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ETHYL CORP  
Form 11-K  
June 29, 2001

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K  
ANNUAL REPORT

Pursuant to Section 15(d) of the  
Securities Exchange Act of 1934

(Mark One):

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]  
For the Fiscal Year Ended December 31, 2000

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 33-63525

A. Full title of the plan and the address of the plan, if different  
from that of the issuer named below:

SAVINGS PLAN FOR THE EMPLOYEES  
OF ETHYL CORPORATION

B. Name of issuer of the securities held pursuant to the plan and  
the address of its principal executive office:

Ethyl Corporation  
P. O. Box 2189  
Richmond, Virginia 23218

Appendix 1

SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL  
CORPORATION

ANNUAL REPORT

DECEMBER 31, 2000 AND 1999

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SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION  
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Report of Independent Accountants

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Statement of Assets Available for Benefits at December 31, 1999

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Obligations in Default for the Year Ended December 31, 2000

Leases in Default for the Year Ended December 31, 2000

Reportable Transactions for the Year Ended December 31, 2000

\*Trustee reported no such transactions, obligations or leases in default.

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Report of Independent Accountants

To the Administrator of the Savings Plan  
For the Employees of Ethyl Corporation:

In our opinion, the accompanying statements of assets available for benefits and the related statement of changes in assets available for benefits present fairly, in all material respects, the assets available for benefits of the Savings Plan for the Employees of Ethyl Corporation (the "Plan") at December 31, 2000 and 1999, and the changes in assets available for benefits for the year ended December 31, 2000, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally

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accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) December 31, 2000 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

June 8, 2001

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SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION  
STATEMENT OF ASSETS AVAILABLE FOR BENEFITS  
December 31, 2000

	Participant Directed	Non-Participant Directed
<b>Assets:</b>		
Cash	\$ 205,682	\$ 89,612
<b>Investments:</b>		
<b>Mutual Funds:</b>		
Pimco Total Return Fund	1,482,806	-
Merrill Lynch Capital Fund	4,264,297	-
Merrill Lynch Growth Fund	1,422,829	-
Franklin Small Cap Fund	10,389,120	-
Ivy International Fund	1,943,101	-
Davis New York Venture Fund	4,167,164	-
<b>Commingled Trusts:</b>		
Merrill Lynch Equity Index Trust	30,615,482	-
Merrill Lynch Retirement Preservation Trust	9,561,309	-
<b>Common stocks:</b>		
Ethyl Corporation		
Participant directed	3,642,421	-
Non-participant directed	-	4,798,114
Albemarle Corporation	14,181,386	-
Tredegar Corporation	5,989,182	-
Loans to participants	1,111,254	-

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Total investments	88,770,351	4,798,114
Receivables:		
Interest and dividends	88,212	31,156
Assets available for benefits	\$ 89,064,245	\$ 4,918,882

The accompanying notes are an integral part of the financial statements.

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SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION  
STATEMENT OF ASSETS AVAILABLE FOR BENEFITS  
December 31, 1999

	Participant Directed	Non-Participant Directed
Assets:		
Cash	\$ 15,812	\$ 4,616
Investments:		
Mutual Funds:		
Pimco Total Return Fund	1,531,496	-
Merrill Lynch Capital Fund	4,786,402	-
Merrill Lynch Growth Fund	1,359,498	-
Franklin Small Cap Fund	9,021,439	-
Ivy International Fund	2,214,693	-
Davis New York Venture Fund	3,670,929	-
Commingled Trusts:		
Merrill Lynch Equity Index Trust	35,897,110	-
Merrill Lynch Retirement Preservation Trust	11,340,454	-
Common stocks:		
Ethyl Corporation:		
Participant directed	8,155,213	-
Non-participant directed	-	7,982,713
Albemarle Corporation	11,692,542	-
Tredegar Corporation	7,449,011	-
Loans to participants	1,209,535	-
Total investments	98,328,322	7,982,713
Receivables:		
Interest and dividends	217,206	162,269

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Assets available for benefits

\$ 98,561,340

\$ 8,149,598

The accompanying notes are an integral part of the financial statements.

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SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION  
STATEMENT OF CHANGES IN ASSETS AVAILABLE FOR BENEFITS  
Year Ended December 31, 2000

	Participant Directed	Non-Participant Directed
	-----	-----
Additions:		
Contributions:		
Employee contributions	\$ 5,751,697	\$ -
Employer contributions	-	2,616,467
	-----	-----
Total additions	5,751,697	2,616,467
	-----	-----
Deductions:		
Benefit payments	(9,539,548)	(321,246)
Net investment loss:		
Dividends	3,115,179	318,751
Interest:		
Funds	-	8,165
Loans to participants	99,787	-
Net depreciation in fair value of investments	(8,950,299)	(5,826,764)
	-----	-----
Total deductions	(5,735,333)	(5,499,848)
	-----	-----
Interfund transfers (net)	26,089	(26,089)
	-----	-----
Total deductions and transfers	(15,248,792)	(5,847,183)
	-----	-----
Net decrease for the year	(9,497,095)	(3,230,716)
Assets available for benefits, December 31, 1999	98,561,340	8,149,598
	-----	-----
Assets available for benefits, December 31, 2000	\$89,064,245	\$ 4,918,882
	=====	=====

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The accompanying notes are an integral part of the financial statements.

