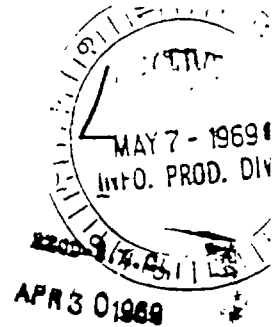


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SECURITIES AND EXCHANGE COMMISSION
Washington, D. C.
20549



FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1968. Commission File No. 1-1308

PLAINTIFF'S
EXHIBIT
CEL-953

CELANESE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-5568434

(I.R.S. Employer
Identification No.)

522 Fifth Avenue, New York, N.Y.

(Address of principal executive offices)

10036

(Zip Code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
3 1/2% Debentures, due October 1, 1976	New York Stock Exchange
4% Convertible Subordinated Debentures due 1990	New York Stock Exchange
Preferred Stock, Series A	New York Stock Exchange
Convertible Preference Stock	Midwest Stock Exchange
7% Second Preferred Stock	None
Common Stock	New York Stock Exchange
	Midwest Stock Exchange
	Pacific Coast Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

ITEM 1. NUMBER OF EQUITY SECURITY HOLDERS.

<u>Title of class</u>	<u>Number of record holders December 31, 1968</u>
Common Stock, without par value	46,118
Preferred Stock, Series A (4 1/2% cumulative), par value \$100 per share	7,628
Convertible Preference Stock (\$3.00 cumulative), without par value	1,028
7% Second Preferred Stock (cumulative), par value \$100 per share	691
4% Convertible Subordinated Debentures due 1990	<u>10,797</u>

ITEM 2. INCREASES AND DECREASES IN OUTSTANDING EQUITY SECURITIES.

<u>Title of class</u>	<u>Date of transaction</u>	<u>Outstanding at December 31, 1967</u>	<u>1968 Increase or (Decrease)</u>	<u>Outstanding at December 31, 1968</u>
Preferred Stock, Series A	January, 1968	851,102	(200) (a)	850,902
7% Second Preferred Stock	January through April, 1968	26,138	(500) (a)	25,638
Common Stock	January, 1968 January, October November and December, 1968	13,307,594	(100) (b) <u>3,600 (c)</u>	 <u>13,311,094</u>

(a) Purchased on New York Stock Exchange and retired in 1968.

(b) Purchased on New York Stock Exchange and subsequently reissued upon exercise of stock options.

(c) Issued upon exercise of stock options.

ITEM 3. PARENTS AND SUBSIDIARIES OF REGISTRANT.

	<u>Incorporated under laws of</u>	<u>Percentage of voting securities owned by the immediate parent</u>
Celanese Corporation	Delaware	
Celanese Coatings Company	Delaware	100.0%
Champlin Petroleum Company	Delaware	100.0%
Chemcell Limited	Canada	57.1%
Fiber Industries, Inc.	Delaware	62.5%
Pontiac Refining Corp.	Texas	100.0%

Certain subsidiaries are omitted from the foregoing table in accordance with the regulations of the Securities and Exchange Commission.

The foregoing are included in the consolidated financial statements of Celanese Corporation and consolidated subsidiaries.

ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS.

(a) FINANCIAL STATEMENTS:

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

Index to Financial Statements and Schedules

Financial Statements:

Balance Sheets as of December 31, 1968
Statements of Income for the year ended December 31, 1968
Statement of Retained Income for the year ended December 31, 1968
Statement of Additional Paid-in Capital for the year ended December 31, 1968
Notes to Financial Statements

Schedules:

III - Investments in Securities of Subsidiaries
IV and X - Indebtedness of and Indebtedness to Subsidiaries - Not Current
V - Property, Plant and Equipment
VI - Accumulated Depreciation and Depletion of Property, Plant and Equipment
IX - Bonds, Mortgages and Similar Debt
XII - Reserves
XIII - Capital Shares
XVII - Income from Dividends - Equity in Net Income of Subsidiaries

All schedules not listed above are omitted since they are either inapplicable or not required, or the information is included in the financial statements or related notes.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES EXCHANGE ACT OF 1934, THE REGISTRANT HAS DULY CAUSED THIS ANNUAL REPORT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED THEREUNTO DULY AUTHORIZED.

CELANESE CORPORATION

By: *EL*

C. R. Tully
Vice President and Controller

April 29, 1969

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FINANCIAL STATEMENTS

4

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

SEVENTY PINE STREET

NEW YORK, NEW YORK 10003

ACCOUNTANTS' REPORT

The Board of Directors and Stockholders
Celanese Corporation:

We have examined the financial statements of Celanese Corporation and of Celanese Corporation and consolidated subsidiaries as listed in the accompanying index. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, subject to the possible reduction of the extraordinary provision for losses by future tax benefits, if any, (see note 2 of notes to financial statements), such financial statements present fairly the financial position at December 31, 1968 and the results of operations for the year then ended of Celanese Corporation and of Celanese Corporation and consolidated subsidiaries, in conformity with generally accepted accounting principles. Such principles have been applied on a basis consistent with that of the preceding year except for the change, which we approve, in the method of accounting for preoperating expenses.

PEAT, MARWICK, MITCHELL & CO.

New York, N. Y.
February 19, 1969

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<u>Assets</u>	<u>Corporation</u>	<u>Conso</u>
Current assets:		
Cash	\$ 18.0	\$
Marketable securities, at cost (approximates market)	87.4	
Accounts receivable, less allowance for doubtful accounts (\$1.6 million and \$7.4 million) (Schedule XII)	62.1	
Receivable from subsidiaries	17.6	
Inventories (note 3)	62.7	
Other current assets	3.0	
Total current assets	250.8	
Investments and advances (note 4):		
Investments:		
Consolidated subsidiaries, at equity (Schedule III)	407.7	
Subsidiaries not consolidated, at equity (Schedule III)	0.1	
Other	90.0	1
Advances to consolidated subsidiaries (Schedule IV)	58.7	
	556.5	1
Excess of cost of investments in consolidated subsidiaries over related equities (note 4)	-	
	556.5	2
Less: Allowance for losses (Schedule XII)	26.0	
	530.5	1
Property, plant and equipment, at cost (note 5) (Schedule V)	726.7	1,6
Less: Accumulated depreciation, depletion and amortization (Schedule VI)	361.7	7
Net property, plant and equipment	365.0	9
Deferred charges, patents and other assets:		
Debt discount and expense	1.4	
Other	1.0	
	2.4	
Total Assets	\$1,149.7	\$1,8

RATION

OLIDATED SUBSIDIARIES

ets
1968

<u>Liabilities and Stockholders' Equity</u>	<u>Corporation</u>	<u>Consolidated</u>
Current liabilities:		
Notes payable, principally to banks	\$ -	\$ 47.4
Accounts payable	33.7	77.3
Federal and state taxes and other amounts withheld	2.1	4.1
Accrued liabilities:		
Wages and commissions	8.9	11.9
Taxes, other than income taxes	3.3	7.7
Interest	4.0	8.8
Other accruals	10.9	30.9
Total accrued liabilities	27.1	59.3
Payable to subsidiaries	33.8	-
Income taxes	20.5	35.0
Long-term debt due within one year (note 7)	20.0	39.3
Total current liabilities	137.2	262.4
Payable to subsidiary, due 1970 (Schedule X)	1.0	-
Long-term debt (note 7) (Schedule IX)	332.7	561.7
Deferred income taxes (note 11)	32.0	72.4
Deferred investment tax credit (note 11)	17.5	28.8
Allowance for anticipated losses arising from disposition of a non-U.S. subsidiary (note 2)	75.0	75.0
Minority interest in consolidated subsidiaries (note 8)	-	105.6
Stockholders' equity:		
Capital stock (note 9):		
Preferred (cumulative, preference in liquidation-\$93.2 million)	90.2	90.2
Common	238.9	208.9
	299.1	299.1
Additional paid-in capital	19.5	19.5
Retained income	234.7	234.7
Total stockholders' equity	553.3	553.3

