able to holders of bearer shs. at the rate of one sh. for each 12 shs. held at DM 90 per sh. of DM 50 nominal against coupon No. 40.

In Jan. 1982 a rights offering was declared payable to holders of bearer shs. at the rate of one sh. [illegible] held at DM 95 per sh. of DM 50 nominal against coupon No. 42.

In Apr. 1984, a rights offering was declared payable to holders of bearer shares at the rate of one sh. for each 15 shs. held at DM 140 per sh. of DM 50 nominal against coupon No. 45.

In Apr. 1986, a rights offering was decl
able to holders of bearer shares at the ra
sh. for each 20 shs. held at DM 270 per s
50 nominal againsts coupon No. 49.

HOECHST CELANESE CORP.

History: Incorporated in Delaware in 1968 as American Hoechst Corp., a successor to a New York corporation of the same name organized in 1953.

On Feb. 27, 1987, acquired, through a subsidiary, approximately 90% of the outstanding shares of Celanese Corporation. Subsequently the two companies merged and the present name was adopted.

In Mar. 1990, acquired the alcohol ethoxylates business of Union Carbide Chemicals and Plastics Company Inc.

Corporate Restructuring: In June 1989, Co. announced a reorganization into five major business group. All groups report to E.M. Drew, Pres. & Chief Exec. Off.

Business: Company manufactures and sells, principally to industrial customers, a diversified line of products including textile and technical fibers; acetate cigarette filter tow; specialty and bulk chemicals; prescription drugs; agricultural chemicals; veterinary pharmaceuticals and feed additives; engineering plastics; high density polyethylene; presensitized offset printing plates; dyes and pigments; and polyester and polyvinyl chloride film. Co. is divided into five business segments: Advanced Materials; Advanced Technology; Chemicals; Fibers and Film; and Life Sciences.

Control: Hoechst Aktiengesellschaft (100%) through Hoechst Corp. (100%)

Properties: Co.'s headquarters are leased in Bridgewater, N.J. Co. also owns and operates various manufacturing facilities within the U.S. and abroad.

Co.'s principal manufacturing facilities, all of which are owned by the Co. are summarized below:

Fibers and film segment:

Delaware City, (Del.)	Greer, (S.C.)
Narrows, (Va.)	Rock Hill, (S.C)
Salisbury, (N.C.)	Shelby, (N.C.)
Spartanburg, (S.C.)	Wilmington, (N.C.)
Lanaken, (Bel.)	Drummondville, (Que.)
Edmonton, (Alta.)	Millhaven, (Ont.)
Charlotte, (N.C.)	Bucks, (Ala.)
Newark, (N.J.)	Portsmouth, (Va.)
Rockhill, (S.C.)	

Chemicals Segment:

Bay City, (Tex.)	Bishop, (Tex.)
Clear Lake, (Tex.)	Pampa, (Tex.)
Edmonton, (Alta.)	

Specialties & advanced materials segment:

Bayport, (Tex.)	Bishop, (Tex.)
Branchburg, (N.J.)	Bucks, (Ala.)
Coventry, (R.I.)	Florence, (Ky.)
Leeds, (S.C.)	Mount Holly, (N.C.)
Portsmouth, (Va.)	Shelby, (N.C.)

Life Sciences Segment:

Bridgewater, (N.J.)	Coventry, (R.I.)

Subsidiaries

Hoechst CelMex Performance Products
Hoechst-Roussel Pharmaceuticals Inc.
Hoechst Celanese Chemical Group, Inc.
Celanese Fibers, Inc.
Amcel International Company, Inc.
Celanese Canada Inc. (56%)
Celanese S.A.
Corporate Class Software, Inc. (82%)
Cape Industries (74%)

Affiliates

Interactive Radiation Inc. (20%)
Celgene Corp. (32%)
Endotronics, Inc. (36%)
Codon (18%)
Nova Pharmaceutical Corp. (3%)
Codenoll Technology Corp. (16%)
Ceramics Process System Corp. (7%)

Joint Ventures

China National Tobacco Corp.
Polyplastics Co, Ltd. (45%)
Ticona (41%)
IB Chemicals Co. (50%)
RV Chemicals Ltd. (40%)
Virchen SA/NV (51%)

Officers

J. Dormann, Chairman
E.H. Drew, Pres. & C.E.O.
H.R. Benz, V.P. — Fin. & C.F.O.
D.G. Whitcomb, V.P. & Treas.
D.A. Jenkins, V.P. & General Counsel
R.W. Smedley, V.P. & Contr.
J.D. Libby, V.P. — Human Res.

