PLAINTIFF'S
EXHIBIT
CEL-956

C193900

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

RECD-S.E.C. MAR 30 1972

RECEIVED APR 10 1972 INFORMATION PRODUCTS

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 or 15(d)
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1971. Commission File No. 1-1368

CELANESE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	13-5568434
(State of incorporation)	(I.R.S. Employer Identification No.)
522 Fifth Avenue, New York, N.Y.	10036
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number 212-867-2000

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

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

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

None

Indicate by check mark whether the registrant has filed all annual, quarterly and other reports required to be filed with the Commission within the past 90 days and in addition has filed the most recent annual report required to be filed. Yes X No

REPRODUCED FROM BEST AVAILABLE COPY

INDEX TO FORM 10-K

Item No.	Caption	Page No.
1.	Business	1
	Product line: Sales	1
	Profits	1
	Capital expenditures	2
	United States Operations	3
	Fibers	3
	Chemicals	4
	Plastics	5
	Paints and Industrial Coatings	6
	International Operations	7
	Research, Patents and Licensing	8
	Employees	9
	Effect of Government Policies	9
2.	Summary of Operations	10
3.	Properties	15
4.	Parents and Subsidiaries	15
5.	Pending Legal Proceedings	16
6.	Increases and Decreases in Outstanding Equity Securities	16
7.	Approximate Number of Equity Security Holders	17
8.	Executive Officers of the Registrant	17
9.	Indemnification of Directors and Officers	18
10.	Financial Statements and Exhibits Filed	19

ITEM 1. BUSINESS.

Celanese, incorporated in Delaware in 1918, has executive offices at 522 Fifth Avenue, New York, N.Y. Having begun as a manufacturer of acetate yarn, Celanese, together with its related domestic and foreign companies, now manufactures and sells a diversified line of fibers, chemicals, plastics and paints and industrial coatings. Most of the products are made by chemically processing and upgrading two basic raw materials, wood pulp and petroleum-derived hydrocarbons.

While most of Celanese's sales are to other manufacturers for use in a wide variety of consumer and industrial products, paints and related products are sold both at wholesale and retail and certain industrial products are sold at wholesale. The terms "Celanese" or "Corporation" hereinafter mean Celanese Corporation and its consolidated subsidiaries unless the context otherwise indicates. Celanese is also sometimes referred to herein as "the Registrant".

For each of the years 1967 through 1971, sales volume of the basic product groups of the Corporation were:

	(millions) Sales				
	1971	1970(a)	1969(a)	1968(a)	1967(a)
Present operations:					
Fibers	$ 770.1	$ 681.8	$ 702.4	$ 650.9	$ 562.5
Chemicals	294.9	284.6	288.9	271.4	250.5
Plastics	127.3	119.2	124.2	116.2	101.8
Coatings	105.3	96.6	96.3	57.5	92.1
Present operations	1,297.6	1,182.2	1,211.8	1,136.0	1,006.9
Discontinued operations	-	-	192.5	283.8	262.9
Intercompany sales	(61.5)	(63.6)	(68.3)	(79.2)	(72.1
Total	$1,236.1	$1,118.6	$1,336.0	$1,340.6	$1,197.7

(a) Restated for pooling of interests.

The table below shows the per share income before extraordinary items contributed by each of the major product groups of the Corporation over the past five years. The discontinued per share income data include income for the forest products and non-U.S. coatings operations through 1968 and petroleum operations through 1969.

The income per share data by product group reflect the allocation of administrative and financing costs and preferred dividends. Income before taxes is not shown because the different operations have varying tax rates that have a significant effect on product profitability. In addition, minority interests are not the same for each product group and income before minority interest, therefore, does not reflect each product group's contribution to the total income per share. For the same reason, income per share data should not be related to product group sales which are stated before minority interest.

In 1971, income per share from fibers operations amounted to $2.64, contributing 66% of the Corporation's total. Chemicals operations in 1971 contributed $1.24, or 27¢ more than the 97¢ contributed in 1970. Plastics contribution was 1¢ per share, reflecting virtually a break even position in 1971, compared with the 31¢ contributed in 1970. The coatings product group improved from a break-even position in 1970 to 12¢ in 1971.

The fibers and chemicals operations, taken together, account for 97% of total income per share in 1971, up from an 82% contribution in 1969 and the highest share of the total over the last five years.

	1971		1970(a)		1969(a)		1968(a)		1967(a)	
	Income Per Share	% of Total	Income Per Share	% of Total	Income Per Share	% of Total	Income Per Share	% of Total	Income Per Share	% of Total
Present operations:										
Fibers	$2.64	66%	$2.27	64%	$2.65	57%	$2.71	60%	$1.93	55%
Chemicals	1.24	31	.97	27	1.17	25	1.25	27	1.18	34
Plastics	.01	-	.31	9	.73	16	.41	9	.37	11
Coatings	.12	3	-	-	.11	2	.17	4	.01	-
Present operations	$4.01(b)	100%	$3.55(b)	100%	$4.66	100%	$4.54	100%	$3.49	100%
Discontinued operations					.82		(.38)		.53	
Total					$5.48(b)		$4.16(b)		$4.02	

(a) Restated for pooling of interests and equity accounting.
(b) Before extraordinary items.

In general, the Corporation's products are sold in highly competitive markets. The table below shows capital expenditures by product group for each of the last five years. Most of these expenditures were for the purpose of increasing productive capacity. Due primarily to the economic slowdown, capacity was significantly in excess of 1970 and 1971 sales volumes.

(millions)
Capital Expenditures

	1971	1970(a)	1969(a)	1968(a)	1967(a)
Present operations:					
Fibers	$103.5	$ 67.7	$ 84.5	$ 67.6	$ 53.2
Chemicals	31.0	28.2	58.6	18.1	40.1
Plastics	21.0	21.7	20.9	12.2	11.7
Coatings	2.2	1.6	1.6	2.0	4.6
Other	11.7	15.9	13.1	10.7	10.4
Present operations	169.4	135.1	178.7	110.6	120.0
Discontinued operations	-	-	-	20.9	49.9
Total	$169.4	$135.1	$178.7	$131.5	$169.9

(a) Restated for pooling of interests

UNITED STATES OPERATIONS

FIBERS

Fibers for apparel, home furnishings, industrial and other uses are divided into two broad categories: natural fibers such as wool and cotton, and man-made fibers. Man-made fibers are generally divided into three sub-categories: cellulosic fibers derived from cellulose and consisting chiefly of rayon, acetate and triacetate fibers; non-cellulosic fibers derived from long chain polymers and consisting chiefly of polyester, nylon and acrylic fibers; and other fibers manufactured from non-fibrous natural materials such as glass.

Celanese produces a broad range of man-made fibers which are sold for a wide variety of end uses.

Cellulosics. Cellulosic fibers are produced by Celanese principally from acetic acid supplied by Celanese's chemical plants and wood pulp purchased from Columbia Cellulose Company, Limited under long-term contract (see Other Foreign Investments) and from others. The principal cellulosic fibers are:

Acetate Filament Yarn-Celanese believes it is the world's largest producer, accounting for approximately half of U.S. production. This fiber represents a substantial portion of Celanese fiber sales. Among the principal end uses are a wide range of men's women's and children's apparel and home furnishings such as draperies.

Triacetate Filament Yarn-Celanese is the only U.S. producer of this "ease of care" fiber introduced in 1955 under the trademark Arnel. Arnel is one of the major fibers in the fashion apparel field.

Acetate Cigarette Filter Tow-Celanese is one of two U.S. producers. All major U.S. cigarette companies are customers of Celanese. Celanese and its subsidiaries are major suppliers to world markets through manufacturing operations (licensed or owned) in seven countries and exports throughout the world.

Other cellulosic fibers manufactured by Celanese are acetate and triacetate staple which are sold to customers who spin them into yarn or use them for non-woven and fiberfill products.

Non-cellulosics. Commencing in 1958, Celanese diversified its fiber operations by its entry into the non-cellulosic field through its interest in Fiber Industries, Inc. (owned 62-1/2% by Celanese and 37-1/2% by Imperial Chemical Industries Limited, "I.C.I."). Celanese markets all fibers produced by Fiber Industries, Inc.

The non-cellulosic product line includes:

Polyester Textile Filament Yarn-Fiber Industries, Inc. is believed to be the second largest of twelve U.S. commercial producers of this textile yarn. Polyester textile filament yarn is the fastest-growing product in the total U.S. fiber market. Major end uses include a wide variety of knitted and woven apparel and home furnishing fabrics.

Polyester Industrial Filament Yarn-Fiber Industries, Inc., is believed to be the largest supplier of polyester tire yarn which has taken over the major share of the U.S. original equipment market and constitutes a substantial part of the replacement tire market for passenger cars. In addition, polyester industrial yarns are used for other end products such as belting and sewing thread.

Polyester Staple-Of eight U.S. commercial scale producers, Fiber Industries, Inc., is believed to be the second largest. End uses include men's, women's and children's apparel, fiberfill products, home furnishings and industrial uses.

Polyester fiber is produced principally from chemicals purchased under long-term contracts and is marketed under the trademark Fortrel.

Nylon-Nylon filament yarn and staple are produced commercially by Fiber Industries, Inc., and eight other companies in the U.S. and are used in apparel, home furnishings, tire cord and other industrial products. The chemical intermediates from which Fiber Industries, Inc., manufactures its nylon 66 are furnished by a Celanese chemical plant (See Chemicals).

Other Products-Celanese sells cellulose acetate flake, polyester and nylon resins, which are used as intermediate raw materials in the manufacture of film, sheet and fibers. Sales are made to other divisions and affiliates of Celanese as well as to merchant domestic and export markets. Celanese is engaged in research, development and testing of man-made smoking material. The trademark Cytrel has been registered to designate this smoking material, which has a cellulosic base. Although it is not now being marketed commercially, the material has been made available for evaluation by cigarette manufacturers throughout the world and also has had some limited test marketing outside of the U.S. Celanese recognizes that the ability to satisfy human taste will be a vital factor in the consumer acceptance of this product.

Marketing. Celanese sells the major portion of its fibers and yarns directly to mills and other intermediate processors; nonetheless its indirect marketing efforts extend on a nationwide basis, through technical service, advertising and promotion, to each level in the textile manufacturing and distribution system, and to the ultimate consumer of the apparel and home furnishings made from such fibers and yarns. There is considerable price competition in most fiber products.

In addition to advertising, directed both to the trade and to the consuming public, Celanese conducts market research and maintains constant communication with designers, converters, fabricators and retailers in order to anticipate and meet changes in fashion and popular taste. Celanese produced fibers and yarns are further processed into a broad range of fabric textures and weights.

Celanese maintains development laboratories, which duplicate typical textile mill facilities, together with research, pilot and commercial scale facilities for development of new and improved fiber and yarn products. Coordinated research, thorough testing of processing techniques and preparation of sample materials for mill customers are important factors in the marketing of its fibers and yarns.

CHEMICALS

Commodity Organic-In 1945 Celanese first entered the petrochemical field, primarily to obtain supply of acetic acid and related chemical raw materials for its fiber operations.

As this phase of the business expanded and additional products were developed, many chemicals produced were sold to others. During 1971, Celanese sold approximately 70% of its chemical production externally, with the remaining 30% being further processed into fibers, plastics and coatings.

Celanese believes it occupies a leading position in the technology of direct oxidation of hydrocarbons. It produces and sells more than 90 individual products in the following broad classes of petrochemicals: acids, alchols, aldehydes, anhydrides, esters, glycols, ketones, monomers, nylon raw materials and polyols. These chemicals are used in the manufacture of a wide range of consumer and industrial products, including adhesives, paints, surface coatings, building materials, detergents, fuel additives, lubricants, leather coatings, paper, pharmaceuticals, plastics, rubber and man-made fibers.

Celanese produces, sells and uses in volume each of its principal chemicals, including acetic acid, methanol, butanol, acetaldehyde, ethylene oxide, formaldehyde, vinyl acetate and various acrylates, glycols and polyols. These chemicals are produced from different basic raw materials by several different processes. Such raw materials are purchased by Celanese on the open market and under contracts of varying periods. Raw material price fluctuations which may occur from time to time are not expected to have a material effect on the business of Celanese.

Direct sales efforts are supplemented by its technical service department which assists customers in utilization of established chemicals as well as supporting development of uses for newly produced chemicals.

Specialty Chemicals-In April 1971, Celanese acquired the business and assets of Stein, Hall & Co., Inc. ("Stein-Hall") which manufactures and sells a wide variety of chemical specialty products, including synthetic resins, water soluble natural polymers, special starch derivatives and dry, liquid and hot melt adhesives. Chemical specialty products account for approximately 70% of Stein Hall's sales. In addition, Stein Hall is a supplier of industrial raw materials including burlap carpet backing, natural latex and technically specified rubber which comprise the other 30% of its sales. Stein Hall's products are sold directly to the extractive, packaging and paper converting, paper manufacturing, food and drug, textile manufacturing, carpet manufacturing and explosives industries. Products used or sold by Stein Hall are readily available in commercial quantities through normal domestic sources of supply except for tapioca flour, gums, burlap, latex and technically specified rubber which are imported. Sales efforts are supplemented by product development and technical services for assistance to customers in connection with existing and new products.

PLASTICS

The plastics products of Celanese consist of resins and fabricated or partially fabricated products. The plastic resins are:

Acetal Copolymer-This high strength engineering plastic, a replacement for metals, other plastics and other materials, is sold under the trademark Celcon, and has wide and growing applications including automobile parts, appliances, plumbing fixtures, hardware, industrial and communication equipment, audio recording devices and aerosol containers. Broad acceptance has

been attained, particularly in engineering applications, including replacement of die-cast zinc, brass and other metals. Celcon is a product of the Celanese research laboratories and processes for making Celcon and the composition thereof are covered by pending and issued patents. The basic raw material for Celcon is formaldehyde, which is produced by Celanese. (See Chemicals.) Celanese is one of two U.S. producers of acetal resins and the only producer of acetal copolymer.