Commitments and other matters (note 13)

Total Liabilities and Stockholders' Equity \$1,148.7 \$1,659.7

f these financial statements:

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

Statements of Income
Year ended December 31, 1968
(millions, except per share amounts)

	<u>Corporation</u>	<u>Consolidated</u>
Sales:		
Consolidated subsidiaries	\$ 78.6	\$ --
Outside customers	<u>427.1</u>	<u>1,255.8</u>
	505.7	1,255.8
Operating costs:		
Cost of goods sold (note 3)	349.5	890.0
Selling and administrative	54.0	150.2
Research and development	<u>26.2</u>	<u>41.8</u>
Total operating costs	429.7	1,082.0
Operating income	76.0	173.8
Other income:		
Equity in net income of subsidiaries (Schedule XVII)	27.3	1.8
Dividends net of taxes withheld, received from other investments (Schedule XVII)	1.8	2.3
Interest from subsidiaries or affiliates	3.7	0.4
Interest on marketable securities and other interest	2.6	6.1
Gain on sale of securities	0.7	0.7
Miscellaneous	<u>2.2</u>	<u>3.5</u>
	38.3	14.8
Interest and debt expense amortization:		
Interest on long-term debt and notes payable	(16.2)	(39.8)
Amortization of debt discount and expense	<u>(0.1)</u>	<u>(0.4)</u>
	(16.3)	(40.2)
Operating and other income	98.0	148.4
Provision for income taxes (note 11)	<u>40.2</u>	<u>80.8</u>
Income before minority interest	57.8	67.6
Minority interest	-	9.8
Income before extraordinary items	57.8	57.8
Extraordinary items (note 12):		
Provision for anticipated loss on non-U.S. operations	(119.0)	(119.0)
Effect of change in accounting principles applicable to write-off of a subsidiary's preoperating costs, previously deferred	<u>(15.8)</u>	<u>(15.8)</u>
Net income/(loss)	<u>\$ (77.0)</u>	<u>\$ (77.0)</u>
Per share of common stock*		
Income before extraordinary items	\$ 4.02	\$ 4.02
Extraordinary items:		
Provision for anticipated loss on non-U.S. operations	(8.94)	(8.94)
Effect of change in accounting principles applicable to write-off of a subsidiary's preoperating costs, previously deferred	<u>(1.19)</u>	<u>(1.19)</u>
Net income/(loss)	<u>\$ (6.11)</u>	<u>\$ (6.11)</u>

*Based on average shares outstanding of 12,308,022

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

Statement of Retained Income
Year ended December 31, 1968
(millions)

Retained income at beginning of year (note 10)	\$342.7
Net income/(loss) for year	<u>(77.0)</u>
	265.7
Deduct cash dividends (note 9):	
Preferred stock	4.4
Common stock	<u>26.6</u>
Total cash dividends	<u>31.0</u>
Retained income at end of year	<u>\$234.7</u>

Statement of Additional Paid-In Capital
Year ended December 31, 1968
(millions)

Balance at beginning of year	\$ 20.3
Add/(deduct):	
Deconsolidation of Columbia Cellulose and SIACE	(2.1)
Excess of par value over acquisition cost of preferred treasury shares retired	<u>1.3</u>
Balance at end of year	<u>\$ 19.5</u>

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

CELANESE CORPORATION
and
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AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements

(1) Principles of Consolidation and Related Matters

The consolidated financial statements include the accounts of the Corporation and all significant subsidiaries in which the Corporation owns in excess of 50% of the voting stock, except that SIACE and the British Paints group are not included in the 1968 consolidated balance sheet. All material inter-company transactions are eliminated.

The accounts of non-U.S. subsidiaries are translated to U.S. dollars based on the official or free rates of exchange applicable in the circumstances. Current assets and liabilities are translated at the rates of exchange in effect at the end of each year. All non-current assets and liabilities are translated at rates prevailing when acquired or incurred. Income and expense accounts are translated on the basis of approximate average exchange rates for each year, except that depreciation is translated at historical rates. Unrealized foreign exchange gains and losses, insignificant in amount, have been included in Selling and administrative costs.

(2) Extraordinary Items

In recognition of losses that may be realized under the Corporation's program to divest itself of certain non-U.S. operations, an extraordinary charge to income of \$119 million has been provided in 1968. No effect has been given to possible income tax benefits, which are presently indeterminable. Included in the charge of \$119 million is a provision of \$75 million representing liabilities under guaranteed debt and other costs associated with the planned disposition, in 1969, of SIACE, the Sicilian pulp and paper-board facility. After giving effect to a loss of \$1 million from the sale of 1,230,000 common shares of Columbia Cellulose Company, Limited, the balance of \$43 million (\$25 million as to the Corporation) is shown, together with other allowances, as a reduction of Investments and advances.

Income before extraordinary items includes net costs of \$7.4 million (excluding interest) incurred by SIACE in 1968. No depreciation was taken on the facility. Assets and liabilities of this company at December 31, 1968, are not consolidated.

Prior to 1968, it was the policy of the Forest Products group to defer preoperating costs associated with the construction of new facilities and to amortize these expenditures over a five year period starting at the time the new facilities become fully operational. In 1968, this policy was changed so that preoperating costs are charged to expense as incurred. As a result of this change in accounting principles, preoperating costs incurred and deferred prior to 1968 have been written off as an extraordinary charge to income of \$15.8 million in 1968. Had the former policy been continued, income before extraordinary items would have been increased by \$1.6 million.

CELANESE CORPORATION
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Notes to Financial Statements, continued

The Corporation is negotiating the sale of the British Paints group of companies and expects to reach an agreement with the prospective purchaser in the near future. The assets and liabilities of these companies are not consolidated at December 31, 1968, and the investment is included in Other Investments and advances. Results of operations are included in the consolidated income statement.

(3) Inventories

The inventories at December 31 that were used in the calculation of cost of goods sold were as follows:

	(millions)			
	<u>Corporation</u>		<u>Consolidated</u>	
	<u>1968</u>	<u>1967</u>	<u>1968</u>	<u>1967</u>
Raw materials and supplies	\$22.9	\$20.0	\$ 59.4	\$ 86.3
Work-in-process	8.9	8.7	20.1	21.6
Finished goods	<u>30.9</u>	<u>27.7</u>	<u>92.4</u>	<u>99.0</u>
Total	<u>\$62.7</u>	<u>\$56.4</u>	<u>\$171.9</u>	<u>\$206.9</u>

The inventory quantities as of December 31, 1968, were determined in part by physical inventories taken as of that date and in part from perpetual inventory records that had been checked, as to the major portion, by recent physical inventories and, as to the remainder, by continuous physical inventory tests throughout the year.

Inventories, generally, are valued at standard costs that approximate current production costs and are not valued in excess of market. Inventory values do not include depreciation of fixed assets.

(4) Investments and Advances

Investments and advances include \$165.1 million at December 31, 1968, (\$79.9 million as to the Corporation) representing investments in unconsolidated subsidiaries, including the British Paints group and SIACE, and non-U.S. operating companies that are not subsidiaries. The related equity in net assets represented by these investments was approximately \$153.7 million (\$101.9 million as to the Corporation) at December 31, 1968.

Other Investments and advances are carried at cost except for the British Paints group and SIACE, which are included at cost plus equity in undistributed income.