Vice-Presidents

L. Starr	C.E. Steel
W.B. Harris	H.K. Hofmeister
A.W. Schuele	J.H. Patterson
T.F. Kennedy	T.C. Bohrer
H.E. Huckel	U.H. Felcht

Directors

E.H. Drew	Juergen Dormann
H.R. Benz	H.E. Huckel
H.K. Hofmeister	J.H. Patterson
U.H. Felcht	T.C. Bohrer
T.F. Kennedy	C.E. Steel
D.A. Jenkins	

Auditors: KPMG Peat Marwick.

Counsel: D.A. Jenkins.

Annual Meeting: In February.

No. of Employees: Dec. 31, 1989, 22,900 (approx.).

Address: Route 202-206 North, Bridgewater, NJ 08807. **Tel.:** (201) 231-2000.

Mailing: P.O. Box 2500, Somerville, NJ 08876.

Consolidated Income Statement, as of Dec. 31 ($000):

	1989	1988	1987
Net sales	6,016,000	5,679,000	4,614,000
Cost of sales	4,534,000	4,195,000	3,381,000
Selling, etc. exps.	980,000	934,000	822,000
Oper. income	502,000	550,000	411,000
Equity in net inc. of affil.	62,000	44,000	14,000
Interest expense	73,000	62,000	72,000
Int. & other inc., net	67,000	9,000	25,000
Net bef. taxes, etc.	558,000	541,000	378,000
Income taxes	261,000	253,000	195,000
Minority interest	30,000	38,000	14,000
Net earnings	267,000	250,000	169,000
Prev. retain. earns.	400,000	345,000	206,000
Dividends	115,000	195,000	30,000
Retained earnings	552,000	400,000	345,000

Consolidated Balance Sheet, as of Dec. 31 ($000):

Assets:	1989	1988
Cash & equiv.	445,000	76,000
Mktble. secur.	38,000	76,000
Receivables, net	929,000	974,000
Inventories	791,000	748,000
Prepayments, etc.	24,000	12,000
Total current	2,227,000	1,886,000
Invest. in affil.	322,000	295,000
Prop. & equip.	2,913,000	2,832,000
Less: Deprec.	833,000	779,000
Net property, etc.	2,080,000	2,053,000
Other assets	174,000	181,000
Excess cost of acq.	1,259,000	1,293,000
Total	6,062,000	5,703,000
Liabilities:		
Notes pay. & debt due	25,000	18,000
Accounts, etc. pay.	875,000	882,000
Div. pay. to parent	115,000	125,000
Pay., parent & affils.	196,000	91,000
Income taxes	311,000	186,000
Total current	1,522,000	1,302,000
Long-term debt	803,000	814,000
Deferrals	41,000	63,000
Minority interest	138,000	136,000
Other liabil.	259,000	232,000
Paid-in capital	2,720,000	2,720,000
Retained earnings	552,000	400,000
Cum. transl. adj.	27,000	41,000
Total stkhldr's equity	3,299,000	3,161,000
Total	6,062,000	5,703,000
Net current assets	705,000	584,000

Long-Term Debt: 1. Hoechst Celanese Corp 9⅛% notes, due 1999:

Rating — A2

AUTH — $250,000,000; outstg., Dec. 31, 1989, $250,000,000.
DATED — Sept. 1, 1987. DUE — Sept. 1, 1999.
INTEREST — M&S1 to holders registered F&A15.
TRUSTEE — Bank of New York.
DENOMINATION — Fully registered, $1,000 or any multiple thereof. Transferable and exchangeable without service charge.
CALLABLE — As a whole or in part at any time, at the option of Co., on at least 30 but not more than 60 days' notice beginning Sept. 1, 1997 at 100 plus accrued interest.
SECURITY — Not secured. Subordinated to all other debt.
INDENTURE MODIFICATION — Indenture may be modified, except as provided, with consent of a majority of notes outstg.
RIGHTS ON DEFAULT — Trustee, or 25% of debs. outstg., may declare principal due and payable (30 days' grace for payment of interest).
PURPOSE — To repay corporate indebtedness.
OFFERED — ($250,000,000) at 99.625% plus accrued interest (proceeds to Co., 98.950%) on Aug. 25, 1987 thru First Boston Corp. and associates.

2. Hoechst Celanese Corp. 9.45% notes due 1997:

Rating — A2

AUTH — $250,000,000; outstg., Dec. 31, 1989, $250,000,000.
DATED — June 12, 1987. DUE — June 12,
INTEREST — J&D 15.
CALLABLE — As a whole or in part at
beginning June 16, 1994 at 100.
PURPOSE — To repay corporate indebtedn

3. Celanese Corp. sinking fund d 11⅞s, due 2005:

Rating — A2

AUTH. — $100,000,000; outstg., Dec. 3
$59,000,000.
DATED — July 15, 1980. DUE — July 15, 2
INTEREST — J&J 15 to holders registered
TRUSTEE — Manufacturers Hanover Tru
DENOMINATION — Fully registered, $1,
any integral multiple of $1,000. Transfers
exchangeable without service charge.
CALLABLE — As a whole or in part at a
on at least 30 but not more than 60 days' n
each July 14 as follows:

1992	105.25	1993	104.65	1994	
1995	103.50	1996	102.90	1997	
1998	101.75	1999	101.15	2000	

and thereafter at 100.

Also callable for sinking fund (which see) a
SINKING FUND — Annually, July 15, co
ing in 1991, sufficient to redeem $6,600,000
pal amount of debs. outstg., plus similar
payments. Sinking fund is designed to retir
of debs. prior to maturity.
SECURITY — The Indenture provides th
Company may not, nor may it perm
Restricted Subsidiary to, issue, assume or
tee evidences of indebtedness for money bo
which are secured by any mortgage, securit
est, pledge or lien of or upon any Principa
erty or of or upon any shares of stock
dences of indebtedness for borrowed money
by any Restricted Subsidiary and owned
Company or any Restricted Subsidiary, w
owned at the date of such Indenture or the
acquired, without effectively providing th
Notes or Debentures, as the case may be, s
secured equally and ratably by such mo
except that this restriction will not apply
mortgages on any property existing at the t
its acquisition or at the date of the Indentu
mortgages on property of a corporation exis
the time such corporation is merged into or
idated with, or disposes of substantially
properties (or those of a division) to, the Co
or Restricted Subsidiary; (3) mortgages on
erty of a corporation existing at the time suc
poration first becomes a Restricted Subsidia
mortgages securing indebtedness of a Res
Subsidiary to the Company or to a
Restricted Subsidiary; (5) mortgages to secu
cost of acquisition, construction, developme
substantial repair, alteration or improveme
property if the commitment to extend the
secured by any such mortgage is obtained
120 days after the later of the completion
placing in operation of the acquired, constr
developed or substantially repaired, alter
improved property; (6) mechanic's liens, tax
liens arising from the sale of mineral, oil o
rights, liens to a governmental body to s
advances and other liens incidental to the co
of business which do not materially impair th
of the Principal Property or which are being
tested in good faith; or (7) any extension, re
or replacement of any mortgage referred
clauses (1) through (6). However, the Compa
any Restricted Subsidiary may issue, assu
guarantee indebtedness secured by mort
which would otherwise be subject to the fore
restrictions in an aggregate amount w
together with all such other indebtedness outs
ing, does not exceed 5% of Net Tangible Assets.
SALE AND LEASEBACK — The Indenture
vides that neither the Company nor any Restr
Subsidiary may enter into any Sale and L
Back Transaction with respect to a Principal P
erty if the purchaser's commitment is obta
more than 120 days after the later of the con
tion or the placing in operation of such Prin
Property or of such Principal Property as
structed or developed or substantially repa
altered or improved. This restriction will not a
if either (a) the Company or such Restricted
sidiary would be entitled to issue, assume or g
antee a debt secured by a mortgage on such P
cipal Property without equally and rat
securing the Notes or Debentures, as the case
be, or (b) the Company applies within 180 day
amount equal to, in the case of a sale or tran
for cash, the net proceeds thereof and, otherw
an amount equal to the fair value of the Princ
Property so leased to the retirement of the N
or Debentures or other indebtedness of the C
pany or a Restricted Subsidiary, subject to re
tion as set forth in each Indenture in respect
Notes, Debentures and other indebtedness reti
during such 180 day period otherwise than
mandatory sinking funds and payments at ma
ity. Such retirement of Debentures shall not