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## SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies:

#### Basis of Accounting:

The accompanying financial statements of the Savings Plan for the Employees of Ethyl Corporation (the "Plan") have been prepared in conformity with accounting principles generally accepted in the United States of America.

#### Accounting Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### Risks and Uncertainties:

The Plan provides for various mutual fund investment options in stocks, bonds and fixed income securities as well as direct common stock investments. Investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the statements of assets available for benefits and the statement of changes in assets available for benefits.

#### Security Valuation:

Investments are stated at fair value determined as follows:

Merrill Lynch Retirement Preservation Trust	-	Investments in Guaranteed Investment Contracts ("GIC's") and Investment Contracts ("BIC's") with benefit responsive features carried at cost plus accrued interest (contract value). Such investment contracts are stated at the contract book value approximates amortized cost. Money market instruments and Government agency obligations are valued at amortized cost.
Mutual funds and Merrill Lynch Equity Index Trust	-	quoted market value
Common stocks	-	last published year end sales price on the New York Stock

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Loans to participants - balances due which approximate fair value

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### SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION NOTES TO FINANCIAL STATEMENTS, Continued

#### 1. Summary of Significant Accounting Policies, continued:

##### Security Transactions and Related Investment Income:

Security transactions are accounted for on a trade-date basis and dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. The Plan presents in the statement of changes in assets available for benefits the "net depreciation in the fair value of investments" which consists of realized gains or losses and changes in the unrealized appreciation (depreciation) on those investments. Investment income is allocated to participant accounts in proportion to the participant's account balance.

##### Reclassifications:

Certain amounts in the accompanying statement of assets available for benefits at December 31, 1999 have been reclassified to conform to the current presentation.

#### 2. Description of Plan:

The Plan is a defined contribution plan. It is subject to the provisions of the Employee Retirement Income Security Act of 1974. Information regarding plan benefits, priority of distributions upon termination of the Plan, and vesting is provided in the plan agreement which is available at the main office of the plan administrator at 330 South Fourth Street, Richmond, Virginia.

#### 3. Investment Funds:

Effective November 3, 1997, Merrill Lynch Trust Company of America was appointed investment manager and trustee and Merrill Lynch, Pierce, Fenner & Smith, Inc. was appointed recordkeeper (collectively "Merrill Lynch" and "ML"). The Plan currently consists of 11 active options.

Participants currently in the Plan may select a program for investment in any of the 11 funds, or in any combination thereof. Contributions made by Ethyl Corporation (the "Company" or "Ethyl") are invested in the non-participant directed portion of the Ethyl Corporation Common Stock Fund, which contains both participant and non-participant directed balances. Transfers may be made between the funds. However, participants only have a one time election to transfer the Company's contributions to the Ethyl Corporation Common Stock Fund into other funds during the course of their employment. The following table presents investments held at year-end that represent five percent (5%) or more of assets available for benefits:

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SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION  
 NOTES TO FINANCIAL STATEMENTS, Continued

3. Investment Funds, continued:

	2000	1999
Merrill Lynch Equity Index Trust	\$ 30,615,482	\$35,897,110
Ethyl Corporation Common Stock *	8,440,535	16,137,926
Albemarle Corporation Common Stock	14,181,386	11,692,542
Merrill Lynch Retirement Presevation Trust	9,561,309	11,340,454
Franklin Small Cap	10,389,120	9,021,439
Tredegar Corporation Common Stock	5,989,182	7,449,011

\* Nonparticipant-directed totals \$4,798,114 and \$7,982,713 for 2000 and 1999, respectively.

During 2000, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value as follows:

Common stock	\$ (8,538,021)
Mutual Funds	(3,110,828)
Commingled Trust Funds	(3,128,214)
	-----
	\$ (14,777,063)
	=====

4. Contributions:

Participants in the Plan may make pre-tax and/or after-tax contributions from 1% to 15% of their base pay, as defined in the plan document. Any combination of pre-tax and after-tax contributions are subject to the 15% limit. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Ethyl makes a matching contribution, in the form of Ethyl common stock, to the Plan equal to 50% of participant contributions up to 10%. Participant contributions are 100% vested at all times while contributions made by Ethyl are 60% vested after three years of service, 80% vested after four years of service and 100% vested after five years of service.

As of December 31, 2000, employee and employer contributions amounting to \$190,183 and \$88,543, respectively, were received by Merrill Lynch, but not yet allocated to the specific investment funds. These amounts are included in the cash balances on the statement of assets available for benefits at December 31, 2000.



SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION  
NOTES TO FINANCIAL STATEMENTS, Continued

5. Participant Accounts:

Each participant's account is credited with the participant's contribution and an allocation of a) the Company's contribution and b) Plan earnings. Allocations are based on participant account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

6. Distributions:

Benefits are recorded when paid. Employees may decide whether benefits will be received directly in the form of a lump sum or rolled over to an individual retirement account or to another qualified plan.