The Corporation's balance sheet includes its investments in consolidated subsidiaries at cost plus equity in undistributed income and additional paid-in capital. In consolidation, the excess of cost over equity in underlying net assets of \$33.2 million is included as follows:

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CELANESE CORPORATION
and
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AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

	(millions) Debit (Credit)
Excess of cost of investments in consolidated subsidiaries over related equities	\$33.8
Deferred charges, patents and other assets	0.2
Machinery and equipment	<u>(0.8)</u>
	<u>\$33.2</u>

The excess of cost of investments in consolidated subsidiaries over related equities results principally from purchases of shares of consolidated subsidiaries at prices higher than the corresponding book values of the shares when acquired and is not being amortized.

Investments in consolidated subsidiaries outside the United States are included in the consolidated financial statements as shown below:

	Canada	Continental Europe	South America	Total
Current assets	\$ 58.0	\$26.5	\$27.0	\$111.5
Plant facilities and other non-current assets	146.6	18.3	24.0	188.9
Total assets	204.6	44.8	51.0	300.4
Less: Liabilities	105.2	19.5	18.0	142.7
Minority interest	49.5	0.3	8.2	58.0
Equity in net assets	<u>\$ 49.9</u>	<u>\$25.0</u>	<u>\$24.8</u>	\$ 99.7
Excess of cost of investments over equities in net assets at dates of acquisition			19.1	
Total investments, advances and receivables (net)				<u>\$118.8(a)</u>

(a) Before allowance for loss.

At December 31, 1968, undistributed income of non-U.S. subsidiaries totaled \$20.3 million on which no provision for U.S. income taxes has been made. Management believes that such taxes would not be significant.

The equity of the Corporation in the income of non-U.S. subsidiaries for 1968, the dividends declared and paid to the Corporation by such subsidiaries in 1968 and the equity of the Corporation in the undistributed income/(deficit) of these subsidiaries at December 31, 1968, are shown below:

	Equity in income/ (losses) (a)	Dividends	Equity in undistributed income/ (deficit)
Canada	\$ 1.5	\$2.1	\$11.4
Europe	(9.6)	-	(0.9)
United Kingdom*	0.7	-	-
South America	2.9	0.5	6.7
	<u>\$ (4.5)</u>	<u>\$2.6</u>	<u>\$17.2</u>

(a) Before extraordinary items of \$15.8 million.

*Includes other Sterling countries.

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 CELANESE CORPORATION
 and
 CELANESE CORPORATION
 AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

(5) Property, Plant and Equipment and Depreciation

Items included in property, plant and equipment at December 31, 1968, and related average depreciation rates are shown below:

	Assets at Cost (millions)		Consolidated Depreciation Rates
	Corporation	Consolidated	
Building and improvements	\$107.3	\$ 234.8	3.4%
Machinery and equipment	558.9	1,088.6	6.2
Oil and gas properties	-	166.5	5.6
Furniture and fixtures	9.8	17.9	7.4
Automobiles and rolling stock	3.2	26.0	9.7
Other assets	3.5	52.1	5.7
Sub-total	682.7	1,585.9	5.7
Land	8.3	15.1	
Plant and equipment under construction	35.7	71.3	
Total	<u>\$726.7</u>	<u>\$1,672.3</u>	

Depreciation, depletion and amortization expense for 1968 amounted to \$93.9 million, (\$42.5 million as to the Corporation).

The Corporation and its consolidated subsidiaries follow, generally, the policy of providing for depreciation, depletion and amortization over the estimated useful lives of the depreciable assets, or asset groups, by application of composite rates on a straight-line basis.

Additions, betterments, renewals and expenditures for maintenance that add materially to productive capacity or extend the life of an asset are capitalized. Other expenditures for maintenance are charged to income.

When facilities are retired or otherwise disposed of, the policy, generally, is to remove the cost from the asset accounts and to charge or credit such cost after the application of the sales or other salvage realization, to the related depreciation reserve. Dismantling and demolition costs are charged to depreciation reserves. The accumulated reserves for depreciation are deemed adequate to provide for all losses on abandonment or retirement of facilities.

(6) Deferred Charges, Patents and Other Assets

Amounts included under this caption reflect, principally, purchased patents costs. The Corporation's policy is to amortize the cost of purchased patents over the lives of the patents.

CELANESE CORPORATION
and
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Notes to Financial Statements, continued

(7) Long-Term Debt and Related Restrictions

The Corporation and its consolidated subsidiaries have repurchased and hold in their treasuries debentures and mortgage bonds in the principal amount of \$3.4 million (\$3.2 million as to the Corporation), of which \$2.2 million (\$2 million as to the Corporation) has been offset against long-term debt due currently and the balance against long-term debt. Exclusive of amounts due currently, remaining long-term debt was as follows:

	(millions)
Debt of Celanese Corporation:	
4 1/2% (4 3/4% after October 1, 1970) term loan	
serial notes, maturing serially from 1970 to 1973	\$ 80.0
3 1/2% debentures, maturing serially from 1970 to 1976	31.8
5 3/8% subordinated debenture, maturing serially from 1973 to 1977	17.0
5 3/4% notes, maturing serially from 1970 to 1980	50.0
4 3/4% notes, maturing serially from 1970 to 1990	75.0
4% convertible subordinated debentures, maturing serially from 1975 to 1990	78.9
	332.7
Debt of U.S. subsidiaries:	
Fiber Industries, Inc.:	
4 1/2% notes, maturing serially from 1970 to 1974	22.5
5 1/4% first mortgage and collateral trust bonds, maturing serially from 1970 to 1978	13.5
5% first mortgage and collateral trust bonds, maturing serially from 1970 to 1984	95.0
	131.0
Celanese International Finance Company:	
6 3/4% debentures, maturing serially from 1973 to 1982 (fully guaranteed by Celanese Corporation)	20.0
Celtran, Inc.:	
4 1/2% to 6 3/4% notes, maturing serially from 1970 to 1978	9.9
Debt of Canadian subsidiaries:	
Chemcell Limited:	
5 1/4% general mortgage bonds, Series A, maturing serially from 1970 to 1971	1.5
7% sinking fund debentures, Series A, maturing serially from 1970 to 1980	11.0
5 3/8% sinking fund debentures, Series B, maturing serially from 1972 to 1985	30.0
6 1/2% sinking fund debentures, Series C, maturing serially from 1973 to 1986	13.9
	56.4
Celtran Equipment Limited:	
6% notes, maturing serially from 1970 to 1978	4.0

CELANESE CORPORATION
and
CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

	<u>(millions)</u>
Debt of other non-U.S. subsidiaries	
Amcel Europe, S.A.:	
3.3% and 6.3% first mortgage notes, maturing serially from 1970 to 1973	\$ 6.4
Notes of other subsidiaries with various interest rates and maturity dates	<u>1.3</u>
Total	<u>\$561.7</u>

Maturities and sinking fund requirements through December 31, 1973, are:

	<u>(millions)</u>	
	<u>Corporation</u>	<u>Consolidated</u>
1969	\$20.0	\$39.3
1970	25.7	42.2
1971	28.7	45.7
1972	28.8	46.8
1973	30.9	52.4

The debt instruments contain various restrictions and covenants relating to creation of funded debt and payment of dividends. As to the Corporation, the most restrictive of these provide that (a) no funded debt may be created unless at the time, and after giving effect thereto, consolidated net tangible assets, as defined, are at least two times the outstanding consolidated funded debt, and (b) no dividends or other payments, other than dividends payable in stock of the Corporation, may be made with respect to Common Stock unless at the time, and after giving effect thereto, the consolidated net income subsequent to December 31, 1964, plus \$75 million shall exceed the aggregate amount of dividends or other stock payments made after that date. The effect of this restriction at December 31, 1968, is to limit the amount of retained income available for such payments to approximately \$107.9 million.

Assets of certain consolidated subsidiaries aggregating approximately \$539 million are pledged to secure long-term debt of these companies.

The 4% Convertible Subordinated Debentures of the Corporation are convertible into Common Stock at the rate of one share of Common Stock for each \$96 of principal, subject to adjustment in certain events.