PLAINTIFF'S EXHIBIT
CEL-1248

deemed to be a redemption at an interest cost to the Company of less than the rate of interest borne by the Debentures. The Company or any Restricted Subsidiary, however, may enter into a Sale and Lease-Back Transaction which would otherwise be subject to the foregoing restriction so as to create an aggregate amount of attributable debt which, together with all attributable debt outstanding and all indebtedness outstanding, does not exceed 5% of Net Tangible Assets.

INDENTURE MODIFICATION — Indenture may be modified, except as provided, with consent of 66⅔% of debs. outstg.

RIGHTS ON DEFAULT — Trustee, or 25% of debs. outstg. may declare principal due and payable (90 days' grace for payment of interest).

PURPOSE — Proceeds will be added to general funds, for application to Co.'s capital expenditure program.

OFFERED — ($100,000,000) at 99.75 plus accrued interest (proceeds to Co., 98.875) on July 18, 1980 thru First Boston Corp. and associates.

PRICE RANGE —	1990	1989	1988	1987	1986
High	....	....	107	.....	111
Low	....	.....	104⅛	.....	103

4. Hoechst Celanese Corp. 9.8% medium-term notes, due 2013 and 2018:

AUTH. — $25,000,000; outstg., Dec. 31, 1989, $25,000,000.

OTHER DETAILS — Not reported.

5. Other Long-Term Debt: Outstg., Dec. 31, 1988, $225,265,000 consisting of:

(1) $50,000,000 8.48% senior promissory notes, due 1993 thru 2002.

(2) $22,500,000 13% senior promissory note, due 1990 thru 1998.

(3) $15,000,000 8% notes, due 1990 and 1995.

(4) $63,758,000 4.96%-10% pollution control bonds, net of funds held by trustees, due at various dates thru 2012.

(5) $58,000,000 capital lease obligations, due to parent annually through 2030.

(6) $16,007,000 other.

During 1987, Co. entered into revolving credit agreements with banks that provide for loans up to $160,000,000 during a term ending Oct. 31, 1992. Under these agreements, Co. pays a commitment fee of 1/16 of 1% per annum based on unused amounts. In 1989 , Co. entered into additional revolving credit agreements with several banks that provide for loans up to $90,000,000 for a renewable term of 364 days. Co. pays a commitment fee 1/16 of 1% per annum on unused amounts. The $250,000,000 of above-described credit lines provide the credit backup for Co.'s new commercial paper program. The credit lines were unused at Dec. 31, 1989.

Co.'s debt instruments include covenants, as defined in the loan agreements, that require maintenance of consolidated net worth of not less than $2,300,000,000, and the limitation of dividends and other restricted payments. At Dec. 31, 1989, approx. $585,000,000 was available for dividends or other restricted payments under existing loan agreements. Co. intends to continue its current policy to pay dividends to its parent at the discretion of Co.'s Board of Directors. Such dividends will be used by the parent company to service acquisition debt pertaining to the acquisition of Celanese.

Capital Stock: Hoechst Celanese Corp. common; par $0.10:

AUTHORIZED — 10,000 shs.; outstg., Dec. 31, 1989, 10,000 shs.; par $0.10.

See Control, above.