

FILE NAME: Celanese (CEL)

DATE: 1966

DOC#: CEL006

DOCUMENT DESCRIPTION: Company Listing in Business Directory –
Moody's Industrial Manual

TRANSFER AGENT AND REGISTRAR — Guaranty Trust Co. of Canada, Toronto. LISTED—On Toronto Stock Exchange. OFFERED—(4,500 shares) in Canada in Aug. 1956 by Masters Smith & Co. Ltd. and Harrison & Co. Ltd., Toronto, at \$100 per share (proceeds to company, \$90 per share) with warrants (since expired). PRICE RANGE—1945 1964 1963 1962 1961 High—112 108 109 108 102 Low—108 108 108 104 98 2. Hendershot Paper Products, Ltd. common; no par

AUTHORIZED—240,000 shares; issued and outstanding, 156,075 shares; no par (no par shares split 4-for-1 in June, 1956). Canadian International Paper Co. owns over 99% of stock. DIVIDEND RECORD—1947—\$0.30 1948-52 \$1.00 1953-55 \$1.25 1956—0.75 No par shares (after 4-for-1 split): 1956—\$0.12½ 1957—\$0.40 1958—\$0.30 1959-65 nil

VOTING RIGHTS—Has exclusive voting power, on vote per share, with restrictions (see preference, No. 1). TRANSFER AGENT AND REGISTRAR — Guaranty Trust Co. of Canada, Toronto. ISSUED—In connection with purchase of assets of G. W. Hendershot Corrugated Paper Co. Ltd. OFFERED—See preference, No. 1.

CAPITAL STRUCTURE

LONG TERM DEBT

Issue	Amount
1. S. f. debenture 3½%, 1976	38,938,000
2. Conv. subord. deb. 4s, 1990	78,859,800
3. 5¼% note, due 1980	50,000,000
4. 4¾% note, due 1990	75,000,000
5. Other notes	150,000
6. Subsidiaries' debt	277,620,029

CAPITAL STOCK

Issue	Par Value	Amount
1. 4¼% cum. preferred, A	\$100	908,602 shs.
2. \$3 Cum. conv. preference	No par	100,000 shs.
3. 7% cum. second preferred	100	32,398 shs.
4. Common	No par	113,307,594 shs.

□ Outstanding Apr. 5, 1966. ⊠ Subject to change; also callable for sinking fund, see text.

CELANESE CORPORATION

Rating	Amount	Times Charges Earned		Interest Dates	Call Price	Price Range	
		1965	1964			1965	1964
Baa	38,938,000			A&O 1	101½	91¼-87¾	91¼-90
Ba	78,859,800			A&O 1	103¾	115%-104½	
	50,000,000	6.06	7.37	A&O 1			
	75,000,000						
	150,000						
	277,620,029						

Par Value	Amount	Earned per Sh.		Divs. per Sh.	Call Price	Price Range	
		1965	1964			1965	1964
\$100	908,602 shs.	\$64.40	\$54.45	\$4.50	100	99 - 90%	97¾- 93¼
No par	100,000 shs.			3.00	65	73 - 67	67½- 65
100	32,398 shs.	1,869.29	1,559.70	1.95	N.C.	156 -150	151½-140
No par	113,307,594 shs.	5.10	4.25	7.00	N.C.	92 - 72%	75¼- 57¼

HISTORY

Incorporated in Delaware, Jan. 5, 1918, as The American Cellulose & Chemical Mfg. Co. Ltd.; name changed to Celanese Corporation of America Apr. 28, 1927; present title adopted Apr. 13, 1966.

In 1927 acquired control of Celluloid Corp. upon turning over to the latter a wholly owned subsidiary, Safety Celluloid Co. Celluloid Corp. was merged with company in Dec., 1941.

On April 9, 1941, stockholders of Celanese Corp. approved plan dated March 7, 1941 providing for merger with Celluloid Corp. Merger was consummated Dec. 5, 1941.

For complete details of merger plan, see Moody's 1941 Industrial Manual.

On Feb. 7, 1946, stockholders approved plan for merger of Tubize Rayon Corp. Stockholders of latter company approved plan on Feb. 6, 1946. Under terms of merger holders of Tubize Rayon 4¼% preferred stock received in exchange \$4.75 preferred stock of Celanese Corp. on a share for share basis. In exchange for each 3 common shares of Tubize Rayon holders received 2 common shares of Celanese Corp.

On Dec. 1, 1947, company took over all activities formerly conducted by Celanese Co., Inc., Celanese Plastics Corp., Celanese Chemical Corp., Tubize, Inc., Staunton Textile Corp. and Bridgewater Textile Corp. All seven subsidiaries were dissolved Nov. 29, 1947.

In May, 1953 acquired Marco Chemicals, Inc., Linden, N. J., a producer of polyester resins.

In 1959 acquired stock of Amcel Propulsion, Inc. (dissolved Mar., 1962).

In Aug., 1959 formed Chemcell, Ltd. to coordinate all foreign activities (dissolved in Jan., 1963). Also acquired Royal Mfg. Co., Prescott, Ariz. (Royal dissolved June, 1960).

Canadian Chemical & Cellulose Co. Ltd., a holding company subsidiary, was dissolved in Aug., 1959.

In May, 1960, acquired net assets of Plastic Horizons, Inc., manufacturers of polyethylene film with plants in Paterson, N. J. and Batavia, Ill.

In Aug. 1963, acquired and in Mar. 1964, dissolved, Yardley Plastic Co., Columbus, O.

In Dec. 1963 acquired control of Fiber Industries, Inc. (formerly 50% owned). In 1963 also acquired majority interest in Chemcell (1963) Ltd.

In Aug. 1964 acquired net assets of Devoe & Reynolds Co., Inc. for \$60,394,944.

In Oct. 1964 merged Champlin Oil & Refining Co. by issuance of 2,848,987 common and 100,000 new convertible preference shares of 2,848,987 common and 100,000 new convertible preference shares.

In Nov., 1964, 300,479 common shares were issued for ownership of two corporations whose principal asset was the outstanding stock of Federal Enameling & stamping Co., now carried on as FESCO, Inc.

In June 1964, Chemcell (1963) Ltd. acquired stock of Western Chemicals Ltd.

In May 1965, acquired, through a subsidiary, 71% interest in S.I.A.C.E., operating paper board mill at Fiumefreddo, Sicily.

In Oct. 1965, a British subsidiary, acquired for about \$45,500,000 substantially all outstanding shares of British Paints (Hokking) Ltd.

SUBSIDIARIES

Functions primarily as an operating company. As of Dec. 31, 1965, owned 100% (except as otherwise indicated in parentheses) of the voting control of the following:

- Name, place of incorporation and business: Amcel Co., Inc., Del.—Export.
- Fablin Corp., New York—Holding Co.
- Palatine Dyeing Co., Inc., New York—Dyeing and finishing.

Pan Amcel Co., Inc., Del.—Export. Chemcell Ltd. (formerly Chemcell (1963) Ltd.) (Canada—57%)—(see appended statement) Petrochemicals, cellulose acetate and chemical fibers.

Western Chemicals Ltd. of Canada. Columbia Cellulose Co. (B. C.) (87.6%) (see appended statement)—holding Co.

Celgar Ltd. (B. C.)—Kraft pulp for quality papers and paperboard, high alpha dissolving pulp and paper pulps.

Skeena Kraft Ltd. (B. C.) (60%). Quimica General S. A. Mexico—(40%)—chemicals.

Celanese Venezolana S. A., Venezuela—(55%)—acetate yarn and polyester resins.

Cel Euro N. V. (The Netherlands) Amcel (United Kingdom) Ltd. Champlin Petroleum Co. (Del.)—Produces, refines and market oil and gas.

FESCO Inc. (Del.)—Manufactures and markets plastic housewares.

Celanese Coatings Co. (formerly Devoe & Reynolds Co., Inc.) (Del.)—Paints and related products.

Celanese Colombiana S. A., Colombia—(51.3%)—acetate yarn and polyester resins.

Sayles-Biltmore Bleacheries, Inc. (Del.)—dyeing and finishing.

Fiber Industries, Inc. (Del.) (62½%)—Produces Fortrel filament yarn and staple fiber.

Amcel Europe, Belgium—Triacetate yarn.

Other Affiliates: Substantial stock interests were held directly or indirectly in the following:

Celanese Mexicana S. A., Mexico (48.2%)—Acetate triacetate and nylon yarns and acetate tow for cigarette filters, cellophane and purified cotton linters. Affiliate: Campco de Mexico, S. A.—Plastics.

Stock interests were also held directly or indirectly in: Cia. Petroquimica Brasileira Copebrag, Brazil (carbon black). Mitsubishi Acetate Co., Ltd., Japan (acetate filament yarn and fibers). Ticona, Polymerwerke G.m.b.H., Germany (acetal copolymer plastic). C. A. Fibras Quimicas Coperbras Polyplastics Ltd. Joint venture of subsidiary Columbia Cellulose Co. Ltd. and Svenska Cellulose Aktiebolaget, Sweden, will build a \$60,000,000 mill at Prince Rupert, B. C.; Canada. Joint venture of company and Koninklijke Zout-Ketjen, N. V. will construct a chemical plant in the Netherlands.

BUSINESS & PRODUCTS

Ranks as a major diversified international Chemical Company specializing in processing petroleum hydrocarbons and cellulose and producing oil and gas products, forest products, petrochemicals, fibers, plastics and paint.

Company is leading producer of cellulose acetate filament and staple yarns and is sole producer of Arnel triacetate apparel fiber. Also makes rayon.

Markets polyesters and nylon 66 fiber made by Fiber Industries, Inc., a 62.5% owned subsidiary.

In chemicals, manufactures and sells some 75 products based on direct oxidation of hydrocarbons including acids, alcohols, aldehydes, anhydrides, emulsions, esters, glycols, ketones, monomers, nylon intermediates, polyols and salts.

In plastics, manufactures and sells cellulose acetate sheet, film and molding powders, Fortiflex high-density polyethylene, Forticel cellulose propionate-celcon acetal copolymer resin, triacetate film base, Celanar polyester films, plastic pipe, blow molded bottles and household wares.

In paints, manufactures and sells industrial paints and coatings, including epoxy resins, and a broad line of trade and consumer

paints; operates some 100 company-owned consumer branches.

Produces oil and gas from wells throughout the Mid-continent region; refines and processes raw materials and operates some 1,200 service stations in the Mid-west.

In forest products, Columbia Cellulose Co. Ltd., an 87% subsidiary; farms forests and produces and sells high alpha dissolving pulps and paper pulps, and Kraft pulp for papers and paper board.

Major operating divisions and subsidiaries are Celanese Fibers Co., Celanese Fibers Marketing Co., Celanese Chemical Co., Celanese Plastics Co., Celanese Coatings, Co., Champlin Petroleum Co.

PRINCIPAL PLANTS & PROPERTIES

Company and its domestic and foreign subsidiaries own 59 plants throughout the world.

Amcelle plant near Cumberland, Md. (2,300,000 sq. ft.). Produces acetate and Arnel triacetate filament yarn, Celaperm acetate yarn and Fortisan rayon yarn.

Celco plant near Narrows, Va. (1,400,000 sq. ft.). Produces cellulose acetate compounds acetate filament yarn and staple fiber, acetate tow for cigarette filters.

Celriver plant at Rock Hill, S. C. (1,300,000 sq. ft.) Produces cellulose acetate and triacetate compounds; acetate and Arnel triacetate filament yarns and staple fibers.

Chemcel plant at Bishop, Tex. produces from butane and propane a wide range of petrochemicals; and Celcon acetal co-polymer resin.

Pampa, Tex. plant produces from butane and propane a wide range of petrochemicals. Newark, N. J. (900,000 sq. ft.). Produces acetate film and sheeting.

Houston, Tex. plant produces Fortiflex high-density polyethylene molding compounds.

Rome, Ga. (1,100,000 sq. ft.) producing black acetate yarn and rayon filament yarn, staple fiber and tow.

Bridgewater, Va. (97,000 sq. ft.)—warp knit fabrics from acetate and Arnel triacetate yarn.

Belvidere, N. J. (147,000 sq. ft.). Acetate film, sheet, triacetate photo-base film.

Bay City, Tex.—Acetyl chemicals from oxygen and ethylene gas.

New Castle, Del.; Batavia, Ill.—Polyethylene film for packaging, and blow-molded bottles and containers.

Alta Loma, Calif.—Polyethylene blow molded bottles and containers and film for packaging.

Asheville, N. C.—Development and manufacture of high energy fuels and propulsion systems.

Columbus, O.—Plastics, pipe and fittings. Greer, S. C.—Polyester film plant.

Batavia, Ill.—Plastics plant. McKees Rocks, Pa.—Plastic housewares.

Sayles-Biltmore Bleacheries, Inc., Asheville, N. C.; Palatine—Dyeing Co., Inc., St. Johnsville, N. Y.—dyeing and finishing textiles.

