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SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

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**FORM 8-K**

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): July 9, 2003

**POLYONE CORPORATION**

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(Exact name of registrant as specified in charter)

Ohio	1-16091	34-1730488
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
Suite 36-5000, 200 Public Square, Cleveland, Ohio		44114-2304
(Address of principal executive offices)		(Zip Code)
Registrant's telephone number, including area code: <u>(216) 589-4000</u>		
Not Applicable		

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(Former name or former address, if changed since last report.)

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Item 7. Financial Statements and Exhibits

(c) Exhibits

Exhibit 99.1 – Press Release dated July 9, 2003

Item 12. Results of Operations and Financial Condition

Information required under Item 12 of Form 8-K is being filed herewith as Exhibit 99.1 in the form of Registrant’s press release dated July 9, 2003, a pre-release concerning the Registrant’s expected earnings for the second quarter of 2003. This information is to be considered “filed” under the Securities Exchange Act of 1934.

The press release includes the projected financial measures “net loss before special items” and “operating income before special charges”. Net loss before special items and operating income before special charges are non-GAAP financial measures and should not be considered as alternatives to any other measures of performance in accordance with GAAP. The Registrant presents net loss before special items and operating income before special charges because special items and charges consist primarily of restructuring costs. Accordingly, the Registrant’s senior management believes that excluding special items and charges provides insight into the underlying results of operations of the Registrant and could be useful for investors in assessing the Registrant’s operating performance. Net loss before special items and operating income before special charges may not be comparable to similarly titled financial performance measures presented by other companies. The table below presents a reconciliation of the projected range of the net loss to net loss before special items and a reconciliation of the projected range of operating income to operating income before special items.

	<u>\$ millions</u>		<u>\$ per share</u>	
Projected operating income	\$ 7.0-	\$ 9.0		
Projected pre-tax special items, expense	4.0-	5.5		
Projected operating income before special items	<u>\$11.0-</u>	<u>\$14.0</u>		
Projected after-tax net loss	\$ 6.0-	\$ 9.0	\$ .07-	\$ .10
Projected after-tax special items, expense	2.5-	3.5	.03-	.04
Projected after-tax net loss before special items	<u>\$ 3.5-</u>	<u>\$ 5.5</u>	<u>\$ .04-</u>	<u>\$ .06</u>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

POLYONE CORPORATION

By: /s/ Gregory P. Smith

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Gregory P. Smith  
Corporate Controller and  
Assistant Treasurer

Dated: July 11, 2003

**[PolyOne® Logo]**

NEWS RELEASE

For immediate release

**PolyOne Reduces Earnings Outlook for Second-Quarter 2003**

- *North American demand shows no seasonal pickup*
- *Higher raw material costs squeeze product margins*
- *Company reduces expectations for Resin & Intermediates segment results*

CLEVELAND – July 9, 2003 – PolyOne Corporation (NYSE: POL), a leading global polymer services company, announced today that it expects to report an after-tax loss before special items between \$3.5 million and \$5.5 million, or \$0.04 to \$0.06 per dilutive share, for second-quarter 2003. Special items will consist primarily of restructuring costs. PolyOne projects that the special items will increase the net loss by approximately \$0.03 to \$0.04 per dilutive share.

“The slow demand we observed in our North American sales for April continued into May and June, when we normally experience seasonal pickup,” said Thomas A. Waltermire, PolyOne chairman and chief executive officer. “The decline in demand has been broad based and appears consistent with other views of the U.S. chemical industry and U.S. industrial production overall. In fact, the U.S. Industrial Production Index (less the high-tech component) is below the trough level we experienced in the fourth quarter of 2002.”

In its first-quarter 2003 earnings release, PolyOne projected that second-quarter revenues would improve seasonally compared with first-quarter 2003, but would not equal the 12 percent sequential increase over the comparable 2002 period. It now appears that sales in the second quarter of 2003 will be approximately 1 percent above first-quarter 2003 sales of \$646 million and below the second-quarter 2002 level of \$671 million.

PolyOne projects that Performance Plastics segment sales will be up modestly in the second quarter versus the first quarter of 2003, led by North American Vinyl Compounds and International Plastic Compounds and Colors. The Elastomers & Performance Additives and Distribution segments are projected to show sequential revenue decrease.

The Company expects reduced margins in its North American Performance Plastics operations. Raw material costs rose sharply in second-quarter 2003, more than offsetting selling price increases implemented in most business operations.

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## **Forward-Looking Statements**

In this press release, statements that are not reported financial results or other historical information are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. You can identify these statements by the fact that they do not relate strictly to historic or current facts. They use words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. In particular, these include statements relating to future actions; prospective changes in raw material costs, product pricing or product demand; future performance or results of current and anticipated market conditions and market strategies; sales efforts; expenses; the outcome of contingencies such as legal proceedings; and financial results. Factors that could cause actual results to differ materially include, but are not limited to: (1) an inability to achieve or delays in achieving estimated and actual savings related to restructuring programs; (2) delays in achieving or inability to achieve the Company’s *strategic value capture initiatives*, including cost reduction and employee productivity goals, or achievement of less than the anticipated financial benefit from the initiatives; (3) the effect on foreign operations of currency fluctuations, tariffs, nationalization, exchange controls, limitations on foreign investment in local businesses and other political, economic and regulatory risks; (4) changes in U.S., regional or world polymer and/or rubber consumption growth rates affecting the Company’s markets; (5) changes in global industry capacity or in the rate at which anticipated changes in industry capacity come online in the polyvinyl chloride (PVC), chlor-alkali, vinyl chloride monomer (VCM) or other industries in which the Company participates; (6) fluctuations in raw material prices, quality and supply and in energy prices and supply, in particular fluctuations outside the normal range of industry cycles; (7) production outages or material costs associated with scheduled or unscheduled maintenance programs; (8) costs or difficulties and delays related to the operation of joint venture entities; (9) lack of day-to-day operating control, including procurement of raw materials, of equity or joint venture affiliates; (10) partial control over investment decisions and dividend distribution policy of the OxyVinyls partnership and other minority equity holdings of the Company; (11) an inability to launch new products and/or services that strategically fit the Company’s businesses; (12) the possibility of goodwill impairment; (13) an inability to maintain any required licenses or permits; (14) an inability to comply with any environmental laws and regulations; (15) a delay or inability to achieve targeted debt levels through divestitures or other means.

We cannot guarantee that any forward-looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind as they consider forward-looking statements.

We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our Form 10-Q, 8-K and 10-K reports to the Securities and Exchange Commission. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties. (Ref. #703)

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