High Density Polyethylene Resin-This resin is sold under the trademark Fortiflex and is used for bottles, housewares, toys, wire coatings, pipe and extruded sheet, and other applications. Celanese is one of the nation's largest producers of this resin.

Nylon-Nylon resin is used in a broad range of applications including bearings, tool housings, electrical insulation, hardware, and automotive parts. The raw material is supplied by Celanese. (See Chemicals.)

Fabricated and partially fabricated plastic products are:

Polyester Film-This film, sold under the trademark Celanar, is a high tensile strength transparent material used for electrical insulation, audio and video recording tape, drafting and engineering supplies, pressure sensitive tapes, photo base film, stationery supplies and printed circuits. Celanese is one of five U.S. producers. Raw materials are obtained from Fiber Industries, Inc. (See Fibers.)

Plastic Pipe and and Fittings-These products are sold under the Yardley and Chemtrol trademarks for end uses including agricultural, housing, industrial and oil field applications. Raw materials include some of the plastic resins mentioned above and other resins which are purchased in the open market. Celanese is one of numerous U.S. producers.

Acetate Film and Sheet-Acetate film and sheet are used for vacuum-formed packaging, protective covers, recording tapes, rigid transparent containers, food wrapping and packaging, laminates for packaging and optical frames. Celanese is the largest U.S. supplier of acetate film and one of several suppliers of acetate sheet. Raw materials are manufactured by Celanese and others.(See Fibers.)

Direct sales efforts are supplemented by a technical service department which assists customers in utilization of established plastics as well as supporting development of uses for newly produced plastics. There is considerable price competition in most plastics products.

PAINTS AND INDUSTRIAL COATINGS

In August 1964, Celanese acquired the business and assets of Devoe & Raynolds Company, Inc., the discoverer and initial developer of epoxy resins. Now known as Celanese Coatings Company, it carries on an active research program in the paint and surface coating field. The product line includes industrial coatings, resins, a complete line of paints for trade and consumer applications, and other products incidental to the paint and industrial coating industry. These products are sold under the Devoe and Jones-Dabney trademarks among others. Approximately two-thirds of sales are resins and coatings for automotive, industrial and marine

markets. The remaining sales are for trade and consumer applications and are made to contractors and users through distributors, dealers, and branches. With national distribution of a complete line of products, Celanese is among the ten largest suppliers in the paints and industrial coatings industry. Sales efforts are supplemented by product development and technical service personnel who assist customers in utilization of existing products and in supporting development of new coatings.

INTERNATIONAL OPERATIONS

Celanese first extended manufacturing operations outside the continental United States in 1944. Today consolidated international subsidiaries and related companies operate plants in sixteen countries, employing in the aggregate more than 18,000 persons. Celanese has interests in affiliated companies which are engaged principally in manufacturing or selling operations in over sixty countries outside the United States. These operations are subject to the economic and political risks inherent in international business.

Canada

Celanese Canada Limited (formerly Chemcell Limited), 57.1% of the common stock of which is owned by Celanese (See Item 4), is one of three major producers in the Canadian man-made fiber industry, one of the two largest among many producers in the textile industry and one of several producers in the Canadian chemical industry. Celanese Canada Limited announced in 1970 a divestment and shutdown program, including three major chemical facilities, and has made substantial writedowns in the carrying value of certain investments. (See Note F to Consolidated Statements of Income.) It now produces and sells acetic anhydride, acetic acid, methanol, pentaerythritol, formaldehyde and various inorganic chemicals. Some of its chemicals are combined with wood pulp to manufacture cellulose acetate flake, which in turn is processed into acetate tow for cigarette filters and into acetate yarn and fiber for further processing into fabrics or for sale to Canadian textile mills and for export. The balance of the chemical and flake production is sold in the Canadian and export markets. Through an affiliated company it is also engaged in gas and oil exploration and production. Sales of the following products are made in Canadian and export markets: acetate, triacetate, polyester, and polypropylene fibers and yarns; fabrics of acetate, nylon, polyester and triacetate; and carpets made from acrylic, triacetate nylon, polyester and polypropylene fibers.

Celanese Canada Limited holds a 50% interest in Millhaven Fibres Limited ("Millhaven"), a manufacturer of polyester yarn and fiber. Fiber Industries, Inc., owns substantially the remaining 50%.

Alma Paint and Varnish Company Limited, a wholly-owned Canadian subsidiary of Celanese, manufactures and sells paints and coatings.

Stein Hall Limited, a wholly-owned subsidiary of Stein Hall, manufactures and sells dry and liquid adhesives and sells starches, burlap carpet backing and latex.

Europe

Amcel Europe, S.A., a wholly-owned subsidiary of Celanese, produces in Belgium triacetate filament yarn, acetate filament yarn and acetate tow for cigarette filter material.

Celanese has a substantial minority interest in Hicona Polymerwerke G.m.b.H., which operates a plant in West Germany for the production of acetal copolymer.

A wholly-owned subsidiary of Stein Hall, Meyhall Chemical A.G., sells and distributes a line of products similar to Stein Hall's through a network of agents in approximately sixty countries, chiefly in Europe and Asia.

Mexico

Celanese Mexicana, S.A., in which Celanese has a substantial minority investment, is among the largest manufacturing companies in Mexico and is the country's largest producer of man-made fibers. Celanese Mexicana produces acetate, rayon, nylon 6, acrylic and polyester yarn and fiber; cellulose acetate flake, cellophane, dissolving cotton linters, pulp and, as a by-product, sodium sulphate; and petrochemicals including acids, alcohols, anhydrides, emulsions, esters, ketones and cellulosic plastics.

Other Countries

Subsidiaries of Celanese in Colombia, Venezuela and Brazil produce one or more of the following products: polyester, nylon, acetate and rayon yarn and fiber, textiles, acetate tow for cigarettte filters and cellophane. Celanese has a substantial interest in a company in Peru and minority interest in companies in Japan producing or marketing one or more of the following products: acetate, acetal copolymer, triacetate, acetate tow for cigarette filters, rayon and polyester yarn and fiber, sulphuric acid, mixed fertilizers, fishnets, and other chemicals and products. Affiliates of Stein Hall in India and Pakistan refine guar gum.

Other Foreign Investments

Columbia Cellulose Company, Limited ("Colcel"), 91.3% of the common shares of which are owned by Celanese, is primarily engaged through its operating subsidiaries, in the operation of pulp mills in British Columbia and in selling the products of such mills consisting of dissolving sulphite pulp, bleached kraft pulp and lumber. Dissolving sulphite pulp is used principally for the production of cellulosic fibers and kraft pulp is used principally in the manufacture of paper products. A substantial portion of Celanese's requirements of dissolving wood pulp is furnished by Colcel.

During 1968 Celanese announced a program to divest itself of certain non-U.S. operations including Colcel. Consistent with this intended program of divestment, the accounts of Colcel have not been consolidated with the Celanese financial statements since June 30, 1968. (See also note F to Consolidated Statements of Income and note 3 of Notes to Financial Statements of Celanese Corporation and Consolidated Subsidiaries.)

RESEARCH, PATENTS AND LICENSING

Celanese maintains principal research and development laboratories at Summit, New Jersey; Charlotte, North Carolina; Corpus Christi, Texas; Louisville, Kentucky; and Greer, South Carolina. Over 1,600 employees are engaged in basic and applied research and development including over 640 professional employees. In addition, product and process development laboratories are maintained at most of the plants. Subsidiaries and affiliates also maintain research laboratories at various locations.

Celanese owns or is licensed under numerous patents of which some are important to specific commercial operations. No one patent or group of patents, however, is considered of material importance to the business as a whole.

Celanese has also developed and acquired technical information in its interrelated fields of chemicals, fibers, surface coatings and plastics, which it has licensed in varying degrees to affiliated companies and others in both the United States and certain foreign countries.

EMPLOYEES

At December 31, 1971 Celanese had approximately 25,000 employees in the United States, including over 5,400 exempt technical, managerial and administrati employees. The majority of its principal domestic plants are organized by variou labor unions. The applicable labor agreements are, for the most part, for terms of either two or three years. From time to time work stoppages have occurred in various plants but have not been considered of material importance to the busines as a whole.

Celanese maintains comprehensive benefit plans for the welfare and security of its employees and their families. Such plans include retirement income and group insurance plans, with retirement pensions, a stock bonus plan, disability benefits, hospital, medical and surgical reimbursements, major medical benefits and life insurance benefits for hourly and salaried employees. Celanese believes its relations with its employees have been satisfactory.

EFFECT OF GOVERNMENTAL POLICIES

The operations of Celanese in the United States are subject to the economic stabilization regulations of the Pay Board and Price Commission established to control prices, rents, wages and salaries for an indefinite period ("Phase II"). Effective March 1, 1972 the Price Commission approved Celanese's request for 1.95 term limit price increase with a maximum of 10% increase for any product. This approval is subject to review in accordance with Price Commission regulations. Although Celanese is unable to project the effect of such regulations, Celanese does not expect such regulations to have a material effect on its financial condition or the results of its operations.

Celanese has for over 20 yearsactively carried out a pollution abatement program through maintenance of a professional staff and investments in engineerin control equipment to abate air and water pollution. In 1971 amounts were expende Celanese for equipment and plant modifications related to environmental improvem purposes, including solids disposal, air and water control facilities at various plant locations including Bay City and Clear Lake, Texas; Belvidere, New Jersey; Georgia; Greenville, Greer and Rock Hill, South Carolina; Cumberland, Maryland; a Harrows, Virginia. Celanese expects to make additional capital expenditures for pollution abatement purposes for 1972 and subsequent years.

Celanese cannot predict what policies will be adopted in the future by governmental bodies responsible for air and water pollution control. Among other things, compliance with more stringent laws, regulations or enforcement policies may require expenditures by Celanese (in addition to those presently projected) for the installation and operation of pollution control equipment and plant modifications, or even the discontinuance of some operations by the Company.

ITEM 2. SUMMARY OF OPERATIONS.

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Restated for pooling of interests and equity accounting as described in note A.)

The following consolidated statements of income of Celanese Corporation and consolidated subsidiaries have been examined by Peat, Marwick, Mitchell & Co., independent certified public accountants. These statements should be read in conjunction with the consolidated financial statements, related notes and accountants' qualified report appearing elsewhere in this Form 10K.

(millions, except share amounts)

	1971	1970	1969	1968	1967
Sales (note A)	$1,236.1	$1,118.6	$1,336.0	$1,340.6	$1,197.7
Operating costs (notes B,1 and 11):					
Cost of goods sold (notes C and 6)	903.3	820.8	953.3	957.4	863.7
Selling and administrative	144.1	135.9	148.0	155.8	154.0
Research and development	51.3	54.9	49.8	42.9	39.7
Cost reduction program (note D)	-	6.8	-	-	-
Total operating costs	1,098.7	1,018.4	1,151.1	1,156.1	1,057.4
Operating income	137.4	100.2	184.9	184.5	140.3
Interest expense	(32.6)	(33.5)	(36.1)	(41.5)	(35.7)
Equity in net income of affiliates (notes A, 1 and 2)	7.7	7.5	8.6	4.5	1.8
Interest and other income	12.1	22.7	8.8	4.8	5.1
Income before taxes	124.6	96.9	166.2	152.3	111.5
Provision for income taxes (notes 1 and 10):					
Payable: For the year	37.1	22.0	66.3	57.2	40.1
In future years	17.1	13.3	6.0	13.5	6.6
Investment tax credit effect	(1.4)	0.8	1.8	10.9	1.5
	52.8	36.1	74.1	81.6	48.2
Income before minority interest	71.8	60.8	92.1	70.7	63.3
Minority interest	12.3	8.0	12.8	9.5	3.9
Income before extraordinary items (notes A and E)	$ 59.5	$ 52.8	$ 79.3	$ 61.2	$ 59.4
Extraordinary items (note F)	(82.2)	0.8	3.1	(132.2)	-
Net income/(loss)(notes A and E)	$ (22.7)	$ 53.6	$ 82.4	$ (71.0)	$ 59.4
Preferred dividends (note 9)	(4.3)	(4.3)	(4.4)	(4.4)	(4.5)
Net income/(loss) to common stockholders	$ (27.0)	$ 49.3	$ 78.0	$ (75.4)	$ 54.9
Per share of common stock (note 1):					
Primary income:					
Income before extraordinary items	$ 4.01	$ 3.55	$ 5.48	$ 4.16	$ 4.02
Net income/(loss) to common stockholders	(1.96)	3.61	5.71	(5.52)	4.02
Fully diluted income (note G):					
Income before extraordinary items	3.88	3.45	5.26	4.02	3.89
Net income/(loss) to common stockholders	(1.96)	3.51	5.46	(5.52)	3.89
Cash dividends declared by Celanese Corporation	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00
Weighted average number of shares	13,772,249	13,657,871	13,667,069	13,656,713	13,654,976

Numbered notes refer to Notes to Financial Statements of Celanese Corporation and Consolidated Subsidiaries.

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Notes to Consolidated Statements of Income

A. In 1971, Celanese recognized on a retroactive basis its equity in the income or loss of corporations in which Celanese owns at least 20% but not more than 50% of the voting stock. Previously, only the dividends distributed by these affiliates were recognized as income. The financial statements have been restated to reflect this change.

In April 1971, Stein, Hall & Co., Inc., was merged into a wholly-owned subsidiary of Celanese. The accounts of Stein Hall have been included retroactively in the consolidated financial statements in accordance with the pooling-of-interests concept. Stein Hall had sales of $19.0 million and net income of $0.3 million during 1971 before the merger.