In December, 1967, the Corporation entered into an agreement with two major financial institutions providing for issuance in the period beginning July 1, 1969, and ending March 31, 1970, of 6 3/4% notes, due December 1, 1987, in the aggregate amount of \$50 million.

CELANESE CORPORATION
and
CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

(8) Minority Interest

Minority interest in consolidated subsidiaries consists of the following:

	(millions)
Preferred shares	\$ 15.7
Common shares	54.1
Additional paid-in-capital	7.8
Retained income	26.9
Long-term debt	1.1
	<u>\$105.6</u>

In the consolidated balance sheet, minority interest includes \$1.1 million of Fiber Industries, Inc., 6% Subordinated Income Notes due March 31, 1973, owned by the minority shareholder. The related interest expense for the year has been included in minority interest in the consolidated statement of income.

Minority interest also includes a subsidiary's preferred shares the terms of which provide for redemption at the aggregate par value of \$4.2 million during the years 1970-72. Dividends on these preferred shares, at the rate of 4 1/2% per year, are to be paid whether or not earned, according to such terms.

(9) Capital Stock

The number of authorized, issued and outstanding shares, par or stated values, and cash dividends are:

	Preferred Stock			Common Stock
	Series A 4 1/2% \$100 par	Convertible Preference \$3.00 without par value	7% Second \$100 par	
Authorized shares	<u>908,602</u>	<u>100,000</u>	<u>32,398</u>	<u>25,000,000</u>
Issued shares - December 31, 1967	908,602	100,000	32,398	13,307,594
Shares purchased for treasury (retired in 1968)				
- prior to 1968	(57,500)	-	(6,260)	-
- during 1968	(200)	-	(500)	-
Issued in 1968 on ex- ercise of stock options	-	-	-	3,500
Issued and outstanding December 31, 1968	<u>850,902</u>	<u>100,000</u>	<u>25,638</u>	<u>13,311,094</u>
Par or stated value:(millions)				
December 31, 1968	\$85.1	\$2.5	\$2.6	\$208.9
December 31, 1967	<u>90.9</u>	<u>2.5</u>	<u>3.2</u>	<u>208.7</u>
Cash dividends:(millions)				
1968	\$ 3.9	\$0.3	\$0.2	\$ 26.6
1967	<u>4.0</u>	<u>0.3</u>	<u>0.2</u>	<u>26.6</u>

CELANESE CORPORATION
and
CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

The Preferred Stock, Series A, may be redeemed at the option of the Corporation at par value plus accrued dividends. Upon liquidation or dissolution, the holders of the Preferred Stock, Series A, have a preference to the extent of \$100 per share plus accrued dividends.

The Convertible Preference Stock may be redeemed at the option of the Corporation at \$65 per share plus accrued dividends and is convertible into Common Stock at the rate of .6953 of one share of Common Stock and cash of \$1.15 for each share of Convertible Preference Stock, subject to adjustment in certain events. On liquidation or dissolution, the Convertible Preference Stock is entitled, in preference to the 7% Second Preferred Stock and Common Stock, to \$55 per share plus accrued dividends.

There is no provision for redemption of the 7% Second Preferred Stock; such stock has a preference in liquidation of \$100 per share plus accrued dividends.

At December 31, 1968, a total of 1,477,387 shares of unissued Common Stock was reserved for the following purposes: 69,530 shares for the conversion of Convertible Preference Stock; 821,457 shares for the conversion of 4% Convertible Subordinated Debentures; and 586,400 shares for the Stock Option Award Plan.

Under the Stock Option Award Plan that was adopted in April, 1965, the Corporation may grant options to officers and other employees for the purchase of up to 590,000 shares of Common Stock of the Corporation at the market price of stock at the date of grant. In 1968, these shares were registered under the Securities Act of 1933 and shares acquired upon exercise of options may be resold at any time on three national stock exchanges. Options become exercisable in equal installments in the three years following the first anniversary of the date of grant, and must be exercised no later than five years from the date of grant. Activity for the year ended December 31, 1968, was as follows:

	Year of Grant				Total
	1965	1966	1967	1968	
Shares Subject to Option:					
Total at Jan. 1, 1968	41,700	179,200	64,850	-	285,750
Granted	-	-	-	54,550	54,550
Exercised	-	(1,700)	(1,900)	-	(3,600)
Terminated	(2,000)	(8,500)	(1,200)	-	(11,700)
Total at Dec. 31, 1968	<u>39,700</u>	<u>169,000</u>	<u>61,750</u>	<u>54,550</u>	<u>325,000</u>
Option Price per share	\$86	\$47.375	\$59.625	\$55.625	
		to	to	to	
		\$58.375	\$68.000	\$69.938	
Options Exercisable at					
December 31, 1968	<u>39,700</u>	<u>105,767</u>	<u>18,838</u>	-	<u>164,305</u>
Shares Available for Granting of Options					<u>261,400</u>

CELANESE CORPORATION
and
CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

The aggregate market value of the options at the dates of grant was \$18.9 million.

Information as to options exercised is as follows:

	<u>No. of shares</u>	<u>Option price</u>	<u>Market value *</u>
Options exercised	<u>3,600</u>		
Value:			
Per share		\$ 47.375 to <u>\$ 63.250</u>	\$ 57.623 to <u>\$ 72.813</u>
Total		<u>\$211,000</u>	<u>\$253,000</u>

*On the date exercised.

Information as to options that became exercisable is as follows:

	<u>No. of shares</u>	<u>Option price</u>	<u>Market value *</u>
Options that became exercisable	<u>127,339</u>		
Value:			
Per share		\$47.375 to <u>\$86,000</u>	\$55.000 to <u>\$74.313</u>
Total		<u>\$ 7 million</u>	<u>\$ 9.4 million</u>

*At the date options became exercisable.

The Corporation makes no charge against income with respect to options.

(10) Retained Income

Retained income has been restated to give effect to a retroactive provision of \$4.6 million for additional taxes resulting from an audit of the Corporation's 1963 federal income tax return.

	(millions)
Balance at	
End of 1967	\$347.3
As previously reported	(4.6)
Retroactive provision for income taxes	\$342.7
As restated	

CELANESE CORPORATION
and
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AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

(11) Income Taxes

For income tax purposes, depreciation and certain other income and expense items have been calculated using methods that result in taxable income amounts that differ from the amounts reported in the financial statements. Income taxes payable in future years as a result of these differences have been provided for as deferred income taxes.

The policy of the Corporation and its consolidated U.S. subsidiaries is to reflect in income the investment tax credit as a reduction in the provision for income taxes over the estimated useful lives of the related assets.

The provision for income taxes includes the following amounts:

	(millions)	
	<u>Corporation</u>	<u>Consolidated</u>
Income taxes payable for the year	\$34.8	\$56.4
Add:		
Income taxes payable in future years	3.9	13.5
Investment tax credits earned and deferred	3.9	14.8
	<u>42.6</u>	<u>84.7</u>
Less: Investment tax credits amortized	2.4	3.9
Total tax provision	<u>\$40.2</u>	<u>\$80.8</u>

(12) Retirement Income Plans

The Corporation and its consolidated subsidiaries have various retirement plans covering substantially all employees. The principal retirement plan as to the Corporation and certain subsidiaries is a contributory retirement plan to provide a fund for the purchase of annuities for participating employees at retirement age. Charges to operations by the Corporation and its consolidated subsidiaries under the various retirement plans for the year ended December 31, 1968, aggregated \$6.6 million (\$3.8 million as to the Corporation) including, as to certain plans, interest on unfunded actuarial liabilities. The Corporation's policy is to fund retirement cost accrued. Based on actuarial determinations, the retirement plans are fully funded with respect to all vested benefits. Based on the entry age level premium actuarial cost method of determining the principal retirement plan's financial status, there is an unfunded actuarial liability of approximately \$25.6 million. The unfunded actuarial liability applicable to the other retirement plans was estimated to be approximately \$4.5 million at December 31, 1968.

