



Ceradyne, Inc.



CRDN NASDAQ

Aerospace / Defense

Market Capitalization USD:

\$669.07 mm

CONCERN LEVEL: AVERAGE

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group. 
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Joel P. Moskowitz

Age: 72

CEO Since: 1983

	2009	2010	2011
Base Salary	\$710,008	\$710,008	\$731,854
Discretionary Bonus	\$167,747	\$283,710	\$664,292
Annual Cash Incentive	\$0	\$0	\$0
Benefits and Perquisites	\$8,250	\$8,250	\$8,250
TOTAL ANNUAL COMPENSATION	\$886,005	\$1,001,968	\$1,404,396
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$494,500	\$600,750	\$909,000
TOTAL COMPENSATION	\$1,380,505	\$1,602,718	\$2,313,396
Median of Other Named Executive Officers Total Compensation	\$643,876	\$678,862	\$979,854
Value Realized on Exercise of Stock Option	\$0	\$0	\$3,237,750
Value Realized on Vesting of Stock	\$162,195	\$291,909	\$877,333
TOTAL REALIZED EQUITY COMPENSATION	\$162,195	\$291,909	\$4,115,083

Proxy Date: 11 Apr 2012

Annual Meeting Date: 16 May 2012

Equity Reserves: 5.25%

Stock Option Run Rate: 0.00%

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Performance Comparison

■ S&P500 ■ Industry ■ CRDN



Peer Comparisons (TRBC) =Aerospace / Defense

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
CRDN	Ceradyne, Inc.	\$1,380,505	\$1,602,718	\$2,313,396	\$669,069,558
TDY	Teledyne Technologies Incorporated	\$3,199,692	\$3,961,255	\$4,962,451	\$1,797,187,184
ATK	Alliant Techsystems Inc.	\$8,952,576	\$9,261,977		\$1,796,012,596
ESL	Esterline Technologies Corporation	\$6,731,506	\$4,063,779	\$2,884,105	\$1,586,978,075
MOGA	Moog Inc.	\$1,742,883	\$1,896,956	\$4,805,051	\$1,366,488,530
CW	Curtiss-Wright Corporation	\$7,300,782	\$7,948,056	\$6,938,577	\$1,343,708,149
CUB	Cubic Corporation	\$1,382,900	\$1,378,627	\$1,566,121	\$1,044,587,514

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

AeroVironment, Inc., American Science & Engineering, Broadwind Energy, Conexant Systems, Cubic Corporation, Docommun, Emulex Corporation, ESCO Technologies Inc., Esterline Technologies Corporation, Franklin Electric Co., Inc., Gencorp, GrafTech International Ltd., Hexcel Corporation, Kaydon Corporation, Multi-Fineline Electronix Inc., Newport Corporation, Pulse Electronics Corporation (formerly Technitrol Inc.), Qlogic Corporation, RTI International Metals Inc., and Watts Water Technologies Inc.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Frank Edelstein	Chairman	86	Male	28	Outside Related
Milton L. Lohr	Member	87	Male	23	Outside Related
Richard A. Alliearo	Member	82	Male	20	Outside Related

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