7. Participant Loans:

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. Loan transactions are treated as a transfer to (from) the investment fund from (to) the Loan fund. Loans are made over a period not to exceed five years. The loans are collateralized by the balance in the participant's account and bear a reasonable fixed rate of interest determined by the plan administrator based on a rate of return commensurate with the prevailing interest rate charged on similar commercial loans by persons in the business of lending money. At December 31, 2000, interest rates on participant loans ranged from 8.25% to 10.5%.

8. Plan Termination:

Although it has not expressed any intent to do so, Ethyl has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of the Employee Retirement Income Security Act of 1974. In the event of Plan termination, participants will become 100% vested in their account balances and the assets of the Plan shall be allocated to participants in proportion to their account balances as of the effective date of termination.

9. Federal Income Taxes:

The U.S. Treasury Department advised the plan administrator on July 7, 1995 that the Plan, as amended and restated effective March 1, 1994, constitutes a qualified trust under Section 401 of the Internal Revenue Code and therefore is exempt from federal income taxes. The Plan has been amended since March 1, 1994 and was restated effective January 1, 1998. Currently the U.S. Treasury Department has not reviewed the restated plan. However, the plan administrator and the Plan's tax counsel believe the Plan is designed and currently is being operated in compliance with the applicable provisions of the Internal Revenue Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of the financial statement date.

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### SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION NOTES TO FINANCIAL STATEMENTS, Continued

#### 9. Federal Income Taxes, continued:

Until such time as participants withdraw all or part of their accumulated account balance, their invested funds are not subject to federal income taxes for contributions made on their behalf by Ethyl or for investment income and gains received on such investments.

#### 10. Stock Prices:

Closing stock prices per share at December 31 were as follows (as adjusted for stock splits):

	2000	1999
Ethyl Corporation Common Stock	\$1.437	\$ 3.500
Tredegar Corporation Common Stock	17.437	20.687
Albemarle Corporation Common Stock	24.750	19.187

#### 11. Administration Expenses:

Expenses for administering the Plan are borne entirely by Ethyl and no charge is made to the Plan with respect thereto.

#### 12. Forfeitures:

Employees who leave Ethyl before becoming fully vested in Ethyl contributions forfeit the value of their nonvested account. Forfeitures during a Plan year serve to reduce required Company contributions and to cover Plan expenses, and are reflected in the statement of changes in assets available for benefits of the year in which the forfeitures are applied to Ethyl's contribution. For the year ended December 31, 2000, \$19,610 of forfeitures became available.

#### 13. Related-Party Transactions:

Certain Plan investments are shares of investment funds managed by Merrill Lynch, the trustee of the Plan. Investments in the Ethyl Corporation Common Stock Fund represent investments in shares of common stock of Ethyl Corporation, the Plan sponsor.

#### 14. Subsequent Events:

In February 2001, Ethyl announced the implementation of a new business model which included a workforce reduction through severance and early retirement programs. As the employees affected by this workforce reduction may elect to withdraw or rollover their vested balance in the Plan, a decrease in total Plan assets may occur during 2001.

In June 2001, Ethyl obtained regulatory approval to terminate an overfunded U.S. salaried pension plan and rollover a portion of the pension plan assets into a new fully funded plan. As part of this plan termination, Ethyl employees were given the option to take a lump sum distribution of their pension benefit and invest it in the Ethyl savings plan. As a result, Plan assets could increase in 2001.

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SAVINGS PLAN FOR THE EMPLOYEES OF ETHYL CORPORATION  
 Schedule H, Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
 December 31, 2000

EIN: 54-011882 PN: 002

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Co
**	Ethyl Corporation	Common stock, \$1.00 par value (5,873,719 shares)	\$ 34,62
	Tredegar Corporation	Common stock, no par value (343,475 shares)	1,61
	Albemarle Corporation	Common stock, \$.01 par value (572,985 shares)	4,91
**	Participant Loans	Loans to participants bearing interest at 8.25% - 10.5%	
**	Merrill Lynch	Retirement Preservation Trust (9,561,309 units)	9,56
**	Merrill Lynch	Equity Index Trust (333,611 units)	23,49
	PIMCO	Total Return Fund (142,715 units)	1,50
**	Merrill Lynch	Capital Fund (140,411 units)	4,75
**	Merrill Lynch	Growth Fund (68,438 units)	1,79
	Franklin	Small Cap Growth Fund (264,153 units)	8,10
	Ivy	International Fund (74,164 units)	2,75
	Davis	New York Venture Fund (144,995 units)	3,81
			-----
			\$ 96,93
			=====

\*\*Denotes a party in interest to the Plan

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REQUIRED INFORMATION

See Appendix 1.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan)

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have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

SAVINGS PLAN FOR THE EMPLOYEES OF  
ETHYL CORPORATION

BY: /s/ David A. Fiorenza  
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David A. Fiorenza  
Vice President, Treasurer and Principal Financial  
Officer, Member of the Master Trust Committee

Dated: June 29, 2001

EXHIBIT INDEX  
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23.1 Consent of Independent Auditors