into a new $350.0 million senior secured credit agreement with a maturity date of February 11, 2016. The new credit agreement provides for senior secured financing consisting of:

- a $200.0 million senior secured revolving credit facility. The new revolver, which was undrawn at close, replaces our previous $80.0 million facility;

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- a $150.0 million senior secured term loan facility; and

- an option to raise up to $125.0 million of incremental term loans or incremental revolving credit commitments.

In connection with this refinancing we repaid in full all outstanding borrowings under the existing term and revolving loans. In addition, we purchased $151.0 million principal amount of our outstanding 8.125% Senior Notes and redeemed the remaining $12.0 million principal amount of these notes. We also redeemed the $0.3 million outstanding principal amount of the 12% Discount Notes. See Note 16 *Subsequent Events* to our consolidated financial statements included in our annual report on Form 10-K for the year ended December 31, 2010, filed with the SEC on March 7, 2011 for further discussion of these transactions.

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The Offering

Common Stock offered by the selling stockholders	9,988,072 shares.
Use of proceeds	The selling stockholders will receive all of the proceeds from this offering and we will not receive any proceeds from the sale of shares in this offering.
Selling stockholders	TPG and JPMP are our principal stockholders and the only selling stockholders in this offering. Upon completion of this offering, TPG and JPMP will no longer own shares of our common stock. See Selling Stockholders.
Dividend policy	We have not previously declared or paid any dividends or distributions on our common stock. We currently expect to retain future earnings, if any, for use in the operation and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future. We may be prohibited from paying cash dividends on our common stock by the covenants in the senior secured credit facility and our senior notes and may be further restricted by the terms of future debt or preferred securities. See Dividend Policy.
Risk Factors	Investing in our common stock involves a high degree of risk. See Risk Factors for a discussion of factors you should carefully consider before deciding to invest in our common stock.
New York Stock Exchange Symbol	KRA

Except as otherwise noted, all information in this prospectus excludes 3,211,709 shares of common stock reserved for future issuance under the Polymer Holdings LLC 2009 Equity Incentive Plan.

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Summary of Consolidated Financial Information and Other Data

The table below sets forth our summary consolidated historical financial data for the periods indicated. The summary consolidated historical financial data presented below for the years ended December 31, 2010, 2009 and 2008 and as of December 31, 2010 and 2009 have been derived from our audited consolidated financial statements for those years.

The summary consolidated financial information and other data presented below should be read in conjunction with the information contained in Management s Discussion and Analysis of Financial Condition and Results of Operations, the audited consolidated financial statements and the notes thereto, all included in our annual report on Form 10-K for the year ended December 31, 2010, filed with the SEC on March 7, 2011, which is incorporated by reference in this prospectus.

	Years ended December 31,		
	2010	2009	2008
	(In thousands, except per share data)		
Consolidated Statements of Operations Data:			
Operating Revenues			
Sales	$ 1,228,425	$ 920,362	$ 1,171,253
Other(1)		47,642	54,780
Total operating revenues	1,228,425	968,004	1,226,033
Cost of Goods Sold	927,932	792,472	971,283
Gross Profit	300,493	175,532	254,750
Operating Expenses			
Research and development	23,628	21,212	27,049
Selling, general and administrative	92,305	79,504	101,431
Depreciation and amortization of identifiable intangibles	49,220	66,751	53,162
Total operating expenses	165,153	167,467	181,642
Gain on Extinguishment of Debt		23,831	
Earnings of Unconsolidated Joint Venture(2)	487	403	437
Interest Expense, Net	23,969	33,956	36,695
Income (Loss) Before Income Taxes	111,858	(1,657)	36,850
Income Tax Expense (Benefit)	15,133	(1,367)	8,431
Net Income (Loss)	$ 96,725	$ (290)	$ 28,419
Earnings (Loss) per common share			
Basic	$ 3.13	$ (0.01)	$ 1.46
Diluted	$ 3.07	$ (0.01)	$ 1.46
Weighted average common shares outstanding			
Basic	30,825	19,808	19,387
Diluted	31,379	19,808	19,464

(1) Other revenues include the sale of by-products generated in the production of IR and SIS.

(2) Represents our 50% joint venture interest in Kraton JSR Elastomers K.K., which is accounted for using the equity method of accounting.