Subject to shareholder approval, the Corporation proposes to amend its Retirement Income Plan, effective January 1, 1969. The principal change is to fund the Plan solely with contributions by the Corporation. If the Plan as it is proposed to be amended had been in effect in 1968, total cost for all plans would have been \$10 million.

CELANESE CORPORATION
and
CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

(13) Commitments

The Corporation and its consolidated subsidiaries had commitments at December 31, 1968, of approximately \$62 million for acquisition of facilities (Corporation \$35.5 million) and of \$11.9 million for investment in certain non-U.S. operating companies. Also, investments in other operating companies may be required, under certain circumstances, to a maximum of \$17.4 million.

The Corporation has agreed to provide an affiliated, non-U.S. company and certain subsidiaries with funds for working capital purposes, if and when required, to a maximum amount of \$70 million, in exchange for shares of stock or promissory notes of the companies.

The Corporation has agreed to purchase or obtain orders for products of a subsidiary and an affiliated non-U.S. company at prices that will enable the subsidiary to pay, when due, all items of cost and enable the affiliate to pay, when due, 60% of all items of cost, which cost is defined to include amounts sufficient to permit the companies to pay current installments of principal and interest on certain long-term debt. The long-term debt at December 31, 1968, was \$115 million as to the subsidiary and \$40 million as to the affiliate. Also, an investment in a subsidiary may be required to a maximum amount of \$5.5 million.

The Corporation and its consolidated subsidiaries lease laboratory and office premises, terminal facilities, tank cars and retail outlets. Minimum annual rentals (excluding taxes, insurance and other expenses that are payable under certain leases) relating to such property under lease at December 31, 1968 amounted to approximately \$8 million. Most of these leases extend over various periods up to 1988 and it is expected that in the normal course of operations they will be extended or replaced.

CELANESE CORPORATION
and
CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

(14) Supplementary Information to Statements of Income

Maintenance and repairs, depreciation, depletion and amortization, taxes, rents and royalties, and bad debts are as set forth in the following table:

	(millions)			
	Charged to income Cost of goods sold	Other	Charged to other accounts	Total
<u>Corporation:</u>				
Maintenance and repairs	\$22.9	2.2	1.1(1)	26.2
Depreciation, depletion and amortization	39.6	2.9	-	42.5
Taxes, other than Federal taxes on income:				
Payroll taxes	5.2	-	-	5.2
State and local real estate and personal property	4.7	0.2	-	4.9
State income taxes	2.5	-	-	2.5
Other taxes	<u>0.7</u>	<u>0.1</u>	<u>-</u>	<u>0.8</u>
	13.1	0.3	-	13.4
Management and service contract fees	-	-	-	-
Rents	2.1	5.4	-	7.5
Royalties	3.5	-	-	3.5
Bad debts	<u>0.2</u>	<u>0.5</u>	<u>-</u>	<u>0.7</u>
<u>Consolidated:</u>				
Maintenance and repairs	\$48.5	3.5	1.7(1)	53.7
Depreciation, depletion and amortization	86.7	7.2	-	93.9
Taxes, other than Federal taxes on income:				
Payroll taxes	8.7	0.9	-	9.6
State and local real estate and personal property taxes	9.3	1.2	-	10.5
State income taxes	4.8	-	-	4.8
Other taxes	<u>3.1</u>	<u>0.5</u>	<u>-</u>	<u>3.6</u>
	25.9	2.6	-	28.5
Management and service contract fees	-	-	-	-
Rents	5.6	11.5	-	17.1
Royalties	10.7	-	-	10.7
Bad debts	<u>1.3</u>	<u>5.5</u>	<u>-</u>	<u>6.8</u>

Note:

(1) Charged to fixed asset accounts.
Oil and gas royalties are excluded from sales and other revenue for one subsidiary.

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUB

Investments in Securities of Subsidiaries

Year ended December 31, 1968
(dollars in millions)

Name of issuer and title of issue	Balance at beginning of period		Additions	
	No. of shares	Amount	No. of shares	Amount
Celanese Corporation:				
Subsidiaries consolidated:				
U.S. subsidiaries:				
Champlin Petroleum Company:				
Common stock, \$100 par value	44,847	\$156.7	-	\$10
Fiber Industries, Inc.:				
Common stock, \$10 par value	4,500,000	62.7	-	14
Celanese International Corporation:				
Common stock, without par value	1,000	55.0	-	(42 0
Other companies:				
Fourteen at beginning of period and fifteen at end of period	-	68.1	-	7
Total U.S. subsidiaries		<u>342.5</u>		<u>(7</u>
Non-U.S. subsidiaries:				
Chamcell Limited:				
Common stock, without par value	7,569,230	64.0	-	4
Other companies:				
Fifteen at beginning of period and fourteen at end of period	-	65.0	-	(0
Total non-U.S. subsidiaries		<u>129.0</u>		<u>8</u>
Reserve for inter-company profits of Celanese Corporation in inventories of subsidiaries, carried as a reduction of investments		(1.3)		
Total subsidiaries consolidated		<u>\$470.2</u>		<u>\$</u>

Schedule III

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and
ND CONSOLIDATED SUBSIDIARIES

curities of Subsidiaries

December 31, 1968
s in millions)

<u>Additions</u>		<u>Deductions</u>		<u>Balance at close of period</u>	
<u>No. of shares</u>	<u>Amount</u>	<u>No. of shares</u>	<u>Amount</u>	<u>No. of shares</u>	<u>Amount</u>
-	\$10.3 (1)	-	\$ 6.7 (2)	44,847	\$160.3
-	14.1 (1)	-	3.1 (2)	4,500,000	73.7
-	(42.4) (1)	-	0.6 (4)	1,000	12.2
-	0.2 (3)	-			
-	7.3 (1)	-	3.2 (2)		
-	2.7 (5)	-	0.1 (6)	-	74.8
	<u>(7.8)</u>		<u>13.7</u>		<u>321.0</u>

-	4.8 (1)	-	2.1 (2)	7,569,230	66.7
	(0.4) (1)		0.5 (2)		
	1.5 (5)		46.9 (8)		20.9
	2.2 (7)		49.5		87.6
	8.1				
			(0.4) (9)		(0.9)
	<u>\$ 3</u>		<u>\$62.8</u>		<u>\$407.7</u>

CELANESE CORPORATION
and
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Investments in Securities of Subsidiarie
Year ended December 31, 1968
(dollars in millions)

Name of issuer and title of issue	Balance at beginning of period		Addition	
	No. of shares	Amount	No. of shares	A
Celanese Corporation				
U.S. and non-U.S. subsidiaries (not consolidated):				
Four companies at beginning of period and three companies at end of period	-	\$ 6.4	-	\$
Celanese Corporation and consolidated subsidiaries:				
U.S. and non-U.S. subsidiaries (not consolidated):				
Seven companies at beginning and end of period	-	\$ 8.0	-	\$

Notes:

- (1) Equity in income/(loss) for the year (Schedule XVII).
- (2) Dividends received (Schedule XVII).
- (3) Cash contribution to capital.
- (4) Equity in additional paid-in capital of a subsidiary eliminated upon deconsolidation.
- (5) Transfer of investments at their carrying values to subsidiaries consolidated.
- (6) Adjustment of cost.
- (7) Cash purchase of stock.
- (8) Investment transferred to other investments since ownership was reduced to less than 50%.
- (9) Reduction in reserve for inter-company profits in inventories.
- (10) Reclassified to accounts receivable.
- (11) Reclassification to advances to subsidiaries.