Sales, income before extraordinary items and net income for the years 1967 through 1970 have been restated to reflect the pooling of Stein Hall and the adoption of equity accounting for affiliates as follows:

Sales:	(millions) 1970	1969	1968	1967
As originally reported	$1,036.7	$1,249.9	$1,255.8	$1,110.0
Stein, Hall & Co., Inc. pooling	81.9	86.1	84.8	87.7
As restated	$1,118.5	$1,336.0	$1,340.6	$1,197.7

Income before extraordinary items

	(millions, except per share) 1970		1969		1968		1967	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	S
As originally reported	$51.0	$3.51	$76.3	$5.41	$57.8	$4.02	$59.3	$
Stein, Hall & Co., Inc. pooling.	1.2	-	1.4	(.05)	1.2	(.02)	1.2	
Equity accounting	0.6	.04	1.6	.12	2.2	.16	(1.1)	
As restated	$52.8	$3.55	$79.3	$5.48	$61.2	$4.16	$59.4	$

Net income:	(millions, except per share) 1970		1969		1968		1967	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	S
As orginally reported	$48.5	$3.32	$79.5	$5.64	$(77.0)	$(6.11)	$59.3	$
Stein, Hall & Co., Inc. pooling.	1.2	-	1.3	(.05)	1.2	.24	1.2	
Equity accounting	3.9	.29	1.6	.12	4.8	.35	(1.1)	
As restated	$53.6	$3.61	$82.4	$5.71	$(71.0)	$(5.52)	$59.4	$

B. Depreciation, depletion and amortization expense on property, plant and equipment is shown under the operating cost classification to which it applies. This expense was as follows:

(millions) 1971	1970	1969	1968	1967
$115.5(a)	$99.1	$98.0(b)	$95.1	$88.9

(a) Amortization of goodwill in the amount of $0.4 million was charged to interest and other income in 1971.
(b) Excluding petroleum operations, the amount was $85 million.

See also notes 1 and 5 of notes to consolidated financial statements.

C. The year-end inventories used in determining cost of goods sold in the consolidated statements of income were:

(millions)					
1971	1970	1969	1968	1967	1966
$248.6	$225.1	$200.1	$195.5	$230.4	$210.3

See also notes 1 and 6 of notes to consolidated financial statements.

D. Represents termination costs associated with a plan to reorganize and streamline certain manufacturing, marketing, research and staff functions. This charge to operations amounted to $3.4 million, net of taxes, or $.25 per share.

E. Income before extraordinary items, net income and dividends from consolidated non-U.S. subsidiaries and provision for non-U.S. income taxes are:

(millions)				
Year ended December 31	Income before extraordinary items	Net income	Dividends	Provision for non-U.S. income taxes(a)
1971	$ 6.9	$ 6.9	$0.7	$7.3
1970	7.3	(8.2)	2.6	3.7
1969	13.8	10.8	2.8	9.4
1968	(3.7)	(19.5)	2.6	11.5
1967	0.1	0.1	2.9	6.9

(a) Excludes the tax effect of extraordinary items.

F. The adoption of equity accounting resulted in recognition of the Corporation's share of operating losses of certain affiliates included in the 1970 and 1968 divestment programs and reduced the carrying value of these investments. As a result, the extraordinary charges in those years of $15.2 million in 1970 and $119.0 million in 1968 were reduced by $2.0 million and $2.6 million, respectively. Also, equity accounting resulted in a $1.3 million reduction to the Corporation's portion of the 1970 extraordinary charge of $8.1 million from Celanese Canada Limited (formerly Chemcell Limited).

Extraordinary items include:

	(millions)			
	1971	1970	1969	1968
Elimination of current carrying value of Colcel	$(82.2)	$ -	$ -	$ -
Provision for anticipated loss on non-U.S. operations	-	-	-	(116.4)
Income tax benefits from losses on prior divestments of certain non-U.S. operations	-	19.6	-	-
Provision for divestment of certain European textile operations ($13.2 million less income tax benefits of $15.9 million)	-	2.7	-	-
Provision for losses on shutdown and disposition of certain Canadian and U.S. facilities ($30.4 million less income taxes of $15.7 million)	-	(14.7)	-	-
Reduction of carrying value of certain investments of a Canadian subsidiary	-	(6.8)	-	-
Gain on sale of petroleum operations, net of taxes of $30.2 million	-	-	25.9	-
Write-off of goodwill	-	-	(22.7)	-
Effect of change in accounting principles applicable to write-off of preoperating cost previously deferred	-	-	-	(15.3)
Net loss on certain equipment and facilities	-	-	(3.1)	(0.1)
	$(82.2)	$ 0.8	$ (0.1)	$(132.4)

In 1971, the Corporation provided $82.2 million as an extraordinary charge to eliminate its current investment in Colcel. This charge includes all investments made in Colcel through February 23, 1972. Future income tax benefits, if any, are indeterminable. (See note 3 to consolidated financial statements.)

In 1968, an extraordinary charge to income of $116.4 million (restated for equity accounting) was provided for losses expected to be realized under the Corporation's program to divest itself of certain non-U.S. operations. Had the operating results of three of these companies, which were not subsidiaries in 1969, been excluded from the consolidated statement of income for the year 1968, consolidated sales would have been $1,258.0 million and consolidated income before extraordinary items would have been $71.2 million or $4.89 per share. No recognition was given to possible future tax benefits, which were indeterminable at that time. During 1970, it was determined that, primarily because of taxable gains subsequently realized, tax benefits of approximately $19.6 million had become available to offset losses attributable to such divestments.

In 1970, it was decided to divest Celanese Equities Corporation and CelEuro N.V., which were holding companies for two European textile operations, the French Textile group (100% owned) and Colofil G.m.b.H. & Co. (50% owned). These companies were divested in 1971. Operating losses were included in consolidated income in prior years, but no offsetting U.S. tax benefits were then available. Estimated pre-tax losses of $13.2 million (restated for equity accounting) were provided in 1970 and estimated tax benefits of $15.9 million were recognized to be applied against taxes on gains realized in other transactions.

In 1970, Celanese Canada Limited (a 57.1% owned consolidated subsidiary) announced a divestment/shutdown program including three major chemical facilities and provided for anticipated costs and losses by an extraordinary charge, net of applicable income taxes, of Canadian $16.8 million. The Celanese share, net of taxes, was U.S. $8.7 million. In addition, the Corporation provided $6 million, after income taxes, for losses in connection with shutdown and disposal of its U.S. facilities for production of polypropylene fibers, plastics grade flake and cellulosic molding resins.

In 1970, Celanese Canada Limited substantially wrote down its 40% investment in Millhaven Fibres Limited, a Canadian fiber manufacturer, and reduced the carrying value of other minor investments. The Corporation's share of these writedowns was $6.8 million (restated for equity accounting).

The sale on January 5, 1970, of Champlin Petroleum Company and Pontiac Refining Corp. (petroleum operations) was effective as of December 31, 1969, and was reflected in the 1969 financial statements. During 1969, petroleum operations contributed $11.8 million to income before extraordinary items after giving effect to allocated financing and administrative costs but before deduction of allocated preferred dividends, or $.82 per share after deduction of allocated preferred dividends.

The gain on the sale of the Pontiac Refining Corp. was reduced by goodwill of $11.4 million. The remaining goodwill at December 31, 1969, totaled $22.7 million. This amount represented the difference between the acquisition cost of the shares of certain consolidated subsidiaries and the corresponding book value of the shares when acquired and was based on the anticipation of profits in excess of a normal return on investments. The anticipated above normal return on investments in these subsidiaries had not been realized, and management believed such returns could not be expected in the foreseeable future. Accordingly, this remaining goodwill was charged to 1969 income as an extraordinary item.

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

In 1969, Stein, Hall & Co., Inc., recorded as an extraordinary charge a loss on special equipment of $0.3 million after taxes and a gain on disposition of certain facilities of $0.2 million after taxes.

G. Fully diluted income per share reflects the addition of shares for the convertible debentures, the related after tax reduction in interest expense and the addition of shares for options outstanding at prices below market. The following amounts were used in the computation of fully diluted income per share:

Year	Adjustment for Convertible debentures		Share adjustment for stock options
	Shares	Interest expense (millions)	
1971	825,741	$1.6	48,232
1970	821,441	1.6	35,363
1969	821,441	1.5	48,901
1968	821,457	1.5	34,597
1967	821,457	1.5	40,010

Income before extraordinary items declined by $26.5 million for 1970 as compared to 1969. The 1970 earnings were adversely affected by reduced automotive business, continued softness in the economy and sharply increased costs. Most of the decrease in sales was a result of the divestiture of the petroleum operations. Interest and other income for 1970 was $13.9 million over 1969 principally because of the interest earned on the proceeds from the sale of the petroleum operations. A substantial amount of the proceeds was invested in bonds, the interest on which was tax exempt.

Operating income increased by $37.2 million for 1971 as compared to 1970; $6.8 million of this improvement was as a result of the non-recurring charge in 1970 for the termination costs referred to in note D above. In March 1971, the fiber business showed the first signs of recovery. Sales of fibers, chemicals and coatings continued to improve in the latter part of the third quarter and through October. This improvement was interrupted in the last six weeks of the year by a drop in earnings for several key product lines. Income before extraordinary items increased by a smaller amount as interest and other income in 1971 was $10.6 million below 1970 principally because the proceeds from the sale of the petroleum operations were substantially reinvested in operations.

ITEM 3. PROPERTIES

Celanese owns and operates manufacturing facilities throughout the United States, all of which are in good operating condition. Principal fiber plants are located at Cumberland, Maryland; Narrows, Virginia; Rock Hill and Greenville, South Carolina; Rome, Georgia; and Shelby and Salisbury, North Carolina. Principal chemical plants are located at Bay City, Bishop, Clear Lake and Pampa, Texas and, for the most part, are typical petrochemical construction involving open air location of operating facilities. Principal plastics plants are located at Houston, Texas; Columbus, Ohio; Belvidere and Newark, New Jersey; Greer, South Carolina; and Louisville, Kentucky. Principal specialty chemical plants which are owned are located at Bridgeview, Illinois; Charlotte, North Carolina; Island Falls, Maine; Long Island City, New York; and Newark, California; those which are leased are located at Charleston, South Carolina; Clifton, New Jersey; and Vernon, Texas. Paint and related plants are located at Houston, Texas; Belvidere and Newark, New Jersey; Los Angeles and Riverside, California; Louisville, Kentucky; Aurora, Illinois; and Detroit, Michigan, and are of varying construction.

Celanese also owns or leases a variety of facilities pertinent to its operations, such as warehouse, terminal, pipeline and laboratory facilities and executive and sales offices.

ITEM 4. PARENTS AND SUBSIDIARIES OF REGISTRANT.

	Incorporated under laws of	Percentage of voting securities owned by the immediate parent
Celanese Corporation	Delaware	
Celanese Coatings Company	Delaware	100.0%
Celanese Canada Limited	Canada	57.1
*Columbia Cellulose Company, Limited	British Columbia (Can.)	91.3
Fiber Industries, Inc.	Delaware	62.5
Celanese Mexicana, S.A.	Mexico	40.0

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

The foregoing except for Columbia Cellulose Company, Limited and Celanese Mexicana, S.A., are included in the consolidated financial statements of Celanese Corporation and consolidated subsidiaries.

*Owned directly and through a wholly-owned subsidiary. In 1968 the registrant announced its decision to divest its interest in Columbia Cellulose Company, Limited, and since that date the results of operations of that subsidiary have not been consolidated with those of the registrant.

ITEM 5. PENDING LEGAL PROCEEDINGS.

On June 29, 1971 the Antitrust Division of the United States Department of Justice filed in the United States District Court for the Central District of California a civil complaint and a criminal indictment naming in each as defendants, R & G Sloane Manufacturing Company, Inc. ("Sloane"), The Susquehanna Corporation, Celanese, Borg-Warner Corporation and Plastiline Incorporated. Also named in the indictment are Thomas L. Rourke, formerly Vice President and General Manager-Pipe and Fittings of Celanese Plastics Company, a division of Celanese, and Glenn Sloane, an officer of Sloane. It is alleged in the complaint and indictment that the defendants conspired to fix, maintain and stabilize discounts and prices, in connection with the sale of DWV plastic pipe fittings, in violation of Section 1 of the Sherman Antitrust Act. In the civil action the Government is seeking to have the alleged actions declared unlawful and enjoined. Subsequent to the commencement of these proceedings, on June 29, 1971, certain customers and sub-customers of Celanese instituted litigation seeking treble damages under the antitrust laws based on essentially the same alleged actions of Celanese referred to in the pending Department of Justice complaint and criminal indictment. These proceedings involve primarily claims for damages and present in large degree the same issues as are presented by the pending litigation instituted by the Department of Justice. In view of the nature and size of the operations to which these proceedings relate, it is not believed that their outcome, or that of any similar proceedings which might subsequently be instituted, would in any event be material.

ITEM 6. INCREASES AND DECREASES IN OUTSTANDING EQUITY SECURITIES.

Title of class	Date of transaction	Outstanding at December 31, 1970	1971 Increase or (Decrease)	Outstanding at December 31, 1971
Common Stock		13,690,381 (a)		
	During the whole year.		166,224 (b)	
	During the whole year.		3,320 (c)	
	December		(7,600)(d)	13,852,325 (e)

(a) Restated for 350,394 Celanese equivalent shares issued in an acquisition accounted for as a pooling of interests.
(b) Issued upon exercise of stock options (164,382 under the Celanese Stock Option Award Plan, 375 Celanese equivalent shares issued by pooled company prior to date of acquisition and 1,467 shares issued under pooled company stock option plan subsequent to the date of acquisition).
(c) Issued upon conversion of Convertible Preference Stock ($3.00 cumulative), without par value.
(d) Treasury shares purchased by Stein, Hall & Co., Inc.
(e) Excludes 9,242 treasury shares held by Stein, Hall & Co., Inc.

ITEM 7. APPROXIMATE NUMBER OF EQUITY SECURITY HOLDERS.

	Number of record holders December 31, 1971
Common Stock, without par value	41,029
Preferred Stock, Series A (4 1/2% cumulative), par value $100 per share	7,250
Convertible Preference Stock ($3.00 cumulative), without par value	969
7% Second Preferred Stock (cumulative), par value $100 per share	634
4% Convertible Subordinated Debentures due 1990	9,722

ITEM 8. EXECUTIVE OFFICERS OF THE REGISTRANT.