Fiber Industries, Inc., Shelby, N. C.—Fortrel filament yarn and staple fiber.

Nylon Industries, Inc., Greenville, S. C.—Nylon 66.

Enid, Okla. (2 plants)—Crude oil refinery, natural gas processing plant.

Corpus Christi, Tex. (2 plants)—Gas processing.

Conroe, Tex.—gas processing. Carthage, Tex.—gas processing.

Oklahoma City, Okla.—gas processing. Louisville, Ky. (2 plants) industrial finishes, resins & coatings, residential & commercial paints.

Detroit, Mich.—automotive & industrial finishes. Houston, Tex.—residential & commercial paints.

Los Angeles, Cal.: residential & commercial paints.
 Malden, Mass.: residential & commercial paints.
 Newark, N. J.: Industrial & marine paints.
 Princeton, Ind.: brushes.
 Riverside, Cal.: Industrial & marine paints.
 Research Laboratories are located in Summit and Clark Township, N. J., Charlotte, N. C. and Clarkwood, Tex.

Foreign subsidiaries and affiliates have the following plants:

Chemcell Ltd. has a plant at Edmonton, Alta., producing petrochemicals, cellulose acetate and chemical fibers; plant at St. Jean, Que., produces yarn and acetate; plant at Two Hills, Alta., produces chlorine, caustic soda and other inorganic chemicals. Plant at Montagny, Que. for weaving and throwings; plant at Valleyfield, Que., for dyeing and finishing.

Celgar Ltd. has a plant of 626,910 sq. ft. floor area near Prince Rupert, B. C., Canada. Produces high alpha dissolving pulps and paper pulps; Castlegar, B. C. plant produces kraft pulp for quality papers and paperboard.

British Paints (Holdings) Ltd. and its subsidiaries have 22 plants in 17 countries including 7 in the United Kingdom, 5 in Australia and others in Europe, the Americas, Asia and Africa.

Celanesa Mexicana, S. A., owns a plant at Ocotlan near Guadalajara, Mex., producing cellulose acetate, triacetate and nylon yarn and also operates plants at Rio Bravo in State of Tamaulipas, Mex., producing high alpha cellulose from raw cotton linters; Zacapu, Mex., manufacturing viscose filament yarn, staple fiber, tire cord yarn, and cellophane; Toluca, Mex., manufacturing tire cord fabric. A nylon plant began production in 1956.

Quimica General, S. A., Mexico: Plant in San Cristobal producing synthetic resins; formaldehyde, and polyvinyl acetate emulsions. Also at Santa Clara producing acetaldehyde, acetic acid and anhydride and ethyl acetate.
 Campos de Mexico, S. A., operates plant at San Angelo producing acetate and other plastic film, sheet and vacuum-formed and other plastics.

Celanesa Colombiana, S. A., operates an acetate filament yarn plant near Cali, Colombia also producing polyester resin products and polyvinyl acetate emulsions. Also has an indurayon plant at Barranquilla producing rayon filament yarn and staple fiber, with cellophane plant under construction.

Celanesa Venezolana, S. A., has a cellulose acetate yarn plant at Valencia, Venezuela which also produces polyester resin products. Amcel Europe S.A. has a triacetate yarn and cigarette tow plant at Lanaken, Belgium. Rayon y Celanesa Peruana S.A. operates chemicals and fibers plants in Peru.

1965-66 Capital Expenditures are estimated by Co. at \$750,000,000, of which about 43% will be used for fibers, 25% for chemicals, 9% for plastics, 9% for petroleum, 12% for forest products and remainder for paints and surface coatings. Co. and domestic subsidiaries will spend about 75% of total and foreign subsidiaries and affiliates 25%.
 1965 Research Expenditures totaled \$27,500,000.

MANAGEMENT

Harold Blancke, Chairman and Chief Exec. Officer
 J. W. Brooks, President
 J. R. Kennedy, Vice Chmn.
 R. W. KixMiller, Vice Chmn.
 P. H. Conze, Exec. Vice-President
 L. B. Johnson, Exec. Vice-President

R. E. Ludt, Exec. Vice-President
 A. R. Cochran, Senior Vice-Pres.—Staff Services
 R. T. Armstrong, Senior Vice-Pres.—Research
 J. J. Pistola, Group Vice-Pres.—Chemicals
 C. D. Francis, Jr., Vice-Pres.—Ind. Rel.
 R. O. Gilbert, Vice-Pres. and Sec.
 C. R. Tully, Vice-Pres. and Contr.
 W. A. Bartel, Vice-President
 W. S. McDonald, Treasurer

Directors

F. S. Baer, San Francisco
 Earl Baldrige, Fort Worth, Tex.
 H. Blancke, New York
 J. W. Brooks, New York
 G. F. Ferris, New York
 J. R. Kennedy, New York
 R. W. KixMiller, New York
 M. W. Mackenzie, Montreal
 W. C. Marks
 E. C. McDonald, New York
 C. C. Parlin, New York
 Allan Shivers
 J. P. Sticht
 J. B. Weisner

Annual Meeting: Second Wednesday in April.

Auditors: Peat, Marwick, Mitchell & Co.
 No. of Stockholders: Dec. 31, 1965: Preferred, A, 8,630; 2nd preferred, 835; Conv. preference, 1,051; common 49,134.
 No. of Employees: Dec. 31, 1965, 36,800.
 General Office: 522 Fifth Ave., New York 36, N. Y.

Stock Bonus Trust: On Apr. 8, 1953, stockholders approved stock bonus trust for employees. Company contributions to fund will range from 5% of consolidated net income, under \$40,000,000 to 8% if \$80,000,000 or more. Amounts are before Federal taxes.

INCOME ACCOUNTS COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31 (On a pooling of interest basis—see note [I] below)

	1965	1964	1963	1962	1961	1960
Net sales	\$862,290,093	\$700,770,972	\$560,439,142	\$504,540,083	\$448,428,683	\$418,237,729
Dividends, interest and other income	7,850,400	9,751,588	7,268,302	5,508,643	4,217,965	6,119,156
Total	870,140,493	710,522,560	567,707,444	510,048,726	452,646,648	424,356,885
[1] Cost of goods sold & oth. oper. exp.	525,411,006	425,932,236	335,083,645	306,431,240	279,589,185	263,937,372
[2] Selling, gen. & admin. exp.	112,686,819	90,576,858	66,359,175	57,717,583	48,588,559	44,409,605
Deprec. depletion & amort.	62,023,809	51,344,587	47,170,702	42,883,088	39,891,471	36,796,648
Research & develop. exp.	14,758,492	12,984,074	10,929,121	7,752,573	7,546,174	7,028,195
Provision for stock bonus trusts	5,980,631	5,171,517	3,496,458	3,310,094	2,514,446	1,908,546
Int. & debt exp. amort.	23,280,181	15,976,984	12,665,277	12,107,706	10,632,366	9,120,434
Balance	125,999,555	108,536,304	82,003,066	79,846,442	63,884,447	61,156,085
Pro. for Fed. & for. income tax:						
Current	30,658,063	39,373,731	30,397,716	26,720,812	25,812,034	21,649,283
Deferred	16,744,650	5,810,817	11,253,421	9,869,374	3,490,105	1,792,300
Investment credit effect	5,346,132	1,623,161	1,173,558	1,022,400		
Minority stockholders' equity in earnings	8,300,763	6,808,726	4,360,660	4,717,605	3,738,755	4,462,230
Net earnings	\$64,949,947	\$54,919,869	\$44,827,711	\$37,516,251	\$30,843,553	\$33,252,272
Retained earnings, beginning of year	245,624,758	214,695,628	192,285,186	112,273,451	N.S.	N.S.
[3] Surplus credit adjustments		644,875		62,315,433		
4 1/2% series A, preferred dividends	4,088,759	4,088,765	4,088,767	4,088,771		
\$3 convertible preferred dividends	300,000	100,000				
7% second preferred dividends	226,786	226,804	226,821	226,821		
Common dividends	23,066,496	16,172,420	12,729,930	10,798,959		
[4] Pooled company Conv. pref. div.		225,000	300,000	300,000		
[4] Pooled company common div.		3,822,625	5,071,751	4,405,398		
Retained earnings, Dec. 31	\$282,892,664	\$245,624,758	\$214,695,628	\$192,285,186		
SUPPLEMENTARY P. & L. DATA						
Maintenance and repairs	\$41,928,000	\$36,283,000	\$30,711,000	N.S.	N.S.	N.S.
[5] Taxes other than income	18,897,000	15,924,000	13,301,000			
Rents, royalty & bad debts	15,133,000	12,645,000	10,057,000			
Earnings per share of Common Stock	\$5.10	\$4.25	\$3.42	\$3.06	\$2.45	\$2.73
[6] Shares outstanding at end of period	11,828,972	11,828,972	11,741,406	10,762,857	10,667,961	10,330,532

[1] Fiber Industries, Inc., a 62 1/2% owned subsidiary since Dec. 1963, was 50% owned prior to that time. Company's share of the net earnings or losses of Fiber Industries, Inc. prior to Dec. 1, 1963 is not included in consolidated net earnings above. Such share was: 1963 (11 mos.), \$798,669; 1962, \$31,379,826; 1961, \$31,517,209; 1960, \$375,999. Also see general note under Balance Sheets.

[2] Shares outstanding represent the shares outstanding at the end of each period adjusted for years prior to 1964 to give effect to shares issued (or which would have been issued based on the shares of the pooled companies outstanding at the end of each year) upon the merger of Champlin Oil & Refining Co., and to acquire the ownership equity of two corporations whose principal asset was the outstanding stock of Federal

Enameling & Stamping Co.
 [7] Includes related portions of items shown under "Supplementary p. & l. data" below statement.
 [8] Includes social security taxes (1965, 6,002,000).

[9] 1964: Adjustment to conform fiscal period of pooled company.

[10] Attributable to pooled company prior to pooling.

[11] Excludes sales volume of British Paints (Holdings) Ltd. carried as an investment in 1965.

Source & Disposition of Funds (on pooling of interest basis—in \$000):
 Source of Funds: 1965 1964
 Net earnings 64,950 54,920
 Depr., depl. & amort. 62,024 51,345

Def. income taxes 18,591 7,797
 Property retired 2,634 4,482
 Short term debt 48,800
 Long term debt 160,011 137,172
 Incr. min. stckhldrs. int. 32,053 11,510

Total 389,063 272,226

Disposition of Funds:
 Capital expend. 231,900 159,994
 Dividends paid 27,682 24,636
 L. t. debt retired 14,774 31,518
 Investments 74,037 68,191
 Cash for constr. 23,863
 Oth. working cap. 27,699 313

Total 399,955 284,652

Work. cap. decrease 10,892 12,426

Record of Earnings, years ended Dec. 31 (in \$) (taken from reports filed with Securities and Exchange Commission):

Year	Net Sales	Cost and Expenses	Operating Profit	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
1946	135,202,212	106,726,982	28,475,230	4,700,745	27,774,485	11,714,069	16,059,416	4,956,341	5,514,107	2.36
1947	181,083,608	139,578,204	41,505,404	4,169,138	40,336,266	16,162,849	24,173,417	7,165,717	5,514,107	2.33
1948	230,384,672	162,998,016	67,386,656	4,249,293	66,137,363	26,853,363	39,484,000	12,129,645	5,514,107	6.61
1949	171,292,005	135,370,867	35,921,138	4,158,995	34,336,143	13,895,317	20,640,826	13,233,649	5,514,108	3.19
1950	232,483,942	148,425,623	84,058,319	4,377,892	82,680,427	42,319,261	40,361,166	14,060,947	5,844,954	6.38
1951	202,651,014	148,198,963	54,452,051	4,134,788	53,310,263	28,310,000	24,800,263	17,534,862	5,844,954	3.56
1952	166,711,033	146,845,874	19,865,159	2,065,792	17,799,367	5,585,000	9,214,367	13,151,146	5,844,954	0.77
1953	165,980,967	145,855,000	20,125,967	4,172,590	18,399,977	7,747,000	10,652,977	7,306,192	5,844,954	1.01
1954	147,606,550	138,080,178	9,526,372	2,059,104	7,467,268	877,000	6,590,268	3,653,212	5,844,954	0.32
1955	177,502,026	155,941,099	21,860,927	4,168,422	20,172,505	4,778,562	15,393,943	2,921,995	5,844,954	[1] 1.81
1956	188,307,250	163,159,686	25,147,564	4,149,340	23,653,224	6,790,000	16,863,224	3,650,072	5,844,914	2.08

Year	Net Sales	Cost and Expenses	Operating Profit	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per Com. Sh.
1957	192,297,353	169,684,129	22,613,224	1,536,050	21,077,174	4,995,400	16,081,794	5,844,954	5,844,954	1.94
1958	223,708,844	192,620,655	31,088,189	1,327,272	30,760,917	14,075,000	16,685,917	5,844,954	5,844,954	2.05
1959	265,235,584	216,605,855	48,629,729	1,114,422	47,515,307	24,867,000	22,648,307	26,594,750	7,334,897	2.44
1960	264,117,134	225,445,882	38,671,252	1,854,508	37,816,744	17,861,000	19,955,744	8,068,386	7,334,897	2.07
1961	283,960,534	240,339,809	43,620,725	2,530,889	41,089,836	20,509,750	20,580,086	9,065,735	7,654,316	2.22
1962	317,077,483	262,765,057	54,312,426	1,218,828	53,093,598	25,600,000	27,493,598	10,798,959	7,715,116	3.00
1963	356,332,289	298,695,412	57,636,877	1,371,426	59,008,303	26,400,000	32,608,303	12,729,930	8,679,508	3.26

Incl. 70 cents from recovery of prior years' taxes. Also \$5,399,594 in stock.