CELANESE CORPORATION
and
SUBSIDIARIES AND CONSOLIDATED SUBSIDIARIES

Securities of Subsidiaries, continued

ended December 31, 1968
(dollars in millions)

at beginning of period	Additions		Deductions		Balance at close of period	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
\$ 6.4	-	\$ 0.1 (7)	-	\$ 4.2 (5)		
			-	1.9 (10)		
			-	0.3 (11)	-	\$ 0.1
\$ 8.0	-	\$ 1.8 (1)	-	\$ 4.2 (5)		
		0.1 (7)	-	1.9 (10)		
			-	0.3 (11)	-	\$ 3.5

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CELANESE CORPORATION

Indebtedness of and Indebtedness to Subsidiaries - Not Current

Year ended December 31, 1968
(millions)

	<u>Balance receivable</u>		<u>Balance payable</u>	
	<u>Beginning</u>	<u>Close</u>	<u>Beginning</u>	<u>Close</u>
	<u>of period</u>	<u>of period</u>	<u>of period</u>	<u>of period</u>
Celanese Corporation:				
Subsidiaries consolidated:				
U.S. subsidiaries:				
Celtran, Inc.	\$ 0.9	\$ 0.7	\$ -	\$ -
Celanese International Corporation	0.3	0.3	-	-
Fiber Industries, Inc.	8.1	1.9	-	-
Radio Hill Investment Corporation	-	-	3.0	1.0
Pan Amcel Co., Inc.	4.5	-	-	-
Other companies:				
Four at beginning and end of period, all totally-held	<u>51.8</u>	<u>47.5</u>	<u>-</u>	<u>-</u>
Total U.S. subsidiaries	<u>65.6</u>	<u>50.4</u>	<u>3.0</u>	<u>1.0</u>
Non-U.S. subsidiaries:				
Amcel Europe, S.A.	14.8	6.5	-	-
Amcel Co. (Scandinavia) A/S	4.1	0.2	-	-
British Paints (Canada) Limited	0.4	-	-	-
Celanese Venezolana, S.A.	0.1	0.1	-	-
C.A. Fibras Químicas de Venezuela	0.2	-	-	-
CelFibras - Fibras Químicas do Brasil, Ltda.	-	1.4	-	-
Columbia Cellulose Company, Ltd.	11.3	-	-	-
Other companies:				
Two at beginning and end of period, all totally-held	<u>0.1</u>	<u>0.1</u>	<u>-</u>	<u>-</u>
Total non-U.S. subsidiaries	<u>31.0</u>	<u>8.3</u>	<u>-</u>	<u>-</u>
	<u>\$96.6</u>	<u>\$58.7</u>	<u>\$3.0</u>	<u>\$1.0</u>

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Property, Plant and

Year ended Decemb
(million)

<u>Classification</u>	<u>Balance at beginning of period</u>	<u>Addit Subsidiaries not previously consolidated (1</u>
Celanese Corporation:		
Land	\$ 7.9	\$ -
Buildings and improvements	100.0	-
Machinery and equipment	531.1	-
Furniture and fixtures	8.7	-
Automobiles and rolling stock	4.6	-
Plant and equipment under construction	21.9	-
Other	2.8	-
	<u>\$ 677.0</u>	<u>\$ -</u>
Celanese Corporation and consolidated subsidiaries:		
Land	\$ 16.5	\$ -
Buildings and improvements	272.4	-
Machinery and equipment	1,194.7	2.3
Oil, gas and timber properties	186.1	-
Furniture and fixtures	19.0	-
Automobiles and rolling stock	24.8	-
Plant and equipment under construction	97.7	1.7
Other	45.7	0.2
	<u>\$ 1,856.9</u>	<u>\$ 4.2</u>

Schedule V

CELANESE CORPORATION
and
CORPORATION AND CONSOLIDATED SUBSIDIARIES

Property, Plant and Equipment

Year ended December 31, 1968
(millions)

Additions		Retirements	Other	Balance
Subsidiaries	Additions	or sales	changes	at close
not previously	at cost	during	Debit	of period
consolidated (1)		period	(Credit)	
\$ -	\$ 0.4	\$ -	\$ -	\$ 8.3
-	7.6	0.3	-	107.3
-	33.5	5.6	-	559.0
-	1.2	0.1	-	9.8
-	0.1	1.6	-	3.1
-	13.8	-	-	35.7
-	0.7	-	-	3.5
<u>\$ -</u>	<u>\$ 57.3</u>	<u>\$ 7.6</u>	<u>\$ -</u>	<u>\$ 726.7</u>
\$ -	\$ 0.8	\$ -	\$ (0.1) (2)	
-			(2.1) (3)	\$ 15.1
-	22.4	1.4	0.7 (2)	
			(0.2)	
			0.8	
			(59.9) (3)	234.8
2.3	91.8	13.0	(0.4) (2)	
			0.1	
			(186.9) (3)	1,088.6
-	9.9	3.4	(26.1) (3)	166.5
-	2.4	0.3	(0.6) (2)	
			(2.6) (3)	17.9
-	7.3	2.5	0.6 (2)	
			(4.2) (3)	26.0
1.7	(1.7)	0.5	0.3 (2)	
			(0.3)	
			(25.9) (3)	71.3
0.2	7.8	1.1	(0.5) (2)	
	0.1		0.1	
			(0.2) (3)	52.7
<u>\$4.2</u>	<u>\$140.8</u>	<u>\$22.2</u>	<u>\$ (307.4)</u>	<u>\$1,672.3</u>

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

Property, Plant and Equipment

Year ended December 31, 1968

Notes:

- (1) Balance at beginning of year of subsidiaries not previously consolidated.
- (2) Reclassification of accounts.
- (3) Gross book value of property, plant and equipment of subsidiaries deconsolidated in 1968.

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Accumulated Depreciation, Depletion and Amor

Classification	Balance at beginning of period	Year ended De
		(mil
		Ad
		Subsidiaries not previousl consolidated
Celanese Corporation:		
Buildings and improvements	\$ 44.1	\$ -
Machinery and equipment	272.2	-
Furniture and fixtures	5.4	-
Automobiles and rolling stock	4.1	-
Other	0.7	-
	<u>\$326.5</u>	<u>\$ -</u>
Celanese Corporation and consolidated subsidiaries:		
Buildings and improvements	\$ 77.6	\$ -
Machinery and equipment	499.1	1.0
Oil, gas and timber properties	107.9	-
Furniture and fixtures	9.3	-
Automobiles and rolling stock	8.4	-
Other	11.1	0.1
	<u>\$713.4</u>	<u>\$1.1</u>

Notes:

- (1) Balance at beginning of year of subsidiaries not previously consolidated
- (2) Reclassification of accounts
- (3) Accumulated depreciation reserve of property, plant and equipment of subsidiary

Schedule VI

CELANESE CORPORATION
and
CORPORATION AND CONSOLIDATED SUBSIDIARIES

Depreciation and Amortization of Property, Plant and Equipment

Year ended December 31, 1968
(millions)

Additions		Deductions		Other changes Credit (Debit)	Balance at close of period
Subsidiaries not previously consolidated (1)	Charged to Income	Retirements, renewals and replacements			
\$ -	\$ 3.3	\$ 0.3	\$ -		\$ 47.1
-	38.0	5.3	-		304.9
-	0.8	0.1	-		6.1
-	0.2	1.6	-		2.7
-	0.2	-	-		0.9
<u>\$ -</u>	<u>\$42.5</u>	<u>\$ 7.3</u>	<u>\$ -</u>		<u>\$361.7</u>
\$ -	\$ 8.9	\$ 0.9	\$ 0.3 (2)		
			(13.5) (3)		\$ 72.4
1.0	68.7	11.1	(0.6) (2)		
			0.4		
			(41.0) (3)		516.5
-	9.6	1.5	(12.1) (3)		103.9
-	1.4	0.2	(0.2) (2)		
			(0.8) (3)		9.5
-	2.5	2.2	0.6 (2)		
			(1.0) (3)		8.3
0.1	2.8	0.5	(0.1) (2)		
			(0.2) (3)		13.2
<u>\$1.1</u>	<u>\$93.9</u>	<u>\$16.4</u>	<u>\$ (68.2)</u>		<u>\$723.8</u>

nsolidated

ent of subsidiaries deconsolidated in 1969

CELANESE CORP.
and
CELANESE CORPORATION AND CO.