Name	Age	Positions and Offices Held at March 15, 1972
John W. Brooks	54	Director, Chairman, President and Chief Executive Officer
James R. Kennedy	60	Director and Vice Chairman
Berkeley D. Johnson	65	Director
Vernon E. Jordan, Jr.	36	Director
Richard W. KixMiller	51	Director
Paul L. Miller	52	Director
Grayson M-P. Murphy	64	Director
John B. M. Place	46	Director
Allan Shivers	64	Director
J. Paul Sticht	54	Director
Jerome B. Wiesner	56	Director
Peter E. Conze	51	Director and Executive Vice President
William T. Marx	57	Director and Executive Vice President
Robert T. Armstrong	62	Senior Vice President
William A. Bartel	57	Vice President
Bart H. Bossidy	50	Vice President
Robert T. Daily	53	Vice President
Robert L. Dietrich	50	Vice President

Name	Age	Positions and Offices Held at March 15, 1972
Allen R. Dragone	45	Vice President
Charles D. Francis, Jr.	57	Vice President
James Scott Hill	47	Vice President, Secretary and General Counsel
Gay V. Land	47	Vice President
Waldo B. Ligett	55	Vice President
Urban J. Monahan	47	Vice President
Paul C. Pearson	50	Vice President
Harry I. Skilton	33	Vice President and Treasurer
Reiner G. Stoll	58	Vice President
David Taylor	55	Vice President
Francis W. Theis	51	Vice President
C. Robert Tully	50	Vice President-Finance and Controller
James E. Wall	51	Vice President
Ira B. Wheeler, Jr.	51	Vice President

ITEM 9. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Item 9 entitled "Indemnification of Directors and Officers" contained in Celanese Corporation's Form 10-K for the year 1970 as heretofore filed remains unchanged and is incorporated herein by reference.

ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS FILED.

(a) FINANCIAL STATEMENTS:

Celanese Corporation
and
Celanese Corporation and Consolidated Subsidiaries

Index to Financial Statements and Schedules

	Page No.
ACCOUNTANTS' REPORT	22
FINANCIAL STATEMENTS:	
Balance Sheets at December 31, 1971 and 1970:	
Consolidated	23
Registrant	39
Statements of Income:	
Consolidated--for the five years ended December 31, 1971	10
Registrant--for the two years ended December 31, 1971	37
Consolidated Statements of Retained Income for the five years ended December 31, 1971	24
Consolidated Statements of Additional Paid-in Capital for the five years ended December 31, 1971	24
Statements of Changes in Financial Position:	
Consolidated--for the two years ended December 31, 1971	25
Registrant--for the two years ended December 31, 1970	40
Notes to Financial Statements:	
Consolidated Statements of Income	11
Consolidated Financial Statements	26
Registrant's Statements of Income	38
Registrant's Financial Statements	41
SCHEDULES:	
III. Investments in Securities of Subsidiaries - 1971	44
- 1970	45
IV and X. Indebtedness of and Indebtedness to Subsidiaries - Not Current	46
V. Property, Plant and Equipment	47
VI. Accumulated Depreciation, Depletion and Amortization of Property, Plant and Equipment	48
IX. Bond, Mortgages and Similar Debt - 1971	49
- 1970	50
XII. Reserves	51
XIII. Capital Shares - 1971	52
- 1970	53
XVII. Income from Dividends - Equity in Net Income of Subsidiaries and Affiliates - 1971	54
1970	56

(b) EXHIBITS:

1(a) By-Laws of the Registrant as amended to April 15, 1971.

2(a) Plan and Agreement of Merger between Stein, Hall & Co., Inc. and Constituent Merger Corporation, a wholly-owned subsidiary of Celanese Corporation. Incorporated herein by reference to Exhibit A appended to the definitive proxy statement filed pursuant to Section 14(a) of the Securities Act of 1933 under number 1-5030.

(b) EXHIBITS: continued

3(a) Composite conformed copy of Bond Agreement of Fiber Industries Inc. dated October 22, 1971 and Fifth Supplemental Indenture providing for the issuance of $60 million aggregate principal amount of 9.10% First Mortgage and Collateral Trust Bonds due December 15, 1987 including exhibits thereto.

5(e) Resolution adopted by Board of Directors of Columbia Cellulose Company, Limited on September 30, 1971 amending the Retirement Plan for Salaried Employees of Columbia Cellulose Company, Limited as of January 1, 1971.

5(f) Retirement Plan for Salaried Employees of Columbia Cellulose Company, Limited as amended effective January 1, 1971.

IDENTIFICATION OF BASIC DOCUMENTS
(As required by Rule 12b-34)

1. By-Laws of the Registrant as amended to April 15, 1971--Exhibit 1(a) to this Annual Report.

2. Plan and Agreement of Merger between Stein, Hall & Co., Inc. and Constituent Merger Corporation, a wholly-owned subsidiary of Celanese Corporation Incorporated herein by reference to Exhibit A appended to the definitive proxy statement filed pursuant to Section 14(a) of the Securities Act of 1933 under number 1-5030--Exhibit 2(a) to this Annual Report.

3. Composite conformed copy of Bond Agreement of Fiber Industries Inc. dated October 22, 1971 and Fifth Supplemental Indenture providing for the issuance of $60 million aggregate principal amount of 9.10% First Mortgage and Collateral Trust Bonds due December 15, 1987 including exhibits thereto-Exhibit 3(a) to this Annual Report.

ITEM 11 - 15.

Not applicable. Celanese Corporation has filed since the close of the fiscal year a definitive proxy statement pursuant to Regulation 14A, which proxy statement involved the election of directors.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934, THE REGISTRANT HAS DULY CAUSED THIS REPORT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED.

CELANESE CORPORATION

By S/ C R TULLY

C. R. Tully

Vice-President-Finance and Contr

PEAT, MARWICK, MITCHELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
345 PARK AVENUE
NEW YORK, NEW YORK 10022

ACCOUNTANTS' REPORT

The Board of Directors and Stockholders
Celanese Corporation:

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

In 1971, Celanese Corporation recorded as an extraordinary charge to income a write-off of its entire current investment in and advances to Columbia Cellulose Company, Limited in the amount of $82.2 million. Although the proceeds of sale may be in excess of the then carrying value of this subsidiary, Celanese Corporation considers it prudent to eliminate this investment for the reasons set forth in note 3 to the consolidated financial statements. Future income tax benefits, if any, are indeterminable.

In our opinion, subject to the outcome of the matters described above, such financial statements present fairly the financial position at December 31, 1971 and 1970 and the results of operations and the changes in financial position for the respective years then ended of Celanese Corporation and the financial position at December 31, 1971 and 1970, the results of operations for the five years ended December 31, 1971 and the changes in financial position for the two years ended December 31, 1971 of Celanese Corporation and consolidated subsidiaries, all in conformity with generally accepted accounting principles. Such principles, after restatement of the figures for the years prior to 1971 to reflect investments in affiliates on the equity method of accounting and the acquisition of Stein, Hall & Co., Inc. as a pooling of interests (see note A to consolidated statements of income), have been applied on a consistent basis, except for the change in 1968, which we approve, in the method of accounting for preoperating expenses (see note 7 to consolidated statements of income). Also, in our opinion, the supporting schedules as listed in the accompanying index present fairly the information set forth therein.

Peat, Marwick, Mitchell & Co.

New York, N. Y.
February 23, 1972

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS AT DECEMBER 31

	(millions) 1971	1970(a)
ASSETS		
Current assets:		
Cash	$ 22.0	$ 25.4
Marketable securities, at cost (approximates market)	63.9	56.5
Receivables, less allowance for doubtful accounts ($8.0 million in 1971 and $6.5 million in 1970)(Schedule XII)	185.5	180.8
Receivable from sale of petroleum operations (notes 1 & 3)	-	90.8
Inventories (notes 1 & 6)	248.6	225.1
Other current assets	6.7	5.1
Total current assets	526.7	583.7
Investments in affiliates, at equity (notes 1 & 2)	55.9	61.0
Other investments and advances:		
Subsidiaries not consolidated at equity (Schedule III)	11.0	7.7
Other, at cost, less allowance for loss ($112.2 million in 1971 and $30.0 million in 1970)(notes 1 & 3)(Schedule XII)	13.5	106.2
Total other investments and advances	24.5	113.9
Property, plant and equipment, at cost (notes 1 & 5)(Schedule V)	1,833.1	1,618.5
Accumulated depreciation, depletion and amortization (Schedule VI)	(809.6)	(706.3)
Net property, plant and equipment	1,023.5	912.2
Deferred charges and other assets (note 1):		
Purchased patents and other assets	7.3	9.0
Debt discount and expense	3.0	2.8
Total deferred charges and other assets	10.3	11.8
Goodwill, net of amortization (note 1)	19.1	6.2
Total assets	$1,660.0	$1,688.8
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities:		
Accounts payable	$ 66.4	$ 68.8
Federal and state taxes and other amounts withheld	4.1	5.3
Accrued liabilities: Wages and commissions	12.8	12.1
Taxes, other than income taxes	8.9	6.8
Interest	7.0	7.2
Other accruals	48.9	44.4
Total accounts payable and accrued liabilities	147.5	144.6
Income taxes (notes 1 & 10)	71.6	76.2
Notes payable, principally to banks	24.4	36.7
Long-term debt due within one year (note 7) (Schedule IX)	51.4	46.9
Total current liabilities	294.9	304.4
Long-term debt (note 7)(Schedule IX)	514.3	516.9
Deferred income taxes (note 1)	87.0	68.2
Deferred investment tax credit (note 1)	28.0	29.4
Minority interest in consolidated subsidiaries (note 8)	116.9	104.8
Stockholders' equity:		
Capital stock (note 9)(Schedule XIII):		
Preferred (cumulative, preference in liquidation $92.7 million in 1971 and $93.1 million in 1970)	89.9	90.1
Common	232.8	230.3
Additional paid-in capital	10.0	3.9
Retained income	286.2	340.8
Total stockholders' equity	618.9	665.1
Commitments (note 12)		
Total liabilities and stockholders' equity	$1,660.0	$1,688.8

(a) Restated for pooling of interests and equity accounting.

The accompanying notes are integral parts of these financial statements.

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

CONSOLIDATED STATEMENTS OF RETAINED INCOME

(millions)

	1971	1970	1969	1968 (a)	1967 (a)
Balance at beginning of year as originally reported	$300.8	$2..2	$234.7	$342.7	$319.1
Retroactive tax provision	-	-	-	-	(4.6)
Stein, Hall & Co., Inc. pooling	12.4	11.8	11.4	10.8	10.3
Equity accounting	27.6	23.7	22.1	17.3	18.4
As restated	340.8	318.7	268.2	370.8	343.2
Net income	(22.7)	53.6	82.4	(71.0)	59.4
	318.1	372.3	350.6	299.8	402.6
Dividends (note 9):					
Preferred	(4.3)	(4.3)	(4.4)	(4.4)	(4.5)
Common	(27.6)	(27.2)	(27.5)	(27.2)	(27.3)
Total dividends	(31.9)	(31.5)	(31.9)	(31.6)	(31.8)
Balance at end of year	$286.2	$340.8	$318.7	$268.2	$370.8

(a) During 1968 the Corporation provided $4.6 million for additional taxes resulting from the audit of its 1963 Federal income tax return. Retained income was restated to reflect the retroactive provision.

CONSOLIDATED STATEMENTS OF ADDITIONAL PAID-IN CAPITAL

(millions)

	1971	1970	1969	1968	1967
Balance at beginning of year as originally reported	$ -	$ -	$19.5	$20.3	$20.2
Stein, Hall & Co., Inc. pooling	3.9	3.7	3.1	2.7	2.3
As restated	3.9	3.7	22.6	23.0	22.5
Development grants from Italian government to SIACE	-	-	-	-	0.1
Excess of par value over acquisition costs of preferred treasury shares retired	-	-	-	1.3	-
Exercise of stock options	6.1	0.5	-	-	-
Stock dividends of pooled company	-	0.2	0.6	0.4	0.4
Companies deconsolidated:					
SIACE	-	-	-	(0.6)	-
Columbia Cellulose Company, Limited	-	-	-	(1.5)	-
Loss upon retirement of common treasury shares	-	(0.5)	-	-	-
Transferred to common stock (note 9)	-	-	(19.5)	-	-
Balance at end of year	$10.0	$3.9	$ 3.7	$22.6	$23.0

The accompanying notes are integral parts of these financial statements.

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN FINANCIAL POSITION

	(millions) 1971	1970(a)
INCREASE/(DECREASE) IN WORKING CAPITAL:		
Income before extraordinary items	$ 59.5	$ 52.8
Items not requiring outlay of working capital:		
Depreciation, depletion and amortization (note 13)	115.9	99.1
Income taxes and investment tax credit deferred (note 1)	15.7	14.1
Minority interest	7.0	4.6
Equity in undistributed income of affiliates	(3.7)	(0.6)
WORKING CAPITAL PROVIDED FROM OPERATIONS	194.4	170.0
Extraordinary items affecting working capital	(35.5)	29.7
Capital assets:		
Additions (Schedule V)	(169.4)	(135.1)
Proceeds from sales	4.0	3.1
Companies purchased:		
Capital assets	(61.4)	(6.9)
Goodwill (note 1)	(13.3)	(5.4)
Debt assumed	19.6	1.1
Investments and advances:		
Additions	(3.7)	(54.6)
Receivable from sale of petroleum operations (note 3)	40.0	80.0
Proceeds from sales	4.9	11.7
Long-term debt:		
Additions	42.1	3.8
Repayment	(64.3)	(47.7)
Exercise of stock options (note 9)	8.6	0.8
Cash dividends (note 9)	(31.9)	(31.2)
Other, net	18.4	10.9
Increase/(decrease) in working capital(b)	(47.5)	30.2
WORKING CAPITAL: AT BEGINNING OF YEAR	279.3	249.1
AT END OF YEAR	$231.8	$279.3

(a) Restated for pooling of interests and equity accounting.

(b) Increase/(decrease) in working capital

Cash and marketable securities	$ 4.6	$(77.4)
Other current assets	(61.0)	101.4
Current liabilities	9.1	6.2
Total	$(47.5)	$ 30.2

The accompanying notes are integral parts of these financial statements.

CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements

(1) Principles Reflected in Financial Statements

To facilitate the understanding of data included in the financial statements, the accounting principles and practices followed by Celanese Corporation and its consolidated subsidiaries are set forth below.

Corporate Structure

Major changes during the past five years were as follows.

In 1968, Celanese initiated a program to divest itself of certain non-U.S. operations. As a result of this program, the assets and liabilities of Columbia Cellulose Company, Limited (Colcel), the British Paints group of companies, and Societa Industriale Agricola per la Produzione di Cellulosa, S.p.A. (SIACE) were not consolidated at December 31, 1968. (see note F to consolidated statements of income).

In July 1968, the Corporation sold to a subsidiary of Svenska Cellulosa Aktiebolaget (SCA), 1,230,000 shares of the common stock of Colcel. In addition, SCA exchanged its interest in Skeena Kraft Limited for 3,125,000 shares of newly-issued common stock of Colcel, making Skeena a wholly-owned subsidiary of Colcel, and reducing the Corporation's ownership of Colcel to slightly less than 50%. In February 1970, the Corporation increased its interest to 91.3% by purchasing the 4,355,000 shares owned by SCA. The accounts of Colcel have not been consolidated since July 1, 1968, because of the Corporation's intention to divest its interest.

During 1969, the British Paints group of companies and SIACE were divested.

Effective December 31, 1969, Champlin Petroleum Company, acquired as a pooling of interests in October 1964, and Pontiac Refining Corp., purchased in June 1967, were sold. (See note 3 and note F to the consolidated statements of income.)

The French Textile group, acquired in 1966, has not been consolidated subsequent to September 30, 1970, the date on which it was decided to divest. The operations of Colofil G.m.b.H. & Co., included on an equity basis since 1964, have not been reflected in the consolidated statement of income since December 31, 1970. These operations were divested in 1971.

In April 1971, Stein, Hall & Co., Inc. was acquired for 350,789 shares of common stock. The consolidated financial statements have been restated for all periods prior to the date of acquisition in accordance with the pooling of interests concept.

Principles of Consolidation and Related Matters

The consolidated financial statements include the accounts of the Corporation and all significant subsidiaries in which the Corporation owns a majority of the voting stock, except as noted above. The Corporation's share of the [illegible] of other corporations in which the Corporation owns at least 20%

stock is included in the consolidated statement of income as "Equity in net income of affiliates." All material intercompany transactions are eliminated.

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

Inventories

Inventories, generally, are valued at standard costs that approximate current production costs and are not valued in excess of market. Inventory values are stated after deducting an allowance for obsolescence and do not include depreciation of property, plant and equipment.

Property, Plant and Equipment and Depreciation

Property, plant and equipment includes the cost of land, buildings, equipment, and significant improvements of existing plant and equipment.

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

Depreciation, depletion and amortization are generally provided over the estimated useful lives of the depreciable assets, or asset groups, by application of composite rates on the straight-line method.

When facilities are retired or otherwise disposed of in the normal course of business, the cost is removed from the asset accounts and charged or credited, after the application of the sales or other salvage realization, to the related accumulated depreciation account. Dismantling and demolition costs are also charged to the related accumulated depreciation account. Accumulated depreciation is deemed adequate to provide for all losses on abandonment or retirement of facilities.

Deferred Charges and Other Assets

The cost of purchased patents is amortized over the economic lives of the patents. Preoperating costs are expensed as incurred rather than deferred.

Goodwill

These amounts, which result from acquisitions at costs in excess of equity in net assets when acquired, are being amortized on the straight-line method over 40 years.

Research and Development

Research and development expenditures, including process development and product application development costs, are expensed as incurred.

Income Taxes

Depreciation and certain other income and expense items are calculated using methods that result in taxable income amounts that differ from the amounts reported in the financial statements. As a result of these differences, income taxes payable in future years are provided for as deferred income taxes.

The investment tax credit is reflected in income as a reduction in the provision for income taxes over the estimated useful lives of the related assets.

Income per Share

Primary income per share is computed using the weighted average number of shares outstanding during the year after giving retroactive effect to pooling-of-interests transactions. Fully diluted income per share is computed by giving effect to shares that may be issued for dilutive stock options and convertible securities.

(2) Investments in Affiliates, at Equity

Summary financial information for the Corporation's major affiliate, Celanese Mexicana, S.A. (40% owned), and eleven others as a group (twelve in 1970) is presented below:

	(millions)					
	Celanese Mexicana, S.A.		All Other Affiliates		Total	
	1971	1970	1971	1970	1971	1970
Assets.....	$192.4	$167.1	$184.6	$183.4	$377.0	$350.5
Liabilities.....	(96.2)	(74.7)	(133.6)	(123.0)	(229.8)	(197.7)
Interest of others.....	(57.7)	(55.5)	(33.6)	(36.3)	(91.3)	(91.8)
Equity in net:						
Assets.....	$ 38.5	$ 36.9	$ 17.4	$ 24.1	$ 55.9	$ 61.0
Income.....	$ 4.0	$ 4.1	$ 3.7	$ 3.4	$ 7.7	$ 7.5

(3) Other Investments and Advances

Items included in other investments and advances at December 31 were:

	(millions)	
	1971	1970
Investment in Colcel, net of allowance for loss.....	$ --	$ 46.2
Receivable from sale of petroleum operations.....	--	46.0
Other investments and advances.....	24.5	27.2
Total.....	$24.5	$119.4

CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

Colcel (91.3% owned) is the only company remaining to be divested under the Corporation's program initiated in 1968 to divest itself of certain non-U.S. operations, and has been excluded from consolidation because management, with the Directors' approval, is continuing its efforts to divest.

During 1971 and through February 23, 1972, additional investments in and advances to Colcel and its wholly-owned subsidiaries were made totalling $35.5 million, bringing the total investment to $112.2 million. After evaluating Colcel's present operating and marketing conditions, its continuing cash requirements, and the viability of certain of its facilities, management has determined that it is prudent to eliminate the entire current net investment in Colcel of $82.2 million by an extraordinary charge to 1971 income.

These occurrences and the Corporation's net investment in Colcel for 1971 and 1970 are shown below:

	(millions) 1971	1970
Notes receivable.....	$ 41.3	$19.7
Preferred stock.....	27.8	13.9
Common stock.....	43.1	43.1
	112.2	76.7
Prior allowance for loss...	(30.0)	(30.0)
	82.2	46.7
Extraordinary charge.....	(82.2)	-
Net carrying value....	$ -	$46.7

Management intends to treat any excess of proceeds over the carrying value of the investment at the time of sale as a retroactive adjustment to this charge.

The Corporation has agreed to purchase or obtain orders for products of a subsidiary of Colcel at prices that will enable that Company to pay when due all items of cost which, as defined, includes amounts sufficient to permit the payment of current installments of principal and interest on long-term debt. This agreement was made in connection with certain long-term debt of which $38 million was outstanding at December 31, 1971 ($49 million at December 31, 1970). The Corporation is also guarantor of bank loans for a subsidiary of Colcel that amounted to $14 million at December 31, 1971. Management believes that the sale of Colcel's operations will be accomplished in a manner and for an amount at least sufficient to enable Colcel to satisfy its debt obligations to others.

Consolidated operating results of Colcel for the last three years are summarized below:

	(millions) Net Sales	Celanese Share of Loss
1969	$95.5	$(0.1)
1970	78.1	(4.4)
1971	82.6	(44.8)*

* Includes Celanese share, $29.0 million, of an extraordinary charge for plant facilities written off.

The $40 million receivable from the sale of petroleum operations included in other investments and advances at December 31, 1970, was prepaid in March 1971. (Interest and other income in 1971 was $10.6 million below 1970 principally because the proceeds from the sale of the petroleum operations previously invested in tax-exempt bonds were substantially reinvested in operations.)

(4) Non-U.S. Subsidiaries

In 1971, consolidated net income included income of non-U.S. subsidiaries of $6.9 million. In 1970, these subsidiaries had net income of $7.3 million before an extraordinary charge of $15.5 million (as restated).

Investments in consolidated subsidiaries outside the United States at December 31 were:

	(millions)				
	Canada	Europe	South America	Total	
	1971	1971	1971	1971	1970
Current assets	$ 82.7	$ 51.6	$ 58.7	$ 193.0	$ 151.3
Other assets	141.0	20.7	47.1	208.8	169.7
Total assets	223.7	72.3	105.8	401.8	321.0
Liabilities	(122.2)	(35.9)	(50.8)	(208.9)	(167.0)
Minority interest	(40.5)	(0.4)	(16.7)	(57.6)	(49.5)
Equity in net assets	$ 61.0	$ 36.0	$ 38.3	135.3	104.5
Goodwill, net of amortization				8.8	1.6
Total investments, advances and receivables (net)				$ 144.1	$ 106.1

(5) Property, Plant and Equipment and Depreciation

Items included in property, plant and equipment at December 31, and related average depreciation rates were:

	(millions)			
	Assets at Cost		Depreciation Rates	
	1971	1970	1971	1970
Machinery and equipment	$1,340.9	$1,208.1	7.9%	7.4%
Buildings and improvements	300.8	272.3	3.3	3.4
Transportation equipment	35.9	32.1	7.2	8.7
Furniture and fixtures	21.2	19.8	7.6	7.9
Other assets	11.9	10.3	6.8	6.3
Sub-total	1,710.7	1,542.6	7.1%	6.7%
Land	17.8	16.8		
Construction in progress	104.6	59.1		
Total	$1,833.1	$1,618.5		

(6) Inventories

Inventories at December 31 were:

	(millions)	
	1971	1970
Raw materials and supplies	$ 87.4	$ 78.3
Work-in-process	26.3	33.1
Finished goods	134.9	113.7
Total	$248.6	$225.1

The inventory quantities as of December 31, 1971 and 1970, were determined in part by physical inventories taken as of that date and in part from perpetual inventory records that had been checked, as to the major portion, by recent physical inventory and as to the remainder, by continuous physical inventory tests throughout the year.

(7) Long-Term Debt and Related Restrictions

Debentures and mortgage bonds in the principal amount of $3.4 million at December 31, 1971, have been repurchased and are held in treasury. They are offset against long-term debt.

Exclusive of amounts due currently, long-term debt at December 31 was:

	Due	(millions) Amount 1971	1970
Celanese Corporation:			
4 3/4% term loan serial notes	1973	$ 20.0	$ 40.0
3 1/2% debentures maturing serially	1973-76	25.6	27.2
5 3/8% subordinated debenture	-	-	17.0
5 3/4% notes maturing serially	1973-80	40.6	44.4
6 3/4% notes maturing serially	1975-87	25.0	25.0
4 3/4% notes maturing serially	1973-90	66.0	69.0
4% convertible subordinated debentures maturing serially	1975-90	78.9	78.9
Other	-	2.4	-
		258.5	301.5
U.S. subsidiaries:			
Fiber Industries, Inc.:			
4 1/2 to 5 1/4% notes maturing serially	1973-78	24.5	23.0
5% first mortgage bonds maturing serially	1973-84	80.0	85.0
9.1% first mortgage bonds maturing serially	1974-87	30.0	-
Celanese International Finance Company, 6 3/4% debentures (guaranteed by Celanese Corporation) maturing serially	1973-82	20.0	20.0
Celtran, Inc., 4 1/2% to 6 3/4% notes maturing serially	1973-79	6.4	8.1
Stein, Hall & Co., Inc. 5.64% note maturing serially	1973-82	4.9	5.4
Other	-	-	1.1
Non-U.S. subsidiaries:			
Celanese Canada Limited, 5 3/8% to 7 1/2% debentures maturing serially	1973-86	64.6	53.4
Celanese Colombiana, S.A., 9% to 18% 1/2% notes	1973-84	7.4	3.0
Amcel Europe, S.A., 6.3% and 8% notes maturing serially	1973-78	7.3	8.0
Other		10.7	8.4
Total		$514.3	$518.9

Maturities and sinking fund requirements through 1976 are:

	(millions)
1972	$52.4
1973	56.7
1974	32.3
1975	36.5
1976	53.2

The debt instruments contain various restrictions and covenants relating to creation of funded debt and payment of dividends. As to the Corporation, the most restrictive of these provides that (a) no funded debt may be created unless at the time, and after giving effect thereto, consolidated net tangible assets, as defined, are at least two times the outstanding consolidated funded debt, as defined, and (b) no dividends or other payments, other than dividends payable in stock of the Corporation, may be made with respect to common stock unless (i) paid out of consolidated net income, as defined, subsequent to December 31, 1964, plus $75 million less dividends or other stock payments made after that date and (ii) at the time and after giving effect thereto, consolidated working capital, as defined, would be not less than $100 million. At December 31, 1971, the stipulation with regard to working capital, as defined, was more restrictive and limited the amount of retained income available for dividends to $101.7 million.

Fiber Industries, Inc. has bond purchase agreements with two major insurance companies which provide for issuance during 1972 of an additional $30 million of 9.1% first mortgage bonds. Fiber Industries, Inc. also has a $20 million revolving credit term loan agreement with several major banks of which $8 million has been borrowed as of December 31, 1971.

Assets of certain consolidated subsidiaries aggregating approximately $668 million ($532 million in 1970) are pledged to secure long-term debt of these companies.

The 4% convertible subordinated debentures of the Corporation are convertible into common stock at the rate of one share of common stock for each $95.50 principal, subject to adjustment in certain events.