BALANCE SHEETS COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF DEC. 31 (Taken from reports filed with Securities and Exchange Commission)

	1965	1964	1963	1962	1961	1960	1959
ASSETS							
Cash	\$59,930,352	\$80,305,193	\$57,933,582	\$41,166,788	\$27,522,641	\$20,958,578	\$21,072,985
Marketable securities, at cost	13,451,652	3,968,789	5,074,303	10,033,648	11,059,625	9,709,160	18,101,837
Accounts receivable	107,324,223	92,074,101	43,699,847	33,140,092	35,493,879	27,349,574	30,028,406
Other advances, etc.	17,676,374	13,546,121	9,445,922	4,096,309	3,298,733	2,279,076	2,354,103
Inventories	161,263,867	117,677,593	52,150,970	51,491,189	39,016,748	45,423,144	34,171,280
Prepayments	5,381,401	3,467,361	3,937,969	7,342,784	6,256,336	6,593,665	5,418,038
Total current assets	\$365,027,869	\$311,039,158	\$172,192,593	\$147,270,810	\$122,647,962	\$112,313,197	111,146,649
Secur. & advances, foreign co.'s			120,616,369	100,365,775	117,613,444	105,272,813	95,448,347
Other investments, etc.	94,855,163	32,863,209	6,954,782	23,200,270	17,500,137	11,657,608	8,441,483
Funds set aside for constr. of facil.	23,863,014						
Plant, property and equipment	1,448,643,227	1,216,392,268	494,039,942	414,038,383	392,123,203	371,326,705	349,577,730
Less: Depreciation reserve	565,762,942	531,966,797	252,842,794	231,194,781	217,785,925	201,067,511	187,089,902
Net property account	882,880,285	684,425,471	241,197,148	182,843,602	174,337,278	170,259,194	161,487,828
Patents and Misc. assets	26,785,476	22,668,950					
Deferred charges			6,232,582	2,587,983	1,159,737	955,212	1,127,030
Debt discount & expense	3,512,693	1,562,925	440,793	486,959	534,107	581,510	517,609
Excess subsid. cost over equity	21,638,290	19,767,752	3,339,868				
Total	\$1,418,562,790	\$1,072,327,465	\$550,974,135	\$456,755,399	\$433,792,665	\$401,039,538	\$378,168,946
LIABILITIES:							
Current maturities	\$5,096,928	\$5,978,728	\$1,513,000	\$2,318,000	\$816,000		\$5,850,000
Accounts & notes payable	137,765,777	43,169,956	15,388,485	15,712,109	13,393,878	\$13,850,720	10,160,438
Reserve for income taxes	24,248,492	29,152,031	15,380,439	14,029,370	14,229,560		
Other tax liability	3,574,115	4,587,321	2,271,273	1,934,233	403,682	2,037,428	2,785,736
Other current liabilities	37,197,154	25,157,302	10,492,713	9,198,609	9,466,816	8,565,364	8,448,848
Company's stock bonus trust	5,973,848	5,230,029	2,780,258	3,310,094	2,514,446	1,908,546	2,940,569
Total current liabilities	\$213,856,314	\$113,275,367	\$47,826,168	\$46,502,415	\$40,823,882	\$26,362,058	\$30,185,591
Subsidiaries' debt	277,620,029	158,956,967	25,000,000	25,000,000	12,979,000	13,168,000	16,675,000
Debenture 3s, 1965			10,000,000	12,000,000	10,000,000	10,329,000	11,155,000
Debenture 2.85s, 1966			7,500,000	8,750,000	8,750,000	10,000,000	11,155,000
Debenture 3 1/2s, 1976	38,938,000	40,500,000	41,495,000	42,500,000	43,500,000	44,161,000	45,446,000
Debenture 4s, 1990	78,859,800						
Notes payable	125,075,000	163,875,000	50,000,000	50,000,000	50,000,000	50,000,000	24,725,000
Deferred income taxes	48,416,444	35,171,809	16,901,451	13,058,960	6,335,000	5,900,000	4,797,900
Deferred investment tax credit	11,455,112	6,108,980					735,451
Minority interest	108,603,245	76,549,929	10,136,601	90,860,200	90,860,200	99,999,800	99,999,800
4 1/2% ser. A preferred (\$100)	90,860,200	90,860,200	90,860,200	90,860,200	90,860,200	99,999,800	99,999,800
3% Conv. preferred	2,500,000	2,500,000					
7% second preferred (\$100)	3,239,800	3,239,800	3,240,300	3,240,300	3,240,300	3,240,300	3,240,300
Common stock	116,518,538	116,518,538	106,799,132	64,810,291	63,308,531	51,409,941	51,409,941
Capital surplus	19,727,644	19,146,117	140,215,283	125,033,233	112,445,752	96,469,439	89,328,963
Earned surplus	282,892,664	245,624,758	341,114,915	283,944,024	269,854,783	250,759,480	243,979,004
Total stockholders' equity	\$151,171,555	\$107,327,465	\$124,366,425	\$100,768,395	\$81,824,080	\$85,951,139	80,961,958
Net current assets	\$151,171,555	\$197,763,791	\$124,366,425	\$100,768,395	\$81,824,080	\$85,951,139	80,961,958
PROPERTY ACCT.—ANALYSIS							
Additions at cost	\$232,429,722	\$191,379,000	\$38,071,335	\$31,304,127	\$24,572,632	\$28,352,649	\$19,338,321
Retirements or sales	27,642,756	22,019,000	6,504,481	10,455,670	3,776,134	5,603,673	6,579,101
Other additions	33,735,677						
Other deductions	6,271,684						
DEPREC. RESERVE—ANALYSIS							
Additions charged to income	\$62,023,809	\$51,345,000	\$24,153,195	\$21,274,745	\$19,700,851	\$17,698,367	\$18,893,867
Retire., renewals charged to res.	22,747,863	10,048,000	6,042,701	8,009,904	2,982,437	3,731,779	5,362,186
Other additions	121,966					11,021	1,286,104
Other deductions	5,601,767						

After reserves (1965 \$4,114,720)
At average unit cost or less, not in excess of market.

1965: Raw materials and supplies \$58,589,479; work in process, \$18,853,137; finished goods, \$83,821,251; total, \$161,263,867.

1965: All significant subsidiaries consolidated. Investment in subsidiaries not consolidated, \$54,068,157; other investments (after revaluation reserve, (\$990,762), \$40,787,006, total, \$94,855,163. Investments and advances of \$37,312,539, included above represents investments in unconsolidated subsidiaries, and certain foreign companies not subsidiaries, the related equity investments of which was approximately \$54,000,000 at Dec. 31, 1965.

Land	Book Value	Reserves
Bldgs. & site impr.	205,396,179	\$62,162,917
Machy. & equip.	810,649,218	387,510,896
Oil & gas prop.	177,379,048	101,360,242
Other property	65,378,923	16,946,832
Construction, etc.	181,205,093	
Unallocated reserve		cr2,217,945
Total	\$1,448,643,227	\$565,762,942

1965: Foreign subsidiaries not previously consolidated plus subsidiaries acquired during year.

1965-64: Includes all significant subsidiaries, 1963 and prior years includes domestic subsidiaries only.

No par shares: 1965-64, 11,828,972; 1963, 5,679,508; 1962, 7,715,116; 1961, 7,654,316; 1960-59, 7,334,987.

1961, \$1,396,125 pfd. A shares were converted into 207,719 common shares, and \$9,139,800 par value transferred to common stated value.

Transferred to capital stock in connection with 25% stock dividend.

1965-64: 100,000 no par shares.
After deducting U. S. Treasury notes: 1960, \$10,018,389; 1959, \$15,450,218.

1961 full amounts of income tax provision and U. S. Government securities are shown

as current items. Prior years are shown as originally reported in net amount.

Depreciation Policy: Corporation and consolidated subsidiaries follow policy of providing for depreciation depletion and obsolescence of site improvements, buildings, machinery and equipment over estimated useful lives of assets, computed on straight-line method.

Effective rates for principal classes of depreciable assets were: Buildings and site improvements, 2-10%; machinery and equipment 4-33%; oil and gas properties, 7-50%; marketing facilities, 5-20%; timber licenses and timber limit improvements, 5-10%; other fixed assets 10-50%.

For federal and Canadian income tax purposes, depreciation and depletion has been accumulated under declining-balance and other methods which have resulted in amounts different from those used in statements. These differences are provided for in deferred federal and foreign taxes on income.

Company and its domestic subsidiaries have recorded the investment credit under Revenue Act of 1962 (1965, \$7,286,619; 1964, \$2,222,753; 1963, \$2,292,642; 1962, \$2,103,272) as a reduction of the current federal income tax liability and as an increase in deferred federal taxes on income and investment credit. The income effect of the credit is being reflected in the accounts as a reduction in the provision for federal taxes on income, rather than the composite useful lives of the related assets.

One domestic subsidiary at Dec. 31, 1965 had unused investment credit carryovers of about \$2,826,000.

General Notes

(a) In 1965-64, the consolidated financial statements include the accounts of company and all significant subsidiaries. All material intercompany transactions and profits have been eliminated. Prior to 1964 only domestic subsidiaries were consolidated and invest-

ments in foreign subsidiaries were carried at cost plus equity in undistributed earnings. The change in policy of consolidation has no effect on consolidated net earnings for current or prior years.

Company's balance sheet includes its investments in subsidiaries at cost plus, as to subsidiaries included in consolidation, equity in undistributed earnings and additional paid-in capital. Prior to 1964 investments in domestic subsidiaries were carried at cost. In consolidation, the excess of cost over equity in underlying net assets is included as follows: Excess of cost of investments in subsidiaries over related equities, \$21,638,290; patents, licenses and miscellaneous assets, \$212,358; total cost in excess of equity, \$21,850,648.

The excess of investments in subsidiaries over related equities is applicable to Fiber Industries, Inc. (\$3,339,868), Siace (\$1,906,776) and Chemcell (1963) Limited. (\$16,391,646); and results principally from purchases of stocks at prices higher than book values. These amounts are not being amortized.

In Dec. 1963, company acquired control of Fiber Industries, Inc. (formerly 50% owned) by purchase of an additional 12 1/2% interest. Earnings since acquisition of control are included in the statements of earnings.

During 1963, company acquired a majority interest in Chemcell (1963) Ltd. (formerly Canadian Celanese Ltd.), and the operations previously carried on by Canadian Chemical Co., Ltd. were combined with those of Chemcell (1963) Ltd.

In Aug. 1964, Company acquired for a cash payment of \$50,394,944, substantially all of the assets and business of Devco & Reynolds Co., Inc., subject to certain liabilities and commenced operation of such business through a wholly-owned subsidiary. Operations of this subsidiary are included in earnings from date of acquisition of the business.

In Oct. 1964, Company issued 2,843,987 shares of common stock and 100,000 of convertible

preference stock pursuant to a statutory merger of Champlin Oil & Refining Co., now Champlin Petroleum Co., into company. In Nov. 1964, 241,700 shares of Company's common stock were exchanged for the ownership equity of two corporations whose principal asset was the outstanding stock of Federal Enameling & Stamping Co. The consolidated financial statements give effect to these transactions as poolings of interests, and, accordingly, the results of the companies' operations for the five years ended Dec. 31, 1964 are included in consolidated earnings, except that operations of Federal Enameling & Stamping Co. for the years 1961 through 1963 are included on the basis of its fiscal year ended July 31, with a resulting adjustment to consolidated retained earnings at the beginning of 1964. Company also issued 58,779 shares of its common stock for the acquisition of certain fixed assets employed in the business of Federal Enameling & Stamping Co.