Bonds, Mortgages and
December 31,
(million)

<u>Name of issuer and title of issue</u>	<u>Amount authorized by indenture</u>	<u>Amount issued and not retired or cancelled</u>
Celanese Corporation:		
4 1/2% (4 3/4% after October 1, 1970) term loan serial notes, due October 1, 1973	\$100.0	\$100.0
3 1/2% debentures due 1969-1976	50.0	35.0
5 3/8% subordinated debenture, due 1973-1977	17.0	17.0
5 3/4% notes, due 1970-1980	50.0	50.0
4 3/4% notes, due 1970-1990	75.0	75.0
4% convertible subordinated debentures, due 1975-1990	<u>78.9</u>	<u>78.9</u>
Total long-term debt - Celanese Corporation		
Deduct: Long-term debt due within one year		
Long-term debt (net)		
Celanese Corporation and consolidated subsidiaries:		
Celanese Corporation:		
Total long-term debt - above		
U.S. Subsidiaries:		
Celtran, Inc.:		
4 1/2% to 6 3/4% notes, due 1969-1977	\$ 15.0	\$ 11.6
Celanese International Finance Company:		
6 3/4% guaranteed debentures, due 1973-1982	20.0	20.0
Fiber Industries, Inc.:		
4 1/2% notes, due 1969-1974	35.0	27.5
5 1/4% first mortgage and collateral trust bonds, due 1969-1978	15.0	15.0
5% first mortgage and collateral trust bonds, due 1969-1984	100.0	100.0
6% subordinated income notes, due 1973	<u>13.0</u>	<u>13.0</u>
Total U.S. Subsidiaries		

Schedule IX

PORTATION

CONSOLIDATED SUBSIDIARIES

d Similar Debt
, 1968
ns)

Amount held by or for account of issuer thereof	Amount not held by or for account of issuer thereof	Amount included in sum extended under caption "Long-term debt" in related balance sheet (SU.S.)	Amount in sinking and other special funds of issuer thereof (SU.S.)	Amount pledged by issuer thereof	Amount held by affiliates for which statements are filed herewith Persons included in consolidated statements (SU.S.)	Other
\$-	\$100.0	\$100.0	\$-	\$ -	\$ -	\$ -
3.2	31.8	31.8	3.2	-	-	-
-	17.0	17.0	-	-	-	-
-	50.0	50.0	-	-	-	-
-	75.0	75.0	-	-	-	-
-	<u>78.9</u>	<u>78.9</u>	-	-	-	-
		352.7				
		20.0				
		<u>\$332.7</u>				

\$352.7

\$-	\$ 11.6	\$ 11.6	\$-	\$ -	\$ -	\$ -
-	20.0	20.0	-	-	-	-
-	27.5	27.5	-	-	-	-
-	15.0	15.0	-	-	-	-
-	100.0	100.0	-	-	-	-
-	<u>3.0</u>	<u>17.1 (1)</u>	-	-	-	-
		<u>175.2</u>				

CELANESE CORPORAT.
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CELANESE CORPORATION AND CONSOLI

Bonds, Mortgages and Sim
December 31, 196
(millions)

Name of issuer and title of issue	Amount authorized by indenture	Amount issued and not retired or cancelled	Am h by ac of th
Celanese Corporation and consolidated subsidiaries, cont.			
Canadian subsidiaries:			
Chemcell Limited:			
4 3/4% first mortgage bonds, Series A, due 1969	Can. \$31.0	Can. \$ 2.0	Can. \$
5 1/4% general mortgage bonds, Series A, due 1969-1971	Can. 12.0	Can. 2.2	
7% sinking fund debentures, Series A, due 1969-1980 (with common stock pur- chase warrants)	Can. 15.0	Can. 12.0	Can. 0
5 3/8% sinking fund debentures, Series B, due 1972-1985 (United States dollars)	30.0	30.0	
6 1/2% sinking fund debentures, Series C, due 1973-1986	Can. 15.0	Can. 15.0	
Celtran Equipment Limited:			
6% notes, due 1969-1978 (United States dollars)	<u>5.0</u>	<u>5.0</u>	
Total Canadian Subsidiaries			
Other non-U.S. subsidiaries:			
Amcel Europe, S.A.:			
3.3% and 6.3% first mortgage notes, due 1969-1973 (Belgian francs)	B.F. 525.0	B.F. 387.2	
Other notes payable with various interest rates and maturity dates			
Total			
Deduct: Long-term debt due within one year			
Long-term debt carried as minority interest			
Long-term debt (net)			
Note			
(1) Carried as minority interest			

EISE CORPORATION

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AND CONSOLIDATED SUBSIDIARIES

gages and Similar Debt, continued
 ember 31, 1968
 (millions)

at and tired celled	Amount held by or for account of issuer thereof	Amount not held by or for account of issuer thereof	Amount included in sum extended under caption "Long-term debt" in related balance sheet (\$U.S.)	Amount in sinking and other special funds of issuer thereof (\$U.S.)	Amount pledged by issuer thereof	Amount held by affiliates for which statements are filed herewith	
						Persons included in con- solidated statements (\$U.S.)	Other
2.0	Can. \$ -	Can. \$ 2.0	\$ 1.8	\$ -	\$ -	\$ -	\$ -
2.2	-	Can. 2.2	2.1	-	-	-	-
2.0	Can. 0.2	Can. 11.8	11.3	0.2	-	-	-
0.0	-	30.0	30.0	-	-	-	-
5.0	-	Can. 15.0	13.9	-	-	-	-
<u>5.0</u>	<u>-</u>	<u>5.0</u>	<u>4.5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
			<u>63.6</u>				

7.2	-	B.F. 387.2	\$ 7.8	\$ -	\$ -	\$ -	\$ -
			<u>2.8</u>				
			<u>10.6</u>				
			<u>602.1</u>				
			<u>39.3</u>				
			<u>1.1</u>				
			<u>40.4</u>				
			<u>\$561.7</u>				

Schedule XII

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

Reserves

Year ended December 31, 1968
(millions)

	Balance at beginning of period	Additions charged to income	Deductions from reserves	Balance at close of period
Celanese Corporation:				
Deducted from assets:				
Allowance for doubtful accounts (deducted from trade accounts receivable)	\$0.9	\$ 0.7	\$ -	\$ 1.6
Allowance for losses (deducted from investments and advances)	<u>1.5</u>	<u>26.0</u>	<u>1.5(1)</u>	<u>26.0</u>
Celanese Corporation and consolidated subsidiaries:				
Deducted from assets:				
Allowance for doubtful accounts (deducted from trade accounts receivable)	8.0	6.8	6.8(2) 0.6(3)	7.4
Allowance for doubtful accounts (deducted from other accounts receivable)	0.2	-	0.2(3)	-
Allowance for losses (deducted from investments and advances)	1.7	44.0	1.5(1)	44.2
Reserve for valuation of non- producing leases	<u>0.6</u>	<u>1.6</u>	<u>1.3(4)</u>	<u>0.9</u>

Notes:

- (1) Includes \$1 million loss on the sale of Columbia Cellulose Company, Limited, and \$500,000 reclassified to accrued liabilities.
- (2) Bad debts, claims and allowances, net of recoveries.
- (3) Subsidiaries deconsolidated in 1968.
- (4) Leases abandoned.