(8) Minority Interest

Minority interest in consolidated subsidiaries consists of the following at December 31:

	(millions) 1971	1970
Preferred shares	$ 11.5	$ 11.5
Common shares	58.2	56.0
Additional paid-in capital	10.2	28.3
Retained income	37.0	17.9
	$116.9	$104.2

CELANESE CORPORATION
AND CONSOLIDATED SUBSIDIARIES

Notes to Financial Statements, continued

(9) Capital Stock

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

	(millions) Par or Stated Value at December 31		Dividends	
	1971	1970	1971	1970
Preferred stock:				
Series A 4 1/2%, $100 par, authorized shares--908,602, issued and outstanding shares--850,902	$ 85.1	$ 85.1	$ 3.9	$ 3.9
Convertible preference $3.00, without par value, authorized, issued and outstanding shares at December 31, 1971--91,914; at December 31, 1970--96,717	2.2	2.4	0.2	0.2
7% second, $100 par, authorized shares--32,398, issued and outstanding shares--25,638	2.6	2.6	0.2	0.2
	$ 89.9	$ 90.1	$ 4.3	$ 4.3
Common stock, without par value, authorized shares--25,000,000, issued and outstanding shares at December 31, 1971--13,852,325; at December 31, 1970--13,690,381	$232.8	$230.3	$27.6	$27.2

The preferred stock, series A, may be redeemed at the option of the Corporation per value plus accrued dividends. In liquidation or dissolution, the holders of such stock have a preference to the extent of $100 per share plus accrued divi

The convertible preference stock may be redeemed at the option of the Corporation at $65 per share plus accrued dividends and is convertible into common stock at the rate of .6953 of one share of common stock and cash of $1.15 for each share of convertible preference stock, subject to adjustment in certain events. On liquidation or dissolution, such stock is entitled, in preference to the 7% second preferred stock and common stock, to $55 per share plus accrued dividends. During 1971, 4,803 shares were converted into 3,328 shares of common stock (3,283 shares converted into 2,278 common shares during 1970).

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

At December 31, 1971, a total of 1,285,067 shares of unissued common stock

(1,448,488 shares at December 31, 1970) were reserved for the following purposes: 65,506 shares for the conversion of convertible preference stock (67,247 shares at December 31, 1970); 825,741 shares for the conversion of 4% convertible subordinated debentures (821,441 shares at December 31, 1970); 395,418 shares for the Stock Option Award Plan (559,800 shares at December 31, 1970).

At December 31, 1969, additional paid-in capital of $19.5 million was transferred to common stock. Of this amount, $17.2 million was attributable to Champlin Petroleum Company, which was sold effective December 31, 1969.

Under the Stock Option Award Plan adopted in April 1965, options may be granted to officers and other employees for the purchase of 590,000 shares of common stock of the Corporation at the market price of stock at the date of grant. These shares have been registered under the Securities Act of 1933 and shares acquired upon exercise of options may be resold at any time on three national stock exchanges. Options become exercisable in equal installments in the three years following the first anniversary of the date of grant, and must be exercised no later than five years from the date of grant.

Information at December 31, 1971, and for the years 1967 through 1971 with respect to options granted is as follows:

	Number of Shares	Option price(a) Per Share	Option price(a) Total(b)	Market value(a) Per Share	Market value(a) Total(b)
Shares under option at Dec. 31, 1971	131,000	$49.438-$69.938	$7.7	$49.438-$69.938	$7.7
Options which became exercisable during:					
1967	25,399	47.375- 86.000	1.8	58.560- 63.880	1.5
1968	127,339	47.375- 86.000	7.0	55.000- 74.313	9.4
1969	100,109	47.375- 69.938	5.4	59.000- 70.375	6.2
1970	44,522	55.625- 69.938	2.7	55.125- 68.375	2.6
1971	33,475	49.438- 69.938	2.0	65.000- 77.125	2.5
Options exercised during:					
1967	-	-	-	-	-
1968	3,600	47.375- 63.250	0.2	57.625- 72.813	0.3
1969	11,600	50.000- 86.000	0.7	61.250- 78.438	0.8
1970	15,000	50.000- 60.937	0.8	55.313- 62.625	0.9
1971	164,382	47.375- 66.250	8.5	63.375- 78.188	11.5

(a) At the dates options were granted, became exercisable or were exercised as appropriate.
(b) Millions.

The shares under option at December 31, 1971, were granted as follows: 1967-26,300; 1968-31,900; 1969-25,600; 1970-44,700; and 1971-2,500. Of the shares under option at December 31, 1971 65,015 were exercisable (220,553 at December 31, 1970). There were 264,418 shares available for granting of options at December 31, 1971 (257,184 at December 31, 1970).

The Corporation makes no charge against income with respect to options

At April 13, 1971, the date of merger between a subsidiary of Celanese and Stein, Hall & Co., Inc., options were outstanding under various Stein Hall plans for the equivalent of 2,480 Celanese shares. During the period April 13 to December 31, 1971, options on 1,467 shares were exercised at prices ranging from $46.68 to $47.31; no new options were granted and none was terminated. Options on 1,013 shares were outstanding at December 31, 1971, at exercise prices rangin from $43.87 to $81. During the period January 1 to April 12, 1971, options on 250 shares were granted at $53; options on 375 shares were exercised at $46.68; and options on 3,130 shares at prices ranging from $31 to $73 were terminated.

(10) Income Taxes

At December 31, 1971, undistributed income of non-U.S. subsidiaries and affiliates was $63.4 million ($54.9 million at December 31, 1970) on which no provision for U.S. income taxes has been made. Management believes that such taxes on income that may be distributed would not be significant.

(11) Retirement Income Plans

The Corporation and its consolidated subsidiaries have various retirement plans covering substantially all employees.

Charges to operations under the various plans aggregated $11.6 million for 1971, $10.7 million for 1970, $10.3 million for 1969, $6.8 million for 1968 and $6.2 million for 1967, including, as to certain plans, interest on unfunded actuarial liabilities. Effective January 1, 1969, the Retirement Income Plan was amended to provide for funding solely with contributions by the Corporation. If the Plan had not been amended as of January 1, 1969, total cost for all plans would have been $6.9 million for 1969. Also in 1969, certain assumptions used in the actuarial calculations of annual cost were adjusted to reflect more accurately the Corporation's current and expected experience. The revised assumptions had no effect on 1969 retirement cost. Retirement costs are funded as accrued. Based on actuarial determinations, the retirement plans are fully funded with respect to all vested benefits.

Based on the entry age level premium actuarial cost method of determining the financial status of the Retirement Income Plan, there is an unfunded actuarial liability of approximately $26.0 million at December 31, 1971 ($26.0 million at December 31, 1970). The unfunded actuarial liability applicable to other retirement plans was estimated to be approximately $3.8 million at December 31, 1971 ($4.3 million at December 31, 1970).

(12) Commitments

At December 31, 1971, there were commitments of approximately $30 million for capital expenditures. Investments in certain companies may be required to a maximum amount of $5 million.

Certain laboratory and office premises, terminal facilities, tank cars and retail stores are leased. Minimum annual rentals (excluding taxes, insurance and other expenses payable under certain leases) relating to such property under lease at December 31, 1971, amount to approximately $7 million. Most of these leases extend over various periods up to 1989, and it is expected that in the normal course of operations they will be extended or replaced.

(13) Supplementary Information to Statements of Income

Maintenance and repairs, depreciation, depletion and amortization, taxes, management and service contract fees, rents and royalties are set forth in the table below. Amounts shown in the columns headed "Costs" have been included in the accompanying consolidated statements of income under "Cost of goods sold" and amounts shown in the columns headed "Other" have been included in other items under "Operating costs."

(millions)

	1971		1970(a)		1969(a)		1968(a)		1967(a)	
	Costs	Other	Costs	Other	Costs	Other	Costs	Other	Costs	Other
Maintenance & repairs	$ 46.2	$ 2.7	$46.1	$ 3.0	$49.8	$ 3.5	$49.0	$ 3.5	$51.6	$ 3.1
Depreciation, depletion & amortization	109.3	6.6	93.4	5.7	90.6	7.4	87.7	7.4	82.0	6.9
Taxes, other than Federal taxes on income:										
Payroll	4.8	7.0	3.9	7.0	4.6	7.3	8.9	1.1	6.4	2.2
State & local real estate & personal property	10.4	1.1	10.1	1.0	9.8	1.4	9.5	1.3	12.3	1.0
State income	6.0	-	4.7	0.1	5.9	-	4.8	-	-	3.3
Other	2.2	0.3	2.2	0.3	3.5	0.5	3.1	0.5	1.3	1.4
	23.4	8.4	20.9	8.4	23.8	9.2	26.3	2.9	20.0	7.9
Management & service contract fees	0.1	3.2	-	-	-	-	-	-	-	-
Rents	4.2	11.1	4.2	11.9	5.4	11.6	5.9	11.8	5.5	9.2
Royalties	3.4	0.1	7.8	-	10.8	-	10.7	-	8.0	-

(a) Restated for pooling of interests.

Charges to other than income accounts are insignificant in amount.

CELANESE CORPORATION

STATEMENTS OF INCOME

(Restated for pooling of interests and equity accounting as described in note A.)

	(millions, except per share amo	
	1971	1970
Sales:		
Consolidated subsidiaries	$107.5	$ 88.4
Outside customers	416.4	414.8
	523.9	503.2
Operating costs (notes B,1 and 11):		
Cost of goods sold (notes C and 6)	376.7	357.5
Selling and administrative	61.3	58.8
Research and development	30.3	34.4
Cost reduction program (note D)	-	.0
Total operating costs	468.3	456.7
Operating income	55.6	46.5
Interest expense:		
Interest on long-term debt and notes payable	(16.0)	(17.9)
Amortization of debt discount and expense	(0.1)	(0.1)
	(16.1)	(18.0)
Other income:		
Equity in: Income before extraordinary items of subsidiaries (Schedule XVII)	24.4	16.7
Net income of affiliates (Schedule XVII)	6.8	7.6
Interest: From subsidiaries or affiliates	4.8	3.0
On marketable securities and other interest	4.5	17.2
Gain on sale of securities	2.4	1.3
Miscellaneous	(0.2)	(0.3)
	42.7	45.5
Income before taxes	82.2	74.0
Provision for income taxes (notes 1 and 10):		
Payable: For the year	17.3	14.9
In future years	6.5	5.6
Investment tax credit effect	(1.1)	0.7
	22.7	21.2
Income before extraordinary items (notes A and E)	$ 59.5	$ 52.8
Extraordinary items (note F)	(82.2)	0.8
Net income/(loss) (notes A and E)	$(22.7)	$ 53.6
Preferred dividends (note 9)	(4.3)	(4.3)
Net income/(loss) to common stockholders	$(27.0)	$ 49.3
Per share of common stock (note 1):		
Primary income:		
Income before extraordinary items	$ 4.01	$ 3.55
Net income/(loss) to common stockholders	(1.96)	3.61
Fully diluted income (note G):		
Income before extraordinary items	3.88	3.45
Net income/(loss) to common stockholders	(1.96)	3.51

The accompanying notes are integral parts of these financial statements.

CELANESE CORPORATION

Notes to the Corporation's Statements of Income

(These notes have the same alphabetic references as the notes to the Consolidated Statements of Income.)

(A) Same as consolidated note with respect to the restatement of income before extraordinary items and net income.

(B) Depreciation, depletion and amortization expense on property, plant and equipment is shown under the operating cost classifications to which it applies. This expense was $62.5 million for 1971 and $54.8 million for 1970 (see also notes 1 and 5 of notes to the Corporation's financial statements).

(C) The year end inventories used in determining cost of goods sold in the statements of income were:

	(millions)	
1971	1970	1969
$82.3	$86.1	$66.0

(D) Same as consolidated note.

(E) Same as consolidated note.

(F) Same as consolidated note.

(G) Same as consolidated note.

CELANESE CORPORATION
BALANCE SHEETS

	(millions) 1971	1970(a)
ASSETS		
Current assets:		
Cash	$ 9.1	$ 16.0
Marketable securities, at cost (approximates market)	57.9	50.5
Receivables, less allowance for doubtful accounts ($2.0 million in 1971 and $1.4 million in 1970)(Schedule XII)	52.5	63.3
Receivable from sale of petroleum operations (notes 1 and 3)	-	90.8
Receivables from subsidiaries	40.6	31.3
Inventories (notes 1 and 5)	82.3	86.1
Other current assets	2.2	2.4
Total current assets	244.6	340.4
Investments and advances:		
Investments in affiliates, at equity (notes 1 and 2)	51.5	48.0
Consolidated subsidiaries, at equity (Schedule III)	288.4	242.3
Subsidiaries not consolidated, at equity (Schedule III)	0.1	0.1
Other, at cost less allowance for loss ($89.5 million in 1971 and $13.8 million in 1970)(notes 1 and 3)(Schedule XII)	17.9	87.8
Advances to consolidated subsidiaries (Schedule IV)	68.8	58.5
Total investments and advances	426.7	436.7
Property, plant and equipment, at cost (notes 1 and 5)(Schedule V)	955.9	877.4
Accumulated depreciation, depletion and amortization (Schedule VI)	(488.3)	(431.0)
Net property, plant and equipment	467.6	446.4
Deferred charges and other assets:		
Debt discount and expense	1.1	1.2
Other assets	1.3	2.5
Total deferred charges and other assets	2.4	3.7
Total assets	$1,141.3	$1,227.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities:		
Accounts payable	$ 30.1	$ 35.9
Federal and state taxes and other accounts withheld	1.5	2.6
Accrued liabilities: Wages and commissions	9.1	9.2
Taxes, other than income taxes	4.8	5.4
Interest	3.1	3.5
Other accruals	21.9	25.8
Total accounts payable and accrued liabilities	70.5	80.4
Payable to subsidiaries	53.8	29.1
Income taxes (notes 1 and 10)	55.8	74.1
Long-term debt due within one year (note 7)(Schedule IX)	26.9	26.8
Total current liabilities	207.0	210.4
Payable to subsidiary (Schedule X)	0.1	0.1
Long-term debt (note 7)(Schedule IX)	258.5	301.5
Deferred income taxes (notes 1 and 10)	38.4	30.6
Deferred investment tax credit (notes 1 and 10)	18.4	19.5
Stockholders' equity:		
Capital stock (note 9)(Schedule XIII):		
Preferred (cumulative, preference in liquidation $92.7 million in 1971 and $93.1 million in 1970)	89.9	90.1
Common	232.8	230.3
Additional paid-in capital	10.0	3.9
Retained income	286.2	340.8
Total stockholders' equity	618.9	665.1
Commitments (note 12)		
Total liabilities and stockholders' equity	$1,141.3	$1,227.2

(a) Restated for pooling of interests and equity accounting.