The statements of earnings above include the operations of Champlin Oil & Refining Co. (now Champlin Petroleum Co.) and the

Federal Enameling & Stamping Co. group on a pooling of interests basis as described above. The "Record of Earnings" above includes assets of company and domestic subsidiaries only. A reconciliation of net earnings as previously reported with the amounts now reported is as follows, for years ended Dec. 31 (\$000):

	A	B	C	D
1963	\$2,508	10,424	2,765	44,828
1962	27,494	9,454	569	37,518
1961	21,417	3,888	541	80,844
1960	23,894	3,600	753	33,252

A Net earnings as previously reported.
 B Champlin Oil & Refining Co. and its successor.
 C Federal Enameling & Stamping Co. group.
 D Net earnings, as adjusted.
 (b) Long term debt outstanding (see below) contain certain restrictions relating to common dividend payments. As of Dec. 31, 1965, \$111,300,000 of earned surplus was not so restricted.
 (c) The corporation and consolidated subsidiaries had commitments of approximately \$90,200,000 at Dec. 31, 1965, in connection with acquisition of facilities for additional plant

and equipment. Also, investments in various operating companies may be required to a maximum of \$12,150,000.

Corporation has agreed to provide a consolidated Canadian subsidiary with funds for working capital purposes. If and when required, to a maximum amount of \$15,000,000 in exchange for promissory notes or shares of capital stock. Also, corporation may be required to make payments aggregating \$5,500,000 to another consolidated subsidiary for unpaid capital stock subscriptions.

Corporation has agreed to purchase or obtain orders for products of two subsidiaries at prices which will enable one of the subsidiaries to pay, when due, all items of cost and which will enable the other subsidiary to pay, when due, 60% of all items of cost. Such cost is defined so as to include amounts sufficient to permit the subsidiaries to pay current installments of principal and interest on their long-term debt. The aggregate amount of long-term debt of such two subsidiaries included in the balance sheet of corporation and its consolidated subsidiaries at Dec. 31, 1965 was \$152,000,000.

FINANCIAL & OPERATING DATA

	1965	1964	1963	1962	1961	1960	1959
Statistical Record							
Earned per share—4 1/2% pfd. A	\$64.40	\$54.45	\$35.89	\$30.26	\$23.57	\$19.94	\$22.65
—\$3 cum. conv. pref.							
—7% 2nd pfd.	\$1,869.29	\$1,559.70	\$880.13	\$722.31	\$660.96	\$476.37	\$560.08
—common	\$5.10	\$4.25	\$3.26	\$3.00	\$2.22	\$2.07	\$2.44
Dividends per share—4 1/2% pfd. A	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
—\$3 conv. pref.	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
—7% 2nd pfd.	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00
—common	\$1.95	\$1.70	\$1.60	\$1.40	\$1.20	\$1.10	\$1.00
Price range—4 1/2% pfd. A	99-90 3/4	97 1/2-93 1/4	95 1/2-90	91-79	85 1/2-71 1/4	83 1/2-71 1/2	91 1/2-76 1/2
—\$3 preference	73-67	67 1/2-63					
—1% cum. 2nd pfd.	156-150	151 1/2-140	152-133 1/2	137 1/2-124 1/4	129-115 1/2	121 1/2-114 1/4	125 1/2-114 1/4
—common	92-72 3/4	75 3/4-57 1/4	59 1/2-36 1/2	44-28 1/2	40 1/2-22	31 1/2-21	34 1/2-21 1/2
Net tan. assets per sh.—4 1/2% pfd. A	\$463.28	\$479.26	\$371.75	\$312.09	\$296.58	\$251.12	\$243.98
—\$3 conv. pref.	\$11,542.52	\$10,559.08	\$7,619.29	\$5,947.08	\$5,512.37	\$4,663.76	\$4,448.69
—common	\$31.34	\$31.29	\$28.07	\$24.56	\$22.91	\$20.16	\$19.19
Fixed charges earned:							
Before income taxes	6.06	7.37	12.35	11.30	8.98	9.12	13.09
After income taxes	3.79	4.44	7.27	6.34	5.00	5.28	7.33
Times charges & 1st pfd. div. earned	3.22	3.53	4.07	3.53	2.75	2.69	3.25
Times charges & all pfd. div. earned	3.16	3.48	3.97	3.45	2.69	2.63	3.16
Net tan. assets \$1,000 fund. debt	\$1,898	\$2,199	\$3,521	\$3,507	\$3,241	\$3,184	\$3,478
Net curr. assets per \$1,000 fund. debt	\$290	\$544	\$928	\$890	\$702	\$731	\$822
Price Range—deb. 3 1/2% 1976	91 1/4-87 1/2	91 1/2-90	91 1/4-89 1/2	90 1/4-85	86 1/2-82 1/2	84-79 1/2	86-78
Number of shares—4 1/2% pfd. A	115 1/2-104 1/2	908,602	908,602	908,602	908,602	999,998	999,998
—deb. 4s, 1990	100,000	100,000					
—\$3 conv. pref.	32,398	32,398	32,403	32,403	32,403	32,403	32,403
—7% 2nd pfd.	11,828,972	11,828,972	8,679,506	7,715,116	7,654,316	7,334,897	7,334,897
—common							

Adjusted data for stock splits and stock dividends:
 Earned per share—common \$5.10
 Cash flow per share—common \$11.92
 Price range—common 92.00-72.75
 Net tangible assets per sh.—common \$31.34
 Number of shares—common 11,828,972

	1965	1964	1963	1962	1961	1960	1959
Financial & Operating Ratios							
Current assets—current liabilities	1.71	2.75	3.60	3.17	3.00	3.13	3.68
% cash & securities to current assets	20.10	27.09	36.57	34.77	31.46	27.31	33.25
% inventory to current assets	44.18	37.83	30.29	34.96	31.81	40.44	30.74
% net current assets to net worth	29.31	41.38	36.46	35.49	31.35	34.23	33.18
% property depreciated	39.05	43.73	51.18	55.84	55.54	54.15	53.67
% ann. depr. & amort. to gross prop.	4.28	4.22	4.31	5.14	5.02	4.77	5.42
Capitalization:							
% long term debt	50.22	43.19	28.20	28.51	30.86	31.90	28.75
% Preferred stock	9.32	11.48	19.81	23.69	24.92	27.99	30.15
% Common stk. and surp.	40.46	45.33	51.99	47.80	44.22	40.11	41.10
% net income to total assets	4.58	5.12	5.92	6.02	4.84	6.59	5.99
% net income to net worth	12.59	11.49	9.56	9.65	7.89	7.94	9.28
Preferred dividend times earned	14.07	12.44	7.56	6.37	4.66	4.22	4.79
Times 1st preferred dividend earned	14.80	13.11	7.97	6.72	4.91	4.43	5.03
Times second pfd. dividend earned	267.03	223.67	125.63	103.11	90.73	87.89	80.01
Analysis of Operations							
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	60.38	59.95	65.80	64.95	67.77	68.92	65.36
Selling, gen. and adm. exp.	17.54	15.30	11.25	11.18	8.93	9.74	8.04
Depreciation	7.12	7.23	6.78	6.71	7.94	6.70	8.27
Net operating profit	17.16	17.52	16.17	17.13	15.36	14.64	18.33
Other income			50	0.34	0.93	1.45	0.95
Total	17.16	17.52	16.67	17.47	16.29	16.09	19.28
Interest charges, etc.	2.68	2.25	1.46	1.62	1.82	1.77	1.37
Balance	14.48	15.27	15.21	15.85	14.47	14.32	17.91
Federal income, etc. taxes	6.06	6.59	7.41	8.08	7.22	6.77	9.37
Income from foreign operations	0.96	0.96	1.39	0.90			
Net income	7.46	7.72	9.19	8.67	7.25	7.55	8.54

After 25% stock dividend; before, 4 1/2-27.
 1965-64: Includes all significant subsidiaries; 1963 and prior years includes domestic subsidiaries only.
 After allowing \$100 per share for first preferred.
 Net tangible assets figure excludes debt discount and expense and other deferred charges.
 Funded debt excludes current portion shown in current liabilities.
 1961 and prior years not separately stated.

LONG TERM DEBT

1 Celanese Corp. of America sinking fund debenture 3 1/2%, due 1976:
 Rating—Baa
 AUTHORIZED—\$50,000,000; outstanding, \$38,938,000.
 DATED—Oct. 1, 1951.
 MATURITY—Oct. 1, 1976.
 INTEREST—A&O 1 at Dillon, Read & Co., New York.
 TRUSTEE—Chase Manhattan Bank, New York.
 DENOMINATION—Coupon \$1,000, registerable to principal; fully registered \$1,000, \$5,000 and authorized multiples thereof. C&R freely interchangeable at charge of \$2 plus stamp taxes.

CALLABLE—As a whole, or in part by lot, on not less than 30 nor more than 60 days published or mailed notice at any time to each Sept. 30, incl., as follows:
 1964—101% 1965—101% 1966—101%
 1967—101% 1968—101% 1969—100%
 1970—100% 1971—100% 1972—100%
 1973—100% 1974—100% 1975—100%
 1976—100%
 Also callable on like notice for sinking fund (which see) on each A&O 1 from Oct. 1, 1956 at 100.
SINKING FUND—Company is obligated to retire debentures each A&O 1 in following semi-annual amounts: Oct. 1, 1956 to Apr. 1, 1966, \$500,000; Oct. 1, 1966 to Apr. 1, 1976, \$1,000,000; with option to double any such payment. Company may take credit at par for

debentures otherwise retired, including optional sinking fund payments.
SECURITY—Debentures are not secured by any lien. Company may not create or assume any secured debt without equally and ratably securing the debentures, except purchase money liens; unsecured debt is not restricted.
CREATION OF OTHER DEBT—Company may not create or assume funded debt unless thereafter consolidated net tangible assets are at least twice funded debt.
DIVIDEND RESTRICTION—Company may not pay cash dividends on common in excess of available net income (as defined) after July 31, 1951, plus \$25,000,000.
RIGHTS ON DEFAULT—In event of default (30 days grace period for payment of interest), trustee or majority may declare debentures due.

PURPOSE—Proceeds to retire term loan and for expansion.

TAX STATUS—Company refunds Pennsylvania personal property tax not exceeding 4 mills on principal amount.

LEGAL—For savings banks in Me. LISTED—On New York Stock Exchange.

OFFERED—(\$50,000,000) at 100 (proceeds to company 98%) on Oct. 18, 1951 by Dillon, Read & Co., Inc., New York, and associates.

2. Celanese Corp. of America Convertible subordinated debenture 4s, due 1990:

Rating—Ba

OUTSTG.—\$78,859,800.

DATED—Apr. 15, 1965. **DUE**—Apr. 1, 1990.

INTEREST—A&O1 by mail to registered holders. Interest accrues from Apr. 5, 1965. **TRUSTEE**—Morgan Guaranty Trust Co., NYC. **DENOMINATION**—Fully registered \$100 and approved multiples of \$100; exchangeable without service charge, except that debts may not be exchanged for debts of a lesser denomination when such lesser denomination is less than \$1,000.

CALLABLE—As a whole or in part at any time on at least 30 days' notice to each Apr. 1 incl. as follows:

1966...	104%	1967...	103%	1968...	103½%
1969...	103½%	1970...	103	1971...	102½%
1972...	102½%	1973...	102½%	1974...	102
1975...	101½%	1976...	101½%	1977...	101½%
1978...	101	1979...	100½%	1980...	100%
1981...	100%	1982...	100½%	1983...	100%
1984...	100%	1985...	100%	1990...	100

Also callable on like notice at 100 for sinking fund (which see).

SINKING FUND—Cash to redeem at par on each Apr. 1, 1975-89, 5% of debts outstanding on Apr. 1, 1974 plus similar optional payment. Co. may credit against any required payment principal amount of debts acquired, converted or redeemed (other than with required or optional sinking fund payments) after Apr. 1, 1974 and not previously credited. Payments are estimated to retire at least 75% of issue before maturity.

CONVERTIBLE—Into common at any time (if called, on or before redemption date) at \$96 per sh. The conversion price will be subject to adjustment under a formula in certain usual events, excepting shares of stock issued pursuant to (a) conversion of debentures and corporation's convertible preference stock, and (b) exercise of stock purchase options, etc., now outstanding and hereafter granted to officers or employees of Celanese or its subsidiaries. Under the adjustment formula, if additional shares of common stock are sold at a price above the debenture conversion price, this excess will establish a credit to be applied against subsequent reductions of the debenture conversion price. Under the formula, conversion price changes will be made when the cumulative adjustment amounts to 50 cents per share, etc. Fractional shares of stock will not be issued upon conversion but may be sold or purchased to round out full shares. Conversions will be effected without adjustment for interest or dividends and, in the case of debentures surrendered for conversion after the tenth day preceding an interest date, such debentures must be accompanied by payment of interest accrued thereon.

SECURITY—Not secured; subordinated to superior debt, including 5½% notes due 1980 and other debt specifically designated as superior debt.

DIVIDEND RESTRICTION—Co. may not pay cash dividends on common or acquire capital stock in excess of consolidated net earnings after Dec. 31, 1964 plus \$75,000,000 and net proceeds of sale after said date of capital stock and principal amount of any debt converted into capital stock after Dec. 31, 1964.

RIGHTS ON DEFAULT—Trustee or 25% of debts may declare principal due and payable (30 days' grace for interest payment).

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

LEGAL—For savings banks in Maine.

LISTED—On New York Stock Exchange.