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Capital Sha

December 31,

Name of issuer and title of issue	Number of Shares	
	Authorized by charter	Issued and not retired or cancelled
Celanese Corporation and Celanese Corporation and consolidated subsidiaries:		
Capital Stock:		
Preferred Stock, Series A (4 1/2% cumulative), par value \$100	908,602	850,902
Convertible Preference Stock (\$3.00 cumulative), without par value	100,000	100,000
7% Second Preferred Stock (cumulative), par value \$100	32,398	25,638
Common Stock, without par value	25,000,000	13,311,094
Total		
Celanese Corporation and consolidated subsidiaries:		
Minority Interests:		
Fiber Industries, Inc.:		
Common Stock, par value \$10	9,500,000	7,200,000
Radio Hill Investment Corporation:		
Preferred Stock, Series C, par value \$100	80,000	56,000
Chemcell Limited:		
Cumulative Redeemable Preferred Stock, par value \$25 (Canadian):		
\$1.75 series	4,500	395,000
\$1.00 series		99,500
Common Stock, without par value	20,000,000	13,252,966

Schedule XIII

CORPORATION

CONSOLIDATED SUBSIDIARIES

Shares

, 1968

Shares		Shares outstanding as shown on or in- cluded under related balance sheet caption "Capital Stock"		Number of shares held by affili- ates for which statements are filed herewith		Number of shares reserved for offi- cers and employees	Number of shares reserved for options, warrants, conversions and other rights
Held by or for account of issuer thereof	Not held by or for account of issuer thereof	Number	Amount at which carried (millions)	Persons included in con- solidated statements	Others		
-	850,902	850,902	\$ 85.1	-	-	-	-
-	100,000	100,000	2.5	-	-	-	-
-	25,638	25,638	2.6	-	-	-	-
-	<u>13,311,094</u>	<u>13,311,094</u>	<u>208.9</u>	<u>-</u>	<u>-</u>	<u>586,400</u>	<u>1,477,387</u>
			<u>\$299.1</u>				
-	7,200,000	2,700,000	\$ 27.0	4,500,000	-	-	-
-	56,000	56,000	5.6(1)	-	-	-	-
-	395,000	395,000	9.2	-	-	-	-
-	99,500	99,500	2.3	-	-	-	-
-	<u>13,252,966</u>	<u>5,683,736</u>	<u>20.0</u>	<u>7,569,230</u>	<u>400,000</u>	<u>1,017,100</u>	

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED

Capital Shares

December 31, 1966

Name of issuer and title of issue	Number of Shares		
	Authorized by charter	Issued and not retired or cancelled	Held or f acco of is ther
Celane Corporation and consolidated subsidiaries continued:			
Minority interests, continued:			
Celane Corporation, S.A.:			
Common Stock, par value 5 pesos	7,635,000	7,604,926	13,3
Celane Corporation, S.A.:			
Common Stock, par value 10 bolivars	1,522,500	1,522,500	-
C.A. Fibras Químicas de Venezuela:			
Common Stock, par value 100 bolivars	130,000	130,000	-
CelFibras-Fibras Químicas do Brasil Ltda.:			
Common Stock, stated value 1.00 New Cruzeiro	- (2)	- (2)	-
Etablissements Gaudin, S.A.:			
Common Stock, stated value 100 francs French	159,697	159,697	-
Etablissements Paul Merle, S.A.:			
Common Stock, stated value 250 francs French	12,000	12,000	-
Pey Forest & Cie, S.A.:			
Common Stock, stated value 200 francs French	19,750	19,750	-
Societe Industriale de Tissages P.M.:			
Common Stock, stated value 100 francs French	55,005	55,005	-

Less: Radio Hill Investment Corporation's
Preferred Stock, included in accounts
payable
Total

Notes:

- (1) By contractual agreement 14,000 of the Series C shares must be redeemed at their face value.
- (2) Final determination of the number of shares to be authorized and issued is pending.

Schedule XIII, Cont.

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TED SUBSIDIARIES

by Not held by or for account of issuer of thereof	Shares outstanding as shown on or in- cluded under related balance sheet caption "Capital Stock"		Number of shares held by affili- ates for which statements are filed herewith		Number of shares reserved for offi- cers and employees		Number of shares reserved for options, warrants, conversions and other rights
	Number	Amount at which carried (millions)	Persons included in con- solidated statements	Others			
2	7,591,564	1,826,426	\$ 1.6	5,778,500	-	-	-
	1,522,500	442,916	1.3	1,079,584	-	-	-
	130,000	24,904	.6	105,096	-	-	-
(2)	- (2)	- (2)	3.2	- (2)	- (2)	- (2)	- (2)
	159,697	3,597	.1	156,100	-	-	-
	12,000	2,400	.1	9,600	-	-	-
	19,750	283	-	19,467	-	-	-
	55,005	7,498	.2	47,507	-	-	-
		71.2					
		1.4(2)					
		869.8					

regate per value during 1969 and are included in accounts payable.
 complete registration of the share capital with the Brazilian Government in 1969.

Schedule XVII

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

Income from Dividends - Equity in Net Income of Subsidiaries

Year ended December 31, 1968
(millions)

Name of issuer and title of issue	Dividends received cash	Amount of equity in net income (loss) for the year
Celanese Corporation:		
Subsidiaries consolidated:		
U.S. subsidiaries:		
Fiber Industries, Inc.:		
Common stock, \$10 par value	\$ 3.1	\$ 14.1
Celanese International Corporation:		
Common stock, without par value	-	(42.4)
Celtran, Inc.:		
Common stock, \$10 par value	.5	0.1
Other companies:		
Fifteen totally held subsidiaries:		
Common stock - various par values	9.4	17.5
Total U.S. subsidiaries	13.0	(10.7)
Non-U.S. subsidiaries:		
Chemcell Limited:		
Common stock, without par value	2.1	4.8
Columbia Cellulose Company, Limited:		
Common stock, without par value	-	(3.3)
Celtran Equipment Limited:		
Common stock, par value \$10 (Canadian)	-	-
Celanese Colombiana, S.A.:		
Common stock, par value 5 pesos	.4	.8
Celanese Venezolana, S.A.:		
Common stock, par value 10 bolivars	1	.5
C.A. Fibras Químicas de Venezuela:		
Common stock, par value 100 bolivars	-	.4
CelFibras-Fibras Químicas do Brasil Ltda.:		
Common stock quotas	-	(.6)
Other companies:		
Nine totally-held subsidiaries:		
Common stocks - various par values	-	1.8
Total non-U.S. subsidiaries	2.6	4.4
	15.6	(6.3)

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

Income from Dividends - Equity in Net Income of Subsidiaries, continued

Year ended December 31, 1963
(millions)

	Dividends received <u>cash</u>	Amount of equity in net income (loss) for <u>the year</u>
Celanese Corporation, continued:		
Losses reported in extraordinary items in Statement of Income	\$15.6(1)	\$ (6.3)
Non-U.S. taxes withheld on dividends received		33.8
		(0.2)
		<u>\$ 27.3</u>
Other investments	<u>\$ 1.8(2)</u>	
Celanese Corporation and consolidated subsidiaries:		
Non-U.S. subsidiaries (not consolidated):		
Seven non-U.S. subsidiaries:		
Capital stocks - various par values	<u>\$ -</u>	<u>\$ 1.8</u>
Other investments	<u>\$ 2.3</u>	

Notes:

- (1) Dividends from consolidated subsidiaries are credited to the investment account (Schedule III).
- (2) Dividends received are after deducting non-U.S. taxes withheld, \$400,000, charged to income as to Celanese Corporation. Such taxes have been reclassified to Provision for income taxes as to Celanese Corporation and consolidated subsidiaries.