The accompanying notes are integral parts of these financial statements.

CELANESE CORPORATION
STATEMENTS OF CHANGES IN FINANCIAL POSITION

	(millions) 1971	1970(a)
INCREASE/(DECREASE) IN WORKING CAPITAL:		
Income before extraordinary items	$ 59.5	$ 52.8
Items not requiring outlay of working capital:		
Depreciation, depletion and amortization (note 13)	62.5	54.8
Income taxes and investment tax credit deferred(note 1)	5.4	6.3
Equity in undistributed income before extraordinary items of consolidated subsidiaries	(20.3)	(13.1)
Equity in undistributed income of affiliates	(3.5)	(1.7)
WORKING CAPITAL PROVIDED FROM OPERATIONS	103.6	99.1
Extraordinary items affecting working capital	(35.5)	26.3
Capital assets:		
Additions (Schedule V)	(84.6)	(67.5)
Proceeds from sales	1.4	2.8
Investments and advances:		
Additions	(62.0)	(52.9)
Receivable from sale of petroleum operations	40.0	80.0
Proceeds from sales and repayment of advances	9.6	15.0
Long-term debt:		
Additions	-	-
Repayment	(45.4)	(30.5)
Exercise of stock options	8.5	0.9
Cash dividends	(31.7)	(30.9)
Other, net	3.7	(5.5)
Increase/(decrease) in working capital(b)	(92.4)	36.8
WORKING CAPITAL: AT BEGINNING OF YEAR	130.0	93.2
AT END OF YEAR	$ 37.6	$130.0

(a) Restated for pooling of interests and equity accounting.

(b) Increase/(decrease) in working capital:

Cash and marketable securities	$(92.5)	$(67.4)
Other current assets	(96.3)	102.4
Current liabilities	96.4	2.8
Total	$(92.4)	$ 36.8

The accompanying notes are integral parts of these financial statements.

CELANESE CORPORATION

Notes to Financial Statements

(These notes have the same numeric references as the notes to the Consolidated Financial Statements.)

(1) Principles reflected in Financial Statements.

Same as consolidated note.

(2) Investments in Affiliates at Equity

Same as consolidated note except for:
Equity in net assets of affiliates at December 31, 1971, was $51.5 million (six companies) and at December 31, 1970, was $48.0 million (six companies).

(3) Other Investments and Advances

Same as consolidated note except for:

The Corporation's balance sheets include its investments in consolidated subsidiaries at cost plus equity in undistributed income and additional paid-in capital with the exception at December 31, 1971 and 1970, of Colcel.

These occurrences and the Corporation's net investment in Colcel for 1971 and 1970 are shown below:

	(millions) 1971	1970
Notes receivable	$41.3	$19.7
Preferred stock	27.8	13.9
Common stock	20.4	20.4
	89.5	54.0
Prior allowance for loss	(13.8)	(13.8)
	75.7	40.2
Net investment of subsidiary	6.5	6.5
Total investment	82.2	46.7
Extraordinary charge	(82.2)	-
Net carrying value	$ -	$46.7

(4) Non-U.S. Subsidiaries

Same as consolidated note except for:

Included in consolidated subsidiaries at equity was $92.8 million at December 31, 1971 and $79.1 million at December 31, 1970 in non-U.S. subsidiaries. The related equity in net assets was $89.3 million at December 31, 1971 and $77.6 million at December 31, 1970.

CELANESE CORPORATION

Notes to Financial Statements, continued

(5) Property, Plant and Equipment and Depreciation

Same as consolidated note except for:

	(millions) Assets at Cost		Depreciation Rates	
	1971	1970	1971	1970
Machinery and equipment	$737.8	$685.8	8.0%	7.5%
Buildings and improvements	135.3	128.6	3.2	3.4
Transportation equipment	2.9	2.8	3.7	14.1
Furniture and fixtures	12.4	12.2	7.8	8.0
Other assets	3.4	3.4	7.4	7.8
Sub-total	891.8	832.8	7.2%	6.9%
Land	9.0	8.6		
Construction in progress	55.1	36.0		
Total	$955.9	$877.4		

(6) Inventories

Same as consolidated note except for:

Inventories at December 31 were:

	(millions) 1971	1970
Raw materials and supplies	$ 28.1	$ 32.9
Work-in-process	11.9	10.8
Finished goods	42.3	42.4
Total	$ 82.3	$ 86.1

(7) Long-Term Debt and Related Restrictions

Same as consolidated note except for:

Debentures and mortgage bonds in the principal amount of $3.4 million ($3.8 million at December 31, 1970) have been repurchased and are held in the treasury. They are offset against long-term debt.

Maturities and sinking fund requirements through 1976 are:

	(millions)
1972	$26.9
1973	27.5
1974	8.9
1975	14.3
1976	33.3

(8) Minority Interest

Not applicable.

CELANESE CORPORATION

Notes to Financial Statements, continued

(9) Capital Stock

Same as consolidated note.

(10) Income Taxes

Same as consolidated note.

(11) Retirement Income Plans

Same as consolidated note except for:

Charges to operations under the various plans aggregated $6.7 million for 1971 and $6.4 million for 1970.

(12) Commitments

Same as consolidated note except for:

At December 31, 1971, there were commitments of approximately $13.3 million for capital expenditures and $12.5 million for investment in subsidiaries.

(13) Supplementary Information to Statements of Income

Maintenance and repairs, depreciation, depletion and amortization, taxes, rent and royalties, are as set forth in the table below. Amounts shown in the columns headed "Costs" have been included in the accompanying statements of income under "Cost of goods sold" and amounts shown in the columns headed "Other" have been included in other items and "Operating costs".

	(millions) 1971		1970	
	Costs	Other	Costs	Other
Maintenance and repairs	$25.0	$ 1.6	$27.3	$ 1.8
Depreciation, depletion and amortization	57.9	4.6	50.9	3.9
Taxes, other than Federal taxes on income:				
Payroll	-	6.2	-	6.1
State and local real estate and personal property	6.7	0.6	6.8	0.4
State income	2.9	-	3.3	-
Other	1.4	0.2	1.3	0.2
	11.0	7.0	11.4	6.7
Management and service contract fees	-	-	-	-
Rent	2.4	6.6	2.3	6.6
Royalties	1.5	-	3.7	-

BLANK PAGE

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Investments in Securities of Subsidiaries
Year ended December 31, 1971
(dollars in millions)

Name of Issuer and Title of Issue	Balance at beginning of period No. of shares	Amount	Additions No. of shares	Amo
I. Celanese Corporation-Subsidiaries consolidated:				
A. U.S. subsidiaries:				
Fiber Industries, Inc.:				
Common stock $10 par value	4,500,000	$ 88.1	-	$ 1
Celanese International Corporation:				
Common stock, without par value	1,000	4.7	-	(
Other companies: (seventeen at beginning and nineteen at end of period)	-	72.4	-	
				1
Total U.S. subsidiaries		165.2		
B. Non-U.S. subsidiaries:				
Celanese Canada Limited (formerly Chemcell Ltd.)				
Common stock, without par value	7,569,230	36.5	-	
Other Companies (sixteen at beginning and end of period)	-	42.6	-	
Total non-U.S. subsidiaries		79.1		1
C. Reserve for intercompany profits of Celanese Corporation in inventories of subsidiaries, carried as a reduction of investments		(2.0)		
D. Total subsidiaries consolidated		$242.3		$
II. Celanese Corporation-subsidiaries not consolidated: (three companies at beginning and end of period)	-	$ 0.1	-	$
III. Celanese Corporation and consolidated subsidiaries:		$ 64.7		$
Subsidiaries not consolidated (ten companies at beginning of period and seven companies at end)	-			
Less: Included in Investments and Advances - Other		57.0		
		$ 7.7		

Notes:
(1) Equity in income/(loss) for the year (Schedule XVII).
(2) Dividends received (Schedule XVII).
(3) Capital contribution by Celanese Corporation of cash of $0.6 million.
(4) Adjustment for additional costs of an investment acquired in 1970.
(5) Cost of investments acquired for cash.
(6) Cost of a subsidiary formed by the contribution of other investments owned by Celanese Corporation.
(7) Capital contribution to a subsidiary acquired in 1971 through a pooling of interests.
(8) Dividends paid by pooled company prior to acquisition by Celanese Corporation.
(9) Cost carrying value of a subsidiary transferred upon the formation of another subsidiary in 1971.
(10) Increase in reserve for intercompany profits in inventories.
(11) Carrying value of a subsidiary consolidated in 1971.
(12) Carrying value of unconsolidated subsidiary sold in 1971.
(13) Cost of treasury shares of Celanese Corporation acquired by a subsidiary in 1971.
(14) Reclassification of accounts.

Schedule III
1971

Balance at ...ning of period of ...es	Amount	Additions No. of shares	Amount	Deductions No. of shares	Amount	Balance at end of period No. of shares	Amount
000	$ 88.1	-	$ 17.3(1)	-	$ 6.9(2)	4,500,000	$ 98.5
000	4.7	-	(5.8)(1)				
			0.6(3)	-	-	1,000	(0.5)
	72.4	-	4.3(1)	-	0.2(8)	-	
			0.1(4)		0.1(9)		
			16.9(5)				
			1.5(6)		0.2(13)		
			5.0(7)				99.7
	165.2		39.9		7.4		197.7
,230	36.5	-	1.9(1)	-	-	7,569,230	38.4
	42.6	-	3.9(1)	-	0.7(2)		
			8.6(5)				54.4
	79.1		14.4		0.7		92.8
	(2.0)		(0.1)(10)		-		(2.1)
	$242.3		$ 54.2		$ 8.1		$288.4
	$ 0.1	-	$ -		$ -		$ 0.1
	$ 64.7		$ 1.7(14)				
			3.7(1)		$ 1.0(11)		
			14.5(5)		1.7(12)		$ 81.9
	57.0						70.9
	$ 7.7						$ 11.0

illion.
1970.

stments owned by Celanese Corporation.
a pooling of interests
ese Corporation.
ation of another subsidiary in 1971.

subsidiary in 1971.

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Investments in Securities of Subsidiaries
Year ended December 31, 1970
(dollars in millions)

Name of issuer and title of issue	Balance at beginning of period No. of shares	Amount	No. shar
I. Celanese Corporation-Subsidiaries consolidated:			
A. U.S. subsidiaries:			
Fiber Industries, Inc.:			
Common stock $10 par value	4,500,000	$ 81.5	-
Celanese International Corporation:			
Common stock, without par value	1,000	8.6	-
Other companies: (fourteen at beginning and seventeen at end of period)	-	44.3	-
Total U.S. subsidiaries		134.4	
B. Non-U.S. subsidiaries:			
Celanese Canada Limited (formerly Chemcell Limited):			
Common stock, without par value	7,569,230	53.0	
Other companies (fourteen at beginning and sixteen at end of period)	-	27.6	
Total non-U.S. subsidiaries		80.6	
C. Reserve for intercompany profits of Celanese Corporation in inventories of subsidiaries, carried as a reduction of investments		(1.2)	
D. Total subsidiaries consolidated		$213.8	
II. Celanese Corporation-subsidiaries not consolidated: (three companies at beginning and end)	-	$ 0.1	
III. Celanese Corporation and consolidated subsidiaries: Subsidiaries not consolidated (seven companies at beginning and ten companies at end	-	$ 5.8	
Less: Included in investments and Advances - Other			

Notes:
(1) Equity in income/(loss) for the year as restated for pooling of interests and the adoption of
(2) Capital contributions by Celanese Corporation of cash of $21.1 million and a note receivable
(3) Cost of investments acquired in consideration of $4.4 million and the reissuance of
(4) Equity in net assets at January 1, 1970, of pooled company acquired during 1970
(5) Carrying value of investment transferred to Celanese Corporation by capital distribution
(6) Cost of investments acquired for cash.
(7) Reserve for potential devaluation losses of subsidiaries transferred to Celanese Corporation
(8) Carrying value of investments in affiliates reclassified upon acquisition of additional shares
(9) Increase in reserve for intercompany profits in inventories
(10) Carrying value of subsidiaries deconsolidated during 1970
(11) Dividends received (Schedule XVII)
(12) Carrying value of subsidiary sold in 1970
(13) Reclassification of receivable.
(14) Capital contributions to pooled company prior to acquisition by Celanese Corporation
(15) Dividends paid by pooled company prior to acquisition by Celanese Corporation
(16) Equity in net loss of affiliates at beginning of period

Schedule III
1970

e at of period Amount	Additions No. of shares	Additions Amount	Deductions No. of shares	Deductions Amount	Balance at end of period No. of shares	Balance at end of period Amount
$ 81.5	-	$ 9.7 (1)	-	$ 3.1(11)	4,500,000	$ 88.1
8.6	-	(19.4)(1)		5.2(5)	1,000	
		21.9 (2)				4.7
		(1.2)(16)				
44.3	-	2.4(1)	-	0.6(14)	-	
		9.7(3)				
		16.4(4)				
		0.2(15)				72.4
134.4		39.7		8.9		165.2
53.0	-	(15.8)(1)	-	0.7(11)	7,569,230	36.5
27.6	-	6.2 (1)	-	1.9(11)	-	
		5.2 (5)				
		3.0 (6)				
		0.8 (7)				
		1.7 (8)				42.6
80.6		1.1		2.6		79.1
(1.2)		(0.8) (9)		-		(2.0)
$213.8		$ 40.0		$11.5		$262.3
$ 0.1	-	$ -	-	$ -		$ 0.1
$ 5.8	-	$ 2.1 (1)	-	$ 0.4(11)	-	$ 64.7
		23.3 (6)		0.2(12)		
		34.9 (8)		1.9(13)		
		1.1 (10)				
						57.0
						$ 7.7

ts and the adoption of equity accounting.
andia note receivable having a face value of $0.8 million
cissuance of 100,000 common treasury shares having a value of $5 million
ing 1971
ital distribution.
Calmese Corporation.
on of additional shares that resulted in ownership in excess of 20%
e Corporation
oration.