PURPOSE—Proceeds, together with sale of \$75,000,000 notes, to pay bank loans incurred for new plant facilities and investments in new businesses; to pay \$31,000,000 bank loans incurred by Champlin Oil and assumed by Co., balance for general purposes.

ISSUED—By subscription (see below). Unsubscribed debentures underwritten by First Boston Corp., New York and associates.

Term Loans: Outstanding, Dec. 31, 1965: (1) \$75,000,000 4½% notes payable \$3,000,000, each Apr. 1, 1970-80; \$4,000,000, each Apr. 1, 1981-89, and balance on Apr. 1, 1990. Proceeds to repay bank loans and for general purposes. (2) \$50,000,000 5½% notes payable \$1,875,000 semi-annually, Oct. 1, 1970 to Apr. 1, 1980. Proceeds to repay over \$30,000,000 short-term bank loans due to mature in installments to 1963; balance for expansion and diversification. (3) \$150,000 4% note due 1967.

Co. may not pay cash dividends or acquire capital stock in excess of consolidated net earnings after Dec. 31, 1964 plus \$75,000,000 and proceeds from stock sold after Dec. 31, 1964.

At Dec. 31, 1965, \$111,300,000 of retained earnings were not so restricted.

Credit Agreement: In Sept. 1965, company entered into a revolving credit agreement whereby certain banks are committed to loan up to \$100,000,000 to company. Any loans outstanding at Oct. 1, 1968 may be connected into 5-year notes. At Feb. 11, 1968 no amounts had been borrowed under agreement.

Subsidiaries Debt: Outstanding, Dec. 31, 1965: Fiber Industries Inc. (1) \$85,000,000 first and collateral trust 5s due Aug. 1, 1984 (part of \$100,000,000 to be taken up in 1965 and 1966) with annual sinking fund requirements of \$5,000,000 beginning Aug. 1, 1965 and increasing to \$7,000,000 on Aug. 1, 1975; (2) \$15,000,000 first and collateral trust 5½s due June 1, 1978 with annual sinking fund requirements of \$1,500,000 beginning June 1, 1969; (3) \$12,000,000 4½% notes payable in 14 equal semi-annual installments from Dec. 31, 1967 to June 30, 1974.

Celtran, Inc.: \$6,255,246 4½% notes, due 1975 (payable in monthly installments). Columbia Cellulose Co. Ltd. (see appended statement): (1) \$60,000,000 first 6½s due Jan. 2, 1981 with annual sinking fund requirements of \$4,000,000 beginning Jan. 2, 1967; (2) \$40,000,000 first 5½s due July 1, 1985 with annual sinking fund requirements of \$2,000,000 beginning July 1, 1971 increasing to \$2,500,000 on July 1, 1976 and to \$3,500,000 on July 1, 1981; (3) \$511,635 other notes payable.

Celanese Ltd. (formerly Chemcell (1963) Ltd.) (see appended statement): (1) \$7,682,113 first 4½s, A, due Sept. 1, 1969 with annual sinking fund requirements of \$2,000,000 Canadian funds; (2) \$4,243,337 general 5½s, A, due Sept. 1, 1971 with annual sinking fund requirements of \$700,000 Canadian funds; (3) \$12,962,500 sinking fund debenture 7s, A, due Mar. 1, 1980 with annual sinking fund requirements of \$500,000 increasing to \$1,000,000 Canadian funds on Mar. 1, 1971; (4) \$10,000,000 sinking fund debenture 5½s, B, due Nov. 1, 1985 with annual sinking fund requirements of \$1,800,000 beginning Nov. 1, 1972, increasing to \$1,900,000 Nov. 1, 1980.

Other foreign subsidiaries: (1) \$10,566,998 first mortgage 3.30% and 6.30% notes due Dec. 31, 1973 with annual payments of about \$1,387,000 beginning July 1, 1967; (2) \$12,000,000 3% and 4% first mortgage notes due June 30, 1977 (payable in twenty semi-annual installments beginning Dec. 31, 1967); (3) \$6,420,128 other long term debt.

CAPITAL STOCK

1. Celanese Corp. 4½% cumulative preferred, series A; par \$100.

AUTHORIZED—All series, 908,602 shares; outstanding series A, 908,602 shares; par \$100.

PREFERENCES—Has first preference for assets and dividends.

DIVIDEND RIGHTS—Entitled to cumulative dividends of \$4.50 per share annually payable quarterly Jan. 1, etc.

DIVIDEND RECORD—Initial dividend of 82½ cents paid July 2, 1951, regular dividends thereafter.

VOTING RIGHTS—Has no voting power unless dividends on preferred stock are in arrears in an amount equal to 4 quarterly dividends, when preferred voting as a class has right to elect one-fourth of directors, or a minimum of two directors.

Consent of 66⅔% of outstanding preferred stock, as a class, necessary to (1) increase authorized preferred, or create any prior or equal stock, or (2) change rights of preferred stock adversely.

Consent of majority of outstanding preferred stock necessary to dissolve or sell substantially all assets, or merge or consolidate.

LIQUIDATION RIGHTS—In liquidation entitled to \$100 per share if involuntary, or call price if voluntary, plus dividends.

PREEMPTIVE RIGHTS—Has no preemptive rights.

CONVERTIBLE—Privilege expired 4-30-61.

CALLABLE—As a whole or in part on not less than 30 days' notice at any time to May 1, 1966 at \$92 per share, thereafter at \$100 per share.

PURPOSE—Proceeds used to retire \$4.78 first preferred and also offered in exchange for 7% second preferred on basis of 1½ 4½% preferred shares for each 7% preferred share. **OFFERED**—(1,000,000 shares) by rights to common stockholders and a subordinate exchange offer to 7% second preferred which expired Apr. 25, 1951. Offering was underwritten by Dillon, Read & Co., New York.

LISTED—On New York Stock Exchange. **TRANSFER AND DIVIDEND DISBURSING AGENT**—Bankers Trust Co., New York and London.

REGISTRARS—Morgan Guaranty Trust Co., New York and First National City Bank, London.

1. Celanese Corp. 3% convertible preference; No par; AUTH—100,000 shs.; outstg., 100,000 shs.; no par.

PREFERENCES—Has equal preference with series A pfd. for assets and divs.

DIVIDEND RIGHTS—Entitled to cum. divs. of \$3 a sh. annually, payable quarterly Jan. 1, etc.

DIVIDEND RECORD—Initial dividend of \$1 (four months) paid Jan. 2, 1965.

VOTING RIGHTS—Non-voting, except on default of 4 quarterly divs. when preference, voting together with common is entitled to one vote per sh.

LIQUIDATION RIGHTS—On any liquidation, entitled to \$55 per sh. plus divs.

CALLABLE—As a whole or in part on any dividend date on 60 days' notice at \$65 per sh. plus divs.

CONVERTIBLE—Into common at any time (if called, on or before business day next preceding redemption date) at rate of 0.6953 of one common sh. plus \$1.15 in cash for each pref. sh.; cash paid in lieu of fractional shs. Conversion privilege protected against dilution.

PREEMPTIVE RIGHTS—None.

LISTED—On Midwest Stock Exchange.

TRANSFER AND DIVIDEND DISBURSING AGENT—Bankers Trust Co., New York and London.

PURPOSE—Issued (100,000 shs.) in Nov. 1964 in exchange, sh. for sh., for conv. preference of Champlin Oil & Refining Co. under proposed merger.

3. Celanese Corp. 7% cumulative second preferred, par \$100:

AUTHORIZED—32,398 shares; outstanding, 32,398 shares; par \$100.

DIVIDEND RIGHTS—Has preference over common stock to cumulative dividends of \$7 a share per annum; payable quarterly, on Jan. 1, etc.

DIVIDEND RECORD—Initial dividend of \$1.75 per share paid April 1, 1942; regular dividends paid quarterly thereafter.

DIVIDEND RESTRICTIONS—See funded debt above.

VOTING RIGHTS—None provided, except any increase in authorized second preferred requires approval of holders of 90% of second preferred.

LIQUIDATION RIGHTS—In liquidation, whether voluntary or involuntary, entitled to \$100 a share and dividends prior to any distribution to common stock.

PREEMPTIVE RIGHTS—None.

CALLABLE—Non-callable.

LISTED—On New York Stock Exchange.

TRANSFER AND DIVIDEND DISBURSING AGENT—Bankers Trust Co., New York and London.

REGISTRARS—First National City Bank, New York and London and Morgan Guaranty Trust Co., New York.

ISSUED—In Dec., 1941 in connection with merger of Celluloid Corp.

EXCHANGE OFFER—In Apr., 1951, holders were offered right to exchange for 4½% preferred on basis of one and one-half shares of 4½% preferred for each 7% preferred share held. Offer expired Apr. 25, 1951. See also rights under common stock.

4. Celanese Corp. common; no par:

AUTHORIZED—25,000,000 shares; outstanding, Apr. 5, 1966, 13,307,594 shares; reserved for convertible preference, 68,334 shares; reserved for convertible debenture, 788,598 shares; reserved for stock option award plan, 590,000 shares; no par.

No par shares split 4-for-1 in May, 1927 and 2½-for-1 Sept. 25, 1946.

Dividend Record (in \$)

1918-35	nil	1936	1.50	1937	2.25
1938	nil	1939	0.50	1940	1.25
1941-43	2.00	1944	0.50	1945	2.00
1946	1.62½				

After 2½-for-1 split:

1946	0.25	1947	1.30	1948	2.20
1949	2.40	1950	2.55	1951	3.00
1952	2.25	1953	1.25	1954	0.62½
1955	0.50	1956	0.62½	1957-59	3.00
1960	1.10	1961	1.20	1962	1.40
1963	1.60	1964	1.70	1965	1.95
1966	0.50				

Plus stock dividends: 1939, 2½%; 1959, 25%.

Also paid 2 shares common for each 48 shares held and 1 share common for each 30 shares held.

Also paid stock dividends aggregating 37 shares for each 70 shares held.

Into Mar. 27

DIVIDEND LIMITATION—For details see Long Term Debt above.

VOTING RIGHTS—Subject to rights of preferred (Nos. 1, 2 and 3 above), has sole voting power with one vote per share.

PREEMPTIVE RIGHTS—Common has preemptive rights under law, except as to any stock (or securities convertible thereinto) issued for property or services.

LISTED—New York and Pacific Coast Stock Exchanges; unlisted trading on Boston, Cincinnati, Detroit and Philadelphia-Baltimore-Washington Stock Exchanges; also listed London and Amsterdam Stock Exchanges.

TRANSFER AND DIVIDEND DISBURSING AGENT—Bankers Trust Co., New York.

REGISTRARS—First National City Bank, New York and London and Morgan Guaranty Trust Co., New York.

ISSUED—Old no par shares were listed as follows: 150,000 shares June, 1919 to acquire territory rights, patents, processes, agreements, etc.; in Aug. 1923, 10,000 shares in blocks of 5 shares first participating preferred and 2 shares of common at \$502 per block; 9,000 shares commission for underwriting these blocks; and 25,000 shares to acquire extra trading territory rights, patent rights, agreements, etc.; in Nov. 1925, 5,000 shares in blocks of 9 shares first participating preferred and 5 shares common at \$1,020 per block; and 1,000 shares for underwriting these blocks; in Apr., 1927, 13,750 shares in blocks of 4 shares first participating preferred and one share common at \$450 per block.

Plan dated Mar. 7, 1941 for merger with Celluloid Corp. provided that each share of

Celanese common continue to be a share of common of the continuing corporation, 253,783 additional shares of common were issued in accordance with plan of merger.

330,846 shares issued in Dec., 1951, in connection with commutation of the Dreyfus patent rights.

Subscription Rights Granted since 1950:
Common stockholders of record April 11, 1951, had right to subscribe to 4 1/2% convertible preferred at rate of 4/25ths of a share of preferred stock for each common share, at \$100 a share (7% second preferred stock was accepted on subscriptions at \$150 per share). Rights expired Apr. 25, 1951.

Common stockholders of record Oct. 25, 1963 had right to subscribe to 264,390 common

shares on basis of one share for each 8 shares held at price of \$45 a share. Rights expired Mar. 12, 1963.

Common stockholders of record Mar. 15, 1965 had right to subscribe to \$78,859,800 convertible subordinated debenture 4s, due 1990 at par at rate of \$100 debentures for each 15 shares held. Rights expired Apr. 5, 1965.

Common stockholders of record Mar. 10, 1966 had right to subscribe to 1,478,822 common shares on basis of one share for each 8 shares held at \$64 a share. Rights expired Mar. 29, 1966.

Stock Options held by employees at Dec. 31, 1965 on 48,200 common shares at \$36 per share expire in 1970.

CHEMCELL LIMITED

(Controlled by Celanese Corp.)

Consolidated Balance Sheet, as of Dec. 31, (in Canadian \$):

Assets:	1965	1964
Cash	\$1,076,798	\$1,797,018
Can. Govt. secur.	186,000	16,605,825
Sink. fund bonds	18,933,287	15,168,931
Receivables	24,450,872	20,680,270
Inventories	370,184	352,633
Prepayments		
Total current	\$45,017,188	\$55,386,024
Net property	105,255,122	99,438,829
Debt disc. & exp.	586,009	563,705
Investments	15,550,000	976,900
Total	\$166,408,267	\$156,365,458
Liabilities:		
Accts. pay. & accr.	\$8,698,885	\$9,266,431
Income taxes	2,189,098	5,161,705
Debt due	3,200,000	3,200,000
Bank loans	6,700,000	
Total current	\$20,787,933	\$17,628,138
Notes payable		5,500,000
Debs. 6s, 1970		4,000,000
Deb. 7s, A, 1980	12,500,000	13,000,000
1st 4 1/2% A '69	6,000,000	8,000,000
Gen. 5 1/2% A '71	3,600,000	4,300,000
Debs. 5 1/2% B '75	10,750,000	
Def. income tax	17,028,660	12,845,200
\$1.75 pfd. stk. (\$25)	9,875,000	9,875,000
\$1 pfd. stk. (\$25)	2,487,500	2,487,500
Common stk.	47,818,284	47,818,122
Retained earn.	35,560,880	31,113,500
Total	\$166,408,267	\$156,365,458
Net current assets	\$24,229,203	\$37,757,888
Net tang. com. sh.	\$630	\$596
Depreciation	\$80,603,906	\$75,174,624
Aver. cost, not over mkt.	\$13,233,961 (1964, 13,210,176) no par sh.	

Funded Debt: 1. Canadian Chemical Co. Ltd. first 4 1/2% series A, due 1969; 2. OPEN MORTGAGE—Outstanding, series A, \$9,000,000.

DATED—Sept. 1, 1951.
MATURITY—Sept. 1, 1969.
INTEREST—M&S1 at any branch in Canada of Canadian Imperial Bank of Commerce. Principal and interest payable in lawful money of Canada.

TRUSTEE—National Trust Co., Ltd., Vancouver, Edmonton, Toronto and Montreal.
DENOMINATION—Coupon \$500 and \$1,000, registrable as to principal; fully registered \$25,000.

CALLABLE—As a whole or in part on not less than 30 days' notice at any time to each Sept. 1, incl., as follows: 1963, 101; 1967, 100 1/2; thereafter at par.

Also callable at par for sinking fund (see below), on like notice.

SINKING FUND—Company is to retire \$1,000,000 series A bonds at par on or before Sept. 1, 1954, and \$2,000,000 annually thereafter. In lieu of cash, company may take credit at par against any installment for bonds tendered or redeemed other than by sinking fund.

SECURITY—Secured by first mortgage on all land, plant and equipment, and a first floating charge on all other assets. Certain contracts for purchase of raw materials and sale of products are also pledged.

Indenture permits releases of mortgaged property under prescribed conditions.

ASSUMED—Liability assumed by Celanese Ltd.

CREATION OF ADDITIONAL DEBT—Additional first mortgage bonds may be issued for (1) 60% of lesser of cost or fair value of additional property provided earnings for 12 consecutive of preceding 18 months available for interest (as defined) are not less than 2 1/2 times annual interest on first mortgage bonds to be outstanding; or (2) 55% of estimated cost of increasing productive capacity within 18 months after completion of plant, provided estimated earnings under foregoing formula are 3/4 times such interest and in connection with additional investment in common stock by parent and/or others.

DIVIDEND RESTRICTION—Company may not pay any cash dividends unless thereafter net current assets are at least \$3,500,000.

PURPOSE—Proceeds with other financing to construct Edmonton plant.

LEGAL—In opinion of counsel, for companies registered under Canadian and British insurance companies act.

OFFERED—(\$31,000,000) in Canada at 9 1/2% in Sept., 1951 by Nesbitt, Thomson & Co., Ltd., Montreal and Wood, Gundy & Co., Ltd., Toronto.

2. Canadian Chemical Co., Ltd., general 5 1/2% series A, due 1971;
OPEN MORTGAGE—Outstanding, series A, \$4,300,000.
DATED—Sept. 1, 1951.
MATURITY—Sept. 1, 1971.

INTEREST—M&S1 at any branch in Canada of Canadian Imperial Bank of Commerce. Principal and interest payable in lawful money of Canada.

TRUSTEE—Montreal Trust Co., Vancouver, Edmonton, Toronto and Montreal.
DENOMINATION—Coupon \$500 and \$1,000, registrable as to principal.

CALLABLE—As a whole or in part on not less than 30 days' notice at any time to each Sept. 1, incl., as follows: 1963, 101; 1967, 100 1/2; thereafter at par.

Also callable on like notice for sinking fund (see below) at any time to each Sept. 1, incl., as follows: 1963, 100 1/2; 1967, 100 1/2; thereafter at par.

SINKING FUND—Annually on or before each Sept. 1, 1955-70, sufficient to retire \$700,000 series A bonds. In lieu of cash, company may take credit at par against any installment for bonds tendered or redeemed other than by sinking fund.

SECURITY—Subject to prior lien of first mortgage, secured by mortgage on all land, plant and equipment, and by pledge of certain contracts; and a floating charge on all other assets.

ASSUMED—Liability assumed by Celanese Ltd.

CREATION OF ADDITIONAL DEBT—Additional general mortgage bonds may be issued under provisions similar to first mortgage, with interest on general mortgage bonds included in computation of the related ratios; total of additional issues of first mortgage and general mortgage bonds may not exceed 80% of cost of additional property.

DIVIDEND RESTRICTION—Same as first 4 1/2% series A due 1969.

PURPOSE—See first 4 1/2% (No. 1).
LEGAL—Same as first 4 1/2%.

OFFERED—(\$12,000,000) in Canada in Sept., 1951 by Nesbitt, Thomson & Co., Ltd., Montreal and Wood Gundy & Co., Ltd., Toronto.

3. Canadian Chemical Co. Ltd. sinking fund debenture 7s, series A; due 1980;
OPEN INDENTURE—Outstanding, series A, \$13,000,000.
DATED—Mar. 1, 1960.
MATURITY—Mar. 1, 1980.

INTEREST—M&S1 at any branch in Canada of Canadian Imperial Bank of Commerce. Principal and interest payable in lawful money of Canada.

TRUSTEE AND REGISTRAR—Royal Trust Co., Edmonton, Vancouver, Winnipeg, Toronto, Montreal.

DENOMINATION—Coupon, \$1,000; registrable as to principal; fully registered, \$1,000 and authorized multiples.

CALLABLE—As a whole or in part at any time on at least 30 days' notice to Mar. 1, incl. as follows:

1967	104.60	1968	104.20	1969	103.80
1970	103.40	1971	103.00	1972	102.60
1973	102.20	1974	101.80	1975	101.40
1976	101.00	1977	100.60	1978	100.20
1980	100.00				

Series A debentures may not be redeemed before Mar. 1, 1970 with borrowings at interest rate lower than 7%.

Also callable on like notice for sinking fund at 100.

SINKING FUND—Cash to retire by purchase or by call at par \$500,000 debentures each Mar. 1, 1962-70 and \$1,000,000 debentures each Mar. 1, 1971-79. Payments will retire 90% of issue by maturity. Company may purchase debentures at anytime at not exceeding general redemption price.

SECURITY—Not secured; subordinated to prior debt. Secured by a floating charge on property, subject to first mortgage and general mortgage bonds.

History: Incorporated under Dominion of Canada laws, Jan. 26, 1926 as Canadian Celanese, Ltd.; name changed to Chemcell (1963) Ltd. Sept. 30, 1963; present name adopted in Apr. 1965.

In July 1956 acquired physical assets of Coaticook Textiles Ltd.; in 1957 machinery, process material and trade names of Rayflex Co. of Canada Ltd.; in Feb., 1959 building and machinery of Slingsby Mfg. Co. Ltd. and in Oct., 1959 Lucien Forestier, Ltd.

In June, 1960, acquired Aux Tissages Francais, Inc.

In Oct. 1963, merged Canadian Chemical Co. Ltd. (parent); effective date retroactive July 1, 1963.

In June 1964, acquired Western Chemicals Ltd. In Sept., 1964, acquired Duplan Textiles Ltd.

Business: Canadian Celanese division produces woven and knitted fabrics, Triacetate and polypropylene woven and tufted carpets, upholstery fabrics and acetate tow for cigarette filters.

Canadian Chemical Company division produces petrochemicals, markets chemicals and plastics.

Property: Plants are located at Coaticook, Drummondville, Montmagny, St. Jean, Lord and Valleyfield, Que., and Edmonton and Two Hills, Alta.

A liquid phase oxidation plant to produce 100,000,000 lbs. a year of acetic acid and facilities to convert it to acetic anhydride is being built at Edmonton, Alta. Production is set for 1966 4th quarter. A 12,000,000 lbs. a year expansion of acrylate esters capacity is set for completion by July, 1966.

Affiliate: In Jan, 1965, acquired 40% interest in Millhaven Fibres Ltd., maker of polyester and nylon. Canadian Industries Ltd., owns remaining 60%. Co. and Canadian Industries equally own CEL-CIL Fibres Ltd., formed to market all fibers and yarn produced by these Cos.

Officers: M. W. Mackenzie, Chmn.; Robinson Ord, Vice-Chmn.; C. S. Malone, Pres.; F. J. Fitzgerald, Vice-Pres. (Canadian Celanese); J. R. Glathair, Vice-Pres. (Canadian Chemical); J. C. Langford, Vice-Pres. (Planning & Dev.); W. R. Clerihue, Treas. and Compt.; J. H. Birckett, Sec.; A. G. Allen, Asst. Treas.

Directors: W. A. Arbuckle, Harold Blanche, P. H. Conze, H. A. Dyde, Q.C., R. M. Fowler, C. J. Mackenzie, M. W. Mackenzie, Paul M. Marshall, Robinson Ord, Hon. Jean Raymond, Q.C., M.L.C., Jean Simard, R. E. Stwert, J. R. Kennedy, P. N. Thomson, R. L. Weldon, A. R. Cochran, W. I. M. Turner, Jr., C. S. Malone, L. B. Johnson.

Auditors: Peat, Marwick, Mitchell & Co.

Annual Meeting: In April.

No. of Stockholders: Dec. 31, 1965: Preferred, 2,819; common, 17,656.

No. of Employees: Dec. 31, 1965, 5,914.

Head Office: 1155 Dorchester Blvd. West, Montreal 2, Quebec, Canada.

Consolidated Income Account, year ended Dec. 31 (in Canadian \$): 1965 1964

Net sales	\$108,060,297	\$96,686,336
Cost of sales	67,873,548	59,410,021
Selling, etc., exp.	11,385,922	9,647,234
Deprec. & amort.	7,208,433	6,577,807
Net earnings	21,592,394	21,051,274
Other income, net	424,279	1,384,656
Total income	22,016,673	22,435,930
Interest	1,827,339	1,985,472
Income taxes	9,658,300	9,842,521
Net income	10,531,034	10,607,937
Retained earn. 1-1	31,113,500	24,460,136
\$1.75 pfd. divs.	691,250	691,250
\$1 pfd. divs.	99,500	99,500
Common divs.	5,292,904	4,173,707
Credit		11,009,884
Retained earn. 12-31	35,560,880	31,113,500
Earn., pfd. sh.	\$21.30	\$21.45
Earn., com. sh.	0.74	0.74
Cash flow, com. sh.	1.60	1.43
No. of pfd. shs.	494,500	494,500
No. of com. shs.	13,233,961	13,210,176

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MOODY'S INDUSTRIAL MANUAL

IMPERIAL CHEMICAL INDUSTRIES LTD.

Registered under laws of Great Britain, Dec. 7, 1931. Principally engaged in the production of acids, alkalies, coated fabrics, drugs, explosives, fertilizers, synthetic rubbers, pesticides, petroleum chemicals...

ICI (Organics) Inc., U. S. A. (see appended statement). ICI America Inc. Chemical Manufacturing Co. of Delaware Principal Activities United Kingdom: English Sewing Cotton Co. Ltd., Imperial Aluminium Co. Ltd., British Titan Products Co. Ltd., Kingsley Manufacturing Co. Ltd., Lister & Co. Ltd., Phillips-Imperial Petroleum Ltd., Carrington & Dewhurst Group Ltd., Vioyella International Ltd., Yorkshire Imperial Metals Ltd., British Chemicals Ltd., South African African Explosives & Chemical Industries Ltd., South African Nylon Spinners (Pty.) Ltd., U. S. A.: Fiber Industries, Inc., Rubicon Chemicals, Inc.

Directors: S. F. Chambers, Chmn.; R. Holroyd, P. C. Allen, L. H. Williams, Lord Beeding, Dep. Chmn.; A. G. Woods, Sec.; A. E. Frost, Treas. Directors: S. F. Chambers, P. C. Allen, M. J. S. Clapham, Viscount Amory, S. F. Surman, Viscount Cranston, Lord Glenconner, G. F. Whiteley, P. T. Mearns, H. Esau, D. J. Roberts, F. C. Barnall, S. J. Calvert, S. E. Rose, J. E. Sisson, K. S. Wright, Lord Beeding, Sir Ronald Hojroyd, L. H. Williams, Viscount Boyd of Merton, K. G. Leslie Lancel, J. H. Townsend. Auditors: Price Waterhouse & Co., and Thomson McLintock & Co. Annual Meeting: March 30th. No. of Stockholders: Dec. 31, 1965: Preferred, 33,700; common, 562,125. No. of Employees: (group in U. K.) Dec. 31, 1965, 524,000. Overseas, 47,100. Transfer Offices: Dean Bradley House, Horseferry, London, S. W. 1, England. Head Office: Imperial Chemical House, Millbank, London, S. W. 1, England. Consolidated Sales, years ended Dec. 31 (£): 1959: 508,328,000 1963: 824,000,000 1960: 558,428,000 1964: 720,300,000 1961: 550,402,000 1965: 518,900,000 1962: 578,328,000 1966: 585,900,000 Distribution of Sales, years ended Dec. 31 (£1,000,000): 1965: 1964: 1963: U. K.: 642.4 422.9 373.8 Abroad: 642.4 383.0 354.4 Total: 1284.8 805.9 728.2

INCOME ACCOUNTS

CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31

Table with 8 columns for years 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966. Rows include Manufacturing & trading profit, employees pension fund, net trading profit, revenue from associated cos., revenue from securities, miscellaneous income, total income, provision for taxes, group net income, net income (company only), ordinary dividends, and balance for year.

BALANCE SHEETS

CONSOLIDATED BALANCE SHEET, AS OF DEC. 31

Table with 8 columns for years 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966. Rows include land, buildings, etc., plant and equipment, net property, investment in assoc. companies, goodwill, marketable investments, inventories, receivables, total assets, reference stock, ordinary stock, and total liabilities.

Significant statistics and interpretive comments are to be found in the text of THE NATION'S BASIC INDUSTRIES... This feature, kept up-to-date, and revised from year to year, should prove a valuable source of reference to bankers and investors, as well as an indispensable compendium of industrial statistics for the preparation of special reports and economic studies.

MOODY'S INDUSTRIAL MANUAL

TRUSTEE—Royal Trust Co., Montreal.
DEMOMINATION—Coupon, \$1,000; registerable as to principal; fully registered, \$1,000, \$20,000 and authorized multiples of \$1,000 in excess of \$10,000. C&R interchangeable.
CALLABLE—As a whole or in part on at least 30 days' notice at any time to Nov. 14, incl., following:
 1971—100.00 1972—100.00 1973—100.00
 1974—100.00 1975—100.00 1976—100.00
 1977—100.00 1978—100.00 1979—100.00

Company may also purchase debentures in open market or by private contract at not exceeding above redemption price plus up to 1% of par of debentures so purchased. Also callable for sinking fund (which see).

SINKING FUND—Annually, cash (or debentures) sufficient to retire at 100 on each May 15 debentures as follows: \$500,000, 1980 to 1983; \$1,000,000, 1984 to 1987; \$1,000,000, 1988 to 1991; \$2,000,000, 1992 to 1995.

SECURITY—Direct obligations of the company but not secured by mortgage.

CREATION OF ADDITIONAL DEBT—Except for purchase money mortgages or assumption of existing liens on property hereafter acquired, company may not (1) mortgage any assets unless debentures are equally and fully secured, except for any security (other than on fixed assets) given to secure current loans; or (2) create additional funded debt of which the mandatory retirement provision in any 12-month period would retire a greater percentage of such additional funded debt than percentage of debenture due 1974 required to be retired for the sinking fund in same period; provided that the company may create funded debt entitled to sinking fund payments of proportionately greater amount than those required for debentures so long as future payments in such concurrent 12-month period are increased proportionately; provisions under this clause (3) do not apply to additional funded obligations up to amount equal to 2% of total funded obligations to be outstanding.

DIVIDEND RESTRICTIONS—Company may not by payments on, or distributions to, common stock, reduce the aggregate of (1) amount paid up on common, (2) consolidated capital surplus and (3) consolidated earned surplus (as defined), below \$5,000,000 nor make any such payment or distribution when aggregate is below that amount; provided that if any preferred or other stock is issued other than for cash to common, such issuance is deemed a payment or distribution to common.

OFFERED—(\$25,000,000) in Canada at 100 (proceeds to company, 95%) on Oct. 28, 1954 by A. E. Ames & Co., Ltd., Toronto.

PRICE RANGE—1956 1955 1954 1953 1952
 High 85 84 83 82 81
 Low 81 80 79 78 77

1. Canadian Industries Ltd. debenture 5 1/2% 1977

AUTHORIZED—Open; outstanding, 1977 \$25,000,000.

OFFERED—Dec. 1, 1957.

SECURITY—Dec. 1, 1977.

INTEREST—2 1/2% at any branch in Canada of Bank of Montreal; principal and interest payable in lawful money of Canada.

TRUSTEE—Royal Trust Co., Montreal.

DEMOMINATION—Coupon, \$1,000; registerable as to principal; fully registered, \$1,000, \$20,000 and authorized multiples of \$1,000 in excess of \$10,000. C&R interchangeable.

CALLABLE—As a whole or in part at any time on at least 30 days' notice at 110 to Nov. 30, 1957, incl., and at 1% less each year thereafter to 100 after Nov. 30, 1970; provided, however, no debentures may be redeemed before Dec. 1, 1972 through borrowings at an interest cost of less than 1 1/2% per annum.

Company may also purchase debentures in open market or by private contract at not exceeding above redemption price plus cost of purchase, up to 1% of 1% of par of debentures so purchased. Debentures acquired to be cancelled.

SECURITY—Direct obligations of company but not secured by mortgage.

CREATION OF ADDITIONAL DEBT—Same as debenture 3 1/2% due 1974.

DIVIDEND RESTRICTIONS—Company may not by payments on, or distributions to, common, reduce the aggregate of (1) amount paid up on common, (2) consolidated capital surplus and (3) consolidated earned surplus (as defined), below \$5,000,000 nor make any such payment or distribution when aggregate is below that amount.

PURPOSE—Proceeds to pay bank loan and for plant expansion.

OFFERED—(\$20,000,000) in Canada at 9 1/4 (proceeds to company, 93%) on Nov. 14, 1957 by A. E. Ames & Co. Ltd., Toronto, and associates.

1. Canadian Industries Ltd. debenture 5 1/2% due 1984
 Outline, 1984 series, \$30,000,000. Held privately. Proceeds for new and expanded plant facilities for ammonia, fertilizer, chlorine and caustic soda; for expansion of T.N.T. production and to improve fertilizer distribution facilities.

Dated Dec. 1, 1964; due Dec. 1, 1984; principal and interest (J&D) payable in lawful money of Canada, Royal Trust Co., Montreal trustee.

Callable at any time at 105 1/4 to Nov. 30, 1965. Redemtion price annually thereafter to 100 after Nov. 30, 1965; however, not callable before Dec. 1, 1974 from funds borrowed at interest cost of less than 5 1/4%. Co. may also purchase debt in open market or by private contract at not exceeding above redemption price plus cost of purchase, up to 1% of 1% of par of debt, purchased. Debt acquired not to be refunded.

Not secured. For restrictions on creation of additional debt, see data 5 1/2%, 1974. Co. may not by payments on, or distributions to, common, reduce the aggregate of (1) amount paid up on common, (2) consolidated capital surplus and (3) consolidated earned surplus (as defined), below \$75,000,000 nor make any such payment or distribution when aggregate is below that amount.

Subsidiary Debt: Millhaven Fibres Ltd. due 1984
 \$15,000,000 7 1/2% first mortgage bonds dated Dec. 1, 1964, due Dec. 1, 1984. J&D. Callable to Nov. 30, 1967 at 107.50 and declining prices thereafter. Issued in Canada at 100.

Capital Stock: 1. Canadian Industries Ltd. 7 1/2% cumulative preferred; par \$100. AUTHORIZED—48,500 shares; outstanding, 45,500 shares; par \$50.

PREFERENCES—Has preference for assets and dividends.

DIVIDEND RIGHTS—Entitled to cumulative dividends of \$2.75 per share annually.

DIVIDENDS RECEIVED—Initial dividend of 50¢ cents paid Oct. 15, 1954 and quarterly thereafter.

VOTING RIGHTS—Has no voting power, except on questions affecting rights of preferred, sale or merger of company or increase or decrease of capital or failure to earn preferred dividend for last preceding year, when it is entitled to 10 votes per share.

LIQUIDATION RIGHTS—In liquidation, entitled to repayment of capital in priority to common shares.

CALLABLE—Not callable.

ISSUED—Issued together with DuPont of Canada Securities Ltd. preferred in exchange for Canadian Industries Ltd. preferred under plan of reorganization, one share of each issue for one share of Canadian Industries preferred.

LISTED—On Montreal and Toronto Stock Exchanges.

TRANSFER AGENT—REGISTRAR—National Trust Co., Ltd., Montreal, Toronto and Vancouver.

DIVIDEND DISBURSING AGENT—National Trust Co. Ltd., Montreal.

PRICE RANGE—1956 1955 1954 1953 1952
 High 81 82 83 84 85
 Low 74 75 76 77 78

2. Canadian Industries Ltd. common; as per AUTHORIZED—13,500,000 shares; outstanding, 9,794,161 shares; no par.

Imperial Chemical Industries of Canada Ltd. owns 73.4% of stock.

VOTING RIGHTS—Has one vote per share.

DIVIDENDS—(Payments since 1953 follow):
 1954—\$0.10 1955—\$0.45 1956—\$0.82 1957—\$0.80
 1958—0.65 1959—0.60 1960—0.65
 1961—0.65 (1967)—0.37 1/2

OFFERED—On Montreal and Toronto Stock Exchange.

TRANSFER AGENT—REGISTRAR—National Trust Co., Ltd., Montreal, Toronto and Vancouver.

DIVIDEND DISBURSING AGENT—National Trust Co. Ltd., Montreal.

PRICE RANGE—1956 1955 1954 1953 1952
 High 20 21 22 23 24
 Low 15 16 17 18 19

Offered 267,371 shs. in Canada at 25 a sh. on Apr. 13, 1953 by A. E. Ames & Co. Ltd., Montreal, and associates. Shs. being offered are those being authorized by Imperial Chemical Industries Ltd., London.

Subscription rights were being offered to stockholders of record Apr. 9, 1955 to purchase additional com. at \$20 a sh. on basis of one sh. for each 2 shs. held. Rights expire Apr. 30. U. S. holders will not be eligible to purchase additional shs. as the issue was not registered with SEC; however, they may sell their shs.

Imperial Chemical Industries Ltd., London, owns 14.4% of Canadian Industries com. shs. Imperial acquired only a small proportion of the additional common shares to which it was entitled, and the rest was offered for public sale in Canada.

I.C.I.—ORGANICS—INC.

(Controlled by Imperial Chemical Industries Ltd.)

History: Incorporated in Rhode Island Nov. 3, 1950, as successor to Mason-Chapin & Co., business established in 1815 as Arnold, Hoffmann & Co., Inc. Present name assumed July 1, 1951.

In 1948, acquired Harkness & Cowing Co., Montreal, now operated as a division.

Business: Manufacturing chemists. Products: dyes, dyestuffs, sulfonated oils and fats, latex repellents, detonators, synthetic detergents, plasticizers, organic esters, synthetic detergents, etc.; also wetting agents, a pharmaceutical chemical and chemicals for use in rubber, plastics and rubber industries. Main sales offices in Providence, Charlotte, New Orleans, La., etc.

Properties: Owns plants at Dighton, Mass., comprising 300,000 sq. ft. floor space on 70-acre site; Charlotte, N. C. with 44,000 sq. ft. of space; Beane, N. J. with 10,000 sq. ft. of space. Chemical plant with approximately 100,000 sq. ft. of floor space, including laboratory buildings in Beane, N. J.

Officers: President, Thomas Harkness, Jr., Providence, R. I.; Vice President, Thomas Harkness, Jr., Providence, R. I.; Secretary, Thomas Harkness, Jr., Providence, R. I.; Treasurer, Thomas Harkness, Jr., Providence, R. I.

Directors: Thomas Harkness, Jr., Providence, R. I.; Thomas Harkness, Jr., Providence, R. I.; Thomas Harkness, Jr., Providence, R. I.; Thomas Harkness, Jr., Providence, R. I.; Thomas Harkness, Jr., Providence, R. I.

Counsel: Binckley, Allen, Salisbury & Parsons, Providence.

Auxiliary: Ernst & Ernst.
 Annual Meeting: Third Thursday in Feb.
 No. of Stockholders: Jan. 31, 1958, 245.
 No. of Employees: Dec. 31, 1958, 483.

Main Office: 35 Canal St., Providence 1, R. I.
 Consolidated Income Account, years ended

Sept. 30	1958	1957
Net sales	\$17,437,281	\$15,596,452
Other income	151,322	150,247
Total income	17,588,603	15,746,699
Cost of sales	17,087,277	15,551,111
Sell, etc. exp.	3,748,285	3,511,354
Depreciation	525,255	524,278
Interest	375,285	285,758
Other deduct.	9,280	2,250
Fed. inc. tax	2,225,224	1,608,000
Net income	9,203,224	7,556,606
Surplus 1-1	2,049,282	1,514,575
Dividends	225,285	225,285
Retained	5,928,727	5,816,746
Retained, com. sh.	5,928,727	5,816,746
No. of com. shares	296,436	296,436

Assets: Total assets, \$11,284,202; Total property, \$7,702,750.

Land	115,815	114,020
Construction	907,883	13,918
Other assets	42,348	114,251
Deferred charges	63,144	25,189
Total	\$1,129,190	\$17,338,361

Liabilities: Accounts payable, \$617,243; Accruals, etc., 235,474; Taxes, 1,515,528; Debt due, 234,000; Due affiliate, 872,990.

Total current, \$3,588,315; Notes payable, 2,175,000; Affiliate notes, 3,450,000; Com. etc. (due), 2,324,850; Capital surplus, 2,901,433; Earned surplus, 5,081,067.

Total, \$19,551,649; Total assets, \$17,338,361; Total liabilities, \$12,257,376; Total equity, \$5,081,067.

Depreciation, \$2,225,224; Total property, \$7,702,750.

Company may not pay dividends on common in excess of net earnings after Dec. 31, 1952 plus \$100,000 and net cash proceeds of sale of stock and amortized debt after that date; also agrees to maintain consolidated net working capital of at least \$1,500,000.

MOODYS INDUSTRIAL

Financial statements and notes for Moody's Industrial, including details on earnings, assets, and operations for the years 1993 through 1998.

FINANCIAL & OPERATING DATA

Table with 10 columns representing years from 1993 to 1998. Rows include metrics such as Earnings per share, Dividends per share, Price range, Net tangible assets, and various operating ratios.

Notes and footnotes explaining the data, including information on stock dividends, significant subsidiaries, and debt discount and expense.

LONG TERM DEBT: Details on the company's debt structure, including authorized amounts, maturity dates, and interest rates.

CALLABLE: Information regarding callable debt, including call dates and procedures for sinking fund payments.

SECURITY: Details on the security of the debt, including collateral and restrictions on the company's assets.

...the new jurisdiction were made as follows: 200,000 common shares, 1925 to acquire ...

...Common stockholders at record Oct. 25, 1928 had right to subscribe to 200,000 common shares...

...of the shares of the company for each share held at price of \$25 a share...

CHEMCELL LIMITED

(Controlled by Celanese Corp.)

Consolidated Balance Sheet as of Dec. 31, (in Canadian \$)
Assets: Cash, Can. Govt. Secur., Bank, Fund bonds, Receivables, Inventories, Prepayments, Total current, Fixed property, Debt, Investments, Total, Liabilities, Acc'ts. pay. & accm., Income taxes, Debt due, Bank loans, Total current, Notes payable, Debt, Gen. 5 1/2% A 7 1/2%, Debts 5 1/2% B 7 1/2%, Def. Income tax, 5 1/2% pfd. stk. (200), 5 1/2% pfd. stk. (1928), Common stk., Retained earn., Total, Net current assets, Net tang. com. sh., Depreciation, Blaves, cost, net over mkt., Funded Debt, 1 Canadian Chemical Co., Ltd. 6% A 1928, OPEN MORTGAGE—Outstanding, series A, \$2,000,000., DATED—Sept. 1, 1928, MATURITY—Sept. 1, 1930, INTEREST—M&E 1 at any branch in Canada of Canadian Imperial Bank of Commerce, Principal and interest payable in lawful money of Canada, TRUSTEE—National Trust Co. Ltd., Vancouver, Edmonton, Toronto and Montreal, DENOMINATION—Coupon \$500 and \$1,000, registrable as to principal, FULLY REGISTERED, CALLABLE—As a whole or in part on not less than 30 days' notice at any time to each Sept. 1, incl., as follows: 1923, 1924, 1927, 100%; thereafter at par, Also callable on like notice for sinking fund (see below) at any time to each Sept. 1, incl., as follows: 1923, 1924, 1927, 100%; thereafter at par, SINKING FUND—Company is to retire \$1,000,000 series A bonds at par on or before Sept. 1, 1924, and \$2,000,000 annually thereafter, in lieu of cash, company may take credit at par against any installment for bonds tendered or redeemed other than by sinking fund, SECURITY—Secured by first mortgage on all land, plant and equipment, and a first floating charge on all other assets, Certain contracts for purchase of raw materials and sale of products are also pledged, Indenture permits releases of mortgaged property under prescribed conditions, ASSUMED—Liability assumed by Celanese Ltd., CREATION OF ADDITIONAL DEBT—Additional first mortgage bonds may be issued for (1) 50% of lesser of cost or fair value of additional property provided earnings for 12 consecutive or spreading 18 months available for interest (as defined) are not less than 2 1/2 times annual interest on first mortgage bonds to be issued, or (2) 50% of estimated cost of increasing productive capacity within 18 months after completion of plant, provided estimated earnings under foregoing formula are 2 1/2 times such interest and in connection with additional investment in common stock by parent and/or others, DIVIDEND RESTRICTION—Company may not pay any cash dividends unless thereafter net current assets are at least \$2,500,000., PURPOSE—Proceeds with other financing to construct Edmonton plant.

LEGAL—In union of Canada and British in ... OFFERED—(\$1,000,000) in Canada of Sept. 1, 1921 by Nesbitt, Thomson & Co., Ltd., Montreal and Wood, Gundy & Co., Ltd., Toronto. 2 Canadian Chemical Co., Ltd., general 5 1/2% series A, due 1931. OPEN MORTGAGE—Outstanding, series A, \$2,000,000., DATED—Sept. 1, 1928, MATURITY—Sept. 1, 1930, INTEREST—M&E 1 at any branch in Canada of Canadian Imperial Bank of Commerce, Principal and interest payable in lawful money of Canada, TRUSTEE—National Trust Co., Vancouver, Edmonton, Toronto and Montreal, DENOMINATION—Coupon \$500 and \$1,000, registrable as to principal, CALLABLE—As a whole or in part on not less than 30 days' notice at any time to each Sept. 1, incl., as follows: 1923, 1924, 1927, 100%; thereafter at par, Also callable on like notice for sinking fund (see below) at any time to each Sept. 1, incl., as follows: 1923, 1924, 1927, 100%; thereafter at par, SINKING FUND—Annually on or before each Sept. 1, 1923-30, sufficient to retire \$700,000 series A bonds, in lieu of cash, company may take credit at par against any installment for bonds tendered or redeemed other than by sinking fund, SECURITY—Substant to prior item of first mortgage, secured by mortgage on all land, plant and equipment, and by pledge of certain contracts; and a floating charge on all other assets, ASSUMED—Liability assumed by Celanese Ltd., CREATION OF ADDITIONAL DEBT—Additional general mortgage bonds may be issued under provisions similar to first mortgage, with interest on general mortgage bonds included in computation of the related ratios; total of additional issues of first mortgage and general mortgage bonds may not exceed 50% of cost of additional property, DIVIDEND RESTRICTION—Same as first 4 1/2% series A, due 1928, PURPOSE—See first 4 1/2% (No. 1), LEGAL—Same as first 4 1/2%, OFFERED—(\$1,000,000) in Canada in Sept. 1, 1921 by Nesbitt, Thomson & Co., Ltd., Montreal and Wood Gundy & Co., Ltd., Toronto, 2 Canadian Chemical Co., Ltd., sinking fund debentures, series A, due 1928, OPEN MORTGAGE—Outstanding, series A, \$1,000,000., DATED—Mar. 1, 1921, MATURITY—Mar. 1, 1930, INTEREST—M&E 1 at any branch in Canada of Canadian Imperial Bank of Commerce, Principal and interest payable in lawful money of Canada, TRUSTEE AND REGISTRAR—Royal Trust Co., Edmonton, Vancouver, Winnipeg, Toronto, Montreal, DENOMINATION—Coupon, \$1,000; registrable as to principal; fully registered, \$1,000 and authorized multiples, CALLABLE—As a whole or in part at any time on at least 30 days' notice to Mar. 1, incl., as follows: 1927... 100.00 1928... 104.30 1929... 108.60 1930... 112.90 1931... 117.20 1932... 121.50 1933... 125.80 1934... 130.10 1935... 134.40 1936... 138.70 1937... 143.00 1938... 147.30 1939... 151.60 1940... 155.90 Series A debentures may not be redeemed before Mar. 1, 1930 with borrowings at interest rate lower than 7%, Also callable on like notice for sinking fund at 100%, SINKING FUND—Cash to retire by purchase or by call at par \$500,000 debentures each Mar. 1, 1927-30 and \$1,000,000 debentures each Mar. 1, 1931-39, Payments will retire 80% of issue by maturity; Company may purchase debentures at anytime at not exceeding general redemption price, SECURITY—Not secured; subordinated to prior debt, secured by a floating charge on property, subject to first mortgage and general mortgage bonds.

...Incorporated under Dominion of Canada laws, Jan. 25, 1925 as Canadian Celanese Ltd., name changed to Chemcell (1928) Ltd. Sept. 28, 1928; present name adopted in Apr. 1929. In July 1929 acquired physical assets of Cranbrook Textiles Ltd. in 1928 machinery, process material and trade names of Raydon Co. of Canada Ltd.; in Feb. 1930 building and machinery of Hilsberg Mfg. Co. Ltd. and in Oct. 1930 Laurier Fertilizer, Ltd. In June, 1930, acquired Aux Tissues Francaise, Inc. In Oct. 1931, merged Canadian Chemical Co., Ltd. (parent); effective date retrospective July 1, 1928. In June 1932, acquired Western Chemicals Ltd. In Sept., 1934, acquired Duplan Textiles Ltd. Businessman Canadian Celanese division produces woven and knitted fabrics, Tricelata and polypropylene woven and knitted fabrics, upholstery fabric and acetate tow for cigarette filters.

Canadian Chemical Company division produces petrochemicals, markets chemicals and plastics. Property plants are located at Cranbrook, Brantford, Montague, St. Jean, Lord and Valleyfield, Que., and Edmonton and Two Hills, Alta. A liquid phase oxidation plant to produce 200,000,000 lbs. a year of acetic acid and facilities to convert it to acetic anhydride is being built at Edmonton, Alta. Production is set for 1934 4th quarter. A 1,000,000 lbs. a year expansion of styrolite colors capacity is set for completion by July, 1934.

Acquired in Jan. 1925, acquired 40% interest in Millhaven Fibres Ltd., maker of Polyester and Nylon, Canadian Industries Ltd., owns remaining 60% Co. and Canadian Industries equally own CEL-CEL Fibres Ltd., formed to market all fibers and yarn produced by these Cos. Officers: W. W. Mackenzie, Chmn.; Robinson Ord, Vice-Chmn.; C. S. Malone, Pres.; F. J. Fitzgerald, Vice-Pres. (Canadian Celanese); J. R. Galtman, Vice-Pres. (Canadian Chemical); J. C. Langford, Vice-Pres. (Planting & Dev.); L. R. Cleverly, Treas. and Compt.; J. H. Birkett, Sec.; A. G. Alton, Asst. Treas. Directors: W. A. Arbuckle, Harold Blanche, F. K. Coates, H. A. Dwyer, G. C. H. M. Fowler, F. J. Mackenzie, M. W. Mackenzie, Paul M. Marshall, Robinson Ord, Hon. Jean Raymond, G. C. H. L. C., Jean Simard, R. E. Stavert, J. R. Kennedy, F. N. Thomson, R. L. Waldon, A. R. Cochran, W. I. M. Turner, J. L. C. S. Malone, L. B. Johnson.

Auditors: Paul, Marwick, Mitchell & Co. Annual Meeting: In April. No. of Stockholders: Dec. 31, 1928: Preferred, 2,813; common, 17,554. No. of Employees: Dec. 31, 1928, 5,914. Head Office: 1165 Dorchester Blvd. West, Montreal 2, Quebec, Canada.

Consolidated Income Account, year ended Dec. 31 (in Canadian \$): 1928, 1929. Net sales, Cost of sales, Selling, etc., exp., Deprec. & amort., Net earnings, Other income, Net Total income, Interest, Income taxes, Net income, Retained earn. 1-1, 5 1/2% pfd. div., 5 1/2% div., Common div., Credit, Retained earn. 12-31, Earn., pfd. sh., Earn., com. sh., Cash flow, com. sh., No. of pfd. sh., No. of com. sh., Reconciliation of surplus formerly arising upon subd. consol.