CELANESE CORPORATION
Indebtedness of and Indebtedness to Subsidiaries - Not Current
Years ended December 31, 1971 and 1970
(millions)

Schedules IV and X
1971 and 1970

	Receivables			Payables		
	12/31/69	12/31/70	12/31/71	12/31/69	12/31/70	12/31/71
Subsidiaries consolidated:						
U.S. subsidiaries:						
Celtran, Inc.	$ 2.3	$10.4	$12.6	$ -	$ -	$ -
Celanese International Corporation	0.3	-	-	-	0.1	0.1
Fiber Industries, Inc.	-	3.0	1.4	-	-	-
Pan Amcel Co., Inc.	1.3	-	-	-	-	-
Other companies, all totally held: Four at 12/31/69; five at 12/31/70; and six at 12/31/71	45.6	44.9	51.8	-	-	-
Total U.S. subsidiaries	49.5	58.3	65.8	-	0.1	0.1
Non-U.S. subsidiaries:						
Amcel Europe, S.A.	1.0	-	-	-	-	-
Amcel, S.A. (formerly Amcel France, S.A.	-	0.1	-	-	-	-
Amcel Co. (Scandianavia) A/S	0.1	0.1	-	-	-	-
Celanese do Brasil-Fibras Quimicas Ltda.	-	-	3.0	-	-	-
Celanese Venezolana, S.A.	0.1	-	-	-	-	-
Other companies, all totally held: One at 12/31/69; two at 12/31/70 and 12/31/71	-	-	-	-	-	-
Total non-U.S. subsidiaries	1.2	0.2	3.0	-	-	-
	$50.7	$58.5	$68.8	$ -	$0.1	$0.1

BLANK PAGE

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Property, Plant and Equipment
Years ended December 31, 1971 and 1970
(millions)

Classification	Balance at beginning of period	Pooled company(6)	Additions Companies purchased(1)	At
1971				
I. Celanese Corporation:				
Machinery and equipment	$ 685.8		$ -	$
Buildings and improvements	128.6		-	
Transportation equipment	2.8		-	
Furniture and fixtures	12.2		-	
Other assets	3.4		-	
Land	8.6		-	
Construction in progress	36.0		-	
	$ 877.4		$ -	$
II. Celanese Corporation and consolidated subsidiaries:				
Machinery and equipment	$1,208.1		$79.9	$1
Buildings and improvements	272.3		13.3	
Transportation equipment	32.1		0.1	
Furniture and fixtures	19.8		0.5	
Other assets	10.3		-	
Land	16.8		0.4	
Construction in progress	59.1		4.9	
	$1,618.5		$99.1	$1
1970				
I. Celanese Corporation:				
Machinery and equipment	$ 627.2		$ -	$
Buildings and improvements	117.2		-	
Transportation equipment	4.5		-	
Furniture and fixtures	10.9		-	
Other assets	4.0		-	
Land	8.4		-	
Construction in progress	68.1(7)		-	
	$ 840.3		$ -	
II. Celanese Corporation and consolidated subsidiaries:				
Machinery and equipment	$1,098.2	$11.0	$ 2.3	
Buildings and improvements	246.2	4.3	4.5	
Transportation equipment	25.7	0.6	0.2	
Furniture and fixtures	17.8			
Other assets	7.3	0.		
Land	14.3	0.6		
Construction in progress	98.5(7)	0.5		
	$1,507.5	$17.5	$ 8.7	$1

Notes:
(1) Gross book value at date of acquisition
(2) Reclassification of accounts
(3) To adjust gross book value to agree with gross tax value
(4) Gross book value of property, plant and equipment of subsidiaries deconsolidated in 1970
(5) To reverse the estimated fire loss on plant and equipment recorded in 1969
(6) Balance at beginning of period for Stein, Hall & Co., Inc. pooled in 1971
(7) Includes $7.4 million reclassification of net investment in office building sold for cash proceeds and

Schedule V
1971 and 1970

Pooled company(6)	Additions: Companies purchased(1)	Additions: At cost	Retirements or sales	Other changes Debit/(Credit)	Balance at end of period
	$ -	$ 57.4	$ 5.3	$(0.1)(2)	$ 737.8
	-	7.0	0.4	0.1 (2)	135.3
	-	0.2	0.1	-	2.9
	-	0.4	0.2	-	12.4
	-	0.1	0.1	-	3.4
	-	0.4	-	-	9.0
	-	19.1	-	-	55.1
	$ -	$ 84.6	$ 6.1	$ -	$ 955.9
	$79.9	$104.4	$50.1	$(1.4)(2)	$1,340.9
	13.3	16.4	1.4	0.2 (2)	300.8
	0.1	4.0	1.0	0.7 (2)	35.9
	0.5	1.0	0.3	0.2 (2)	21.2
	-	2.7	1.1	-	11.9
	0.4	0.6	-	-	17.8
	4.9	40.3	-	0.3 (2)	104.6
	$99.1	$169.4	$53.9	$ -	$1,833.1
	$ -	$ 80.5	$22.1	$ 0.1 (2)	$ 685.8
				0.1 (3)	
	-	16.9	5.7	(0.1)(2)	128..
				0.3 (3)	
	-	0.1	1.8		2.8
	-	1.5	0.2		12.2
	-	0.4	1.0		3.4
	-	0.1	-	0.1 (3)	8.6
	-	(32.6)	0.1	0.6 (2)	36.0
	$ -	$ 66.9	$30.9	$ 1.1	$ 877.4
$11.0	$ 2.3	$134.3	$33.0	$ 0.1 (3)	$1,208.1
				(0.8)(4)	
4.3	4.5	26.1	7.1	0.3 (3)	272.3
				(2.0)(4)	
0.6	0.2	8.6	2.3	(0.1)(2)	32.1
				(0.1)(4)	
		.4	0.1	(0.3)(4)	19.8
0.5		3.8	2.0	0.1 (2)	18.1
				0.6 (5)	
0.6	1.7	8.2		0.1 (2)	16.8
				(0.2)(4)	
				0.1 (3)	
0.5		(40.3)	0.1	0.5 (2)	286.9
$17.5	$ 8.7	$135.1	$44.8	$(0.5)	$1,618.5

Consolidated 1970:
1969:
1971:

Building sold for cash proceeds and rent concession on long-term lease commencing 1973.

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Accumulated Depreciation, Depletion and Amortization of Property, Plant and Equipment
Years ended December 31, 1971 and 1970
(millions)

Classification	Balance at beginning of period	Pooled company (4)	Compa purch
1971			
I. Celanese Corporation:			
Machinery and equipment	$369.7		$
Buildings and improvements	50.1		
Transportation equipment	2.6		
Furniture and fixtures	7.4		
Other assets	1.2		
	$431.0		$
II. Celanese Corporation and consolidated subsidiaries:			
Machinery and equipment	$573.0		$32
Buildings and improvements	82.5		
Transportation equipment	9.1		
Furniture and fixtures	10.2		
Other assets	31.5		
	$706.3		$37
1970			
I. Celanese Corporation:			
Machinery and equipment	$336.1		$
Buildings and improvements	50.3		
Transportation equipment	3.1		
Furniture and fixtures	6.7		
Other	1.2		
	$397.4		$
II. Celanese Corporation and consolidated subsidiaries:			
Machinery and equipment	$507.9	$5.8	$
Buildings and improvements	77.1	1.2	
Transportation equipment	7.5	0.2	
Furniture and fixtures	9.0		
Other	1.6	0.3	
	$603.1	$6.7	$

(1) Accumulated depreciation at date of acquisition of subsidiaries.
(2) Accumulated depreciation reserve of property, plant and equipment of subsidiaries deconsolida
(3) To adjust depreciation reserve to agree with tax depreciation reserve.
(4) Balance at beginning of period for companies pooled in 1971.
(5) Reclassification of accounts.

quipment

Schedule VI
1971 and 1970

Pooled company (4)	Additions: Companies purchased(1)	Additions: Charged to income	Deductions: Retirements, renewals and replacements	Other changes-Credit/(Debit)	Balance at end of period
	$ -	$ 57.0	$ 4.6	$ -	$422.1
	-	4.2	0.3	-	54.0
	-	0.1	0.1	-	2.6
	-	1.0	0.2	-	8.2
	-	0.2	-	-	1.4
	$ -	$ 62.5	$ 5.2	$ -	$488.3
	$32.2	$101.1	$48.3	$25.8 (5)	$683.8
	5.2	9.6	0.6	3.2 (5)	99.9
	0.1	2.5	0.5	(0.1)(5)	11.1
	0.1	1.6	0.3	(0.2)(5)	11.4
	-	0.7	0.1	(28.7)(5)	3.4
	$37.6	$115.5	$49.8	$ -	$809.6
	$ -	$ 43.9	$15.4	$ 0.1 (3)	$369.7
	-	4.2	4.7	0.3 (3)	50.1
	-	0.5	1.0	-	2.6
	-	0.9	0.2	-	7.4
	-	0.3	0.3	-	1.2
	$ -	$ 54.8	$21.6	$ 0.4	$431.0
	$5.0	$ 0.8	$ 85.6	$23.5	$(2.9)(2)
					0.1 (3)
	1.2	0.8	8.9	5.1	(0.7)(2)
					0.3 (3)
	0.2	0.1	2.6	1.1	(0.2)(2)
	-	-	1.5	0.2	(0.1)(2)
	0.3	-	0.5	(29.1)	-
	$6.7	$ 1.7	$ 99.1	$ 0.8	$(3.

ubsidiaries deconsolidated in 1970.

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Bonds, Mortgages and Similar Debt
December 31, 1971
(millions)

Name of issuer and title of issue	Due	Authorized by indenture	Issued and not retired or cancelled	by a of th
I. Celanese Corporation:				
4 3/4% term loan serial notes	1972-73	$100.0	$40.0	
3 1/2% debentures	1972-76	50.0	29.0	
5 3/4% notes	1972-80	50.0	44.4	
4 3/4% notes	1972-90	75.0	69.0	
4% convertible subordinated debentures	1975-90	78.9	78.9	
6 3/4% notes	1975-87	25.0	25.0	
Other notes payable with various interest rates and maturity dates		-	-	
Total long-term debt - Celanese Corporation				
Deduct: Long-term debt due within one year				
Long-term debt (net)				
II. Celanese Corporation and consolidated subsidiaries:				
A. Celanese Corporation: Total long-term debt-above				
B. U.S. Subsidiaries:				
Celtran, Inc., 4 1/2% to 6 3/4% notes	1972-79	$ 14.4	$ 8.1	
Celanese International Finance Company				
6 3/4% guaranteed debentures	1973-82	20.0	20.0	
Fiber Industries, Inc.:				
4 1/2% notes	1972-74	35.0	12.5	
5 1/4% first mortgage and collateral trust bonds	1972-78	15.0	10.5	
5% first mortgage and collateral trust bonds	1972-84	100.0	85.0	
9.1% first mortgage and collateral trust bonds	1974-87	60.0	30.0	
Prime + 1/4% revolving note	1978	20.0	8.0	
Stein, Hall & Co. Inc. and subsidiaries				
5.64% note	1982	6.4	5.6	
Other notes				
Celanese Piping Systems, Inc., 8 1/2% note	1976	11.6	11.6	
C. Non-U.S. subsidiaries:				
Celanese Canada Limited (formerly Chemcell Limited):				
7% sinking fund debentures, Series A (with common stock purchase warrants)	1972-80	Can. 15.0	Can. 8.5	
5 3/8% sinking fund debenture, Series B(U.S.dollars)	1972-85	U.S. 30.0	U.S. 30.0	
6 1/2% sinking fund debentures, Series C	1973-86	Can. 15.0	Can. 15.0	
7 1/2% first mortgage bonds, series A	1986	Can. 15.0	Can. 14.1	
Celtran Equipment Limited:				
6% notes (U.S. dollars)	1972-78	U.S. 3.0	U.S. 3.0	
Amcel Europe, S.A.:				
6.3 and 8% first mortgage notes (Belgian francs)	1972-78	B.F. 706.1	B.F. 430.5	
Celanese Colombiana, S.A.:				
10%, 14% and 16% notes	1972-84			
Other notes payable with various interest rates and maturity dates				
Total Non-U.S. subsidiaries				
Total Celanese Corporation and consolidated subsidiaries				
Deduct: Long-term debt due within one year				
D. Long-term debt (net)				

Schedule IX
1971

Issued and not retired or cancelled	Held by or for account of issuer thereof	Not held by or for account of issuer thereof	Included in sum extended under caption "Long-term debt" in related balance sheet	In sinking and other special funds of issuer thereof	Pledged by issuer thereof	Held by affiliates for which statements are filed herewith: Persons included in Consolidated statements	Other
	($U.S.)		($U.S.)	($U.S.)		($U.S.)	
$40.0	$ -	$40.0	$40.0	$ -	$ -	$ -	$ -
29.0	3.4	25.6	25.6	3.4	-	-	-
44.4	-	44.4	44.4	-	-	-	-
69.0	-	69.0	69.0	-	-	-	-
78.9	-	78.9	78.0	-	-	-	-
25.0	-	25.0	25.0	-	-	-	-
-	-	-	2.5	-	-	-	-
			285.4				
			(26.9)				
			$258.5				
			$285.4				
$ 8.1	$ -	$ 8.1	$ 8.1	$ -	$ -	$ -	$ -
20.0	-	20.0	20.0	-	-	-	-
12.5	-	12.5	12.5				
10.5	-	10.5	10.5				
85.0	-	85.0	85.0				
30.0	-	30.0	30.0				
8.0	-	8.0	8.0				
5.4	-	5.4	5.4				
-	-	-	0.2				
11.6	-	11.6	-			11.6	
			$179.7				
Can. 8.5		Can. 8.5	8.5				
U.S. 30.0		U.S. 30.0	30.0				
Can. 15.0		Can. 15.0	13.9				
Can. 14.3		Can. 14.3	14.0				
U.S. 3.0		U.S. 3.0	3.0				
U.S. 430.5		U.S. 430.5	8.8				
			11.0				
			11.6				
			100.6				
			353.7				
			(51.6)				
			$514.3				

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Bonds, Mortgages and Similar Debt
December 31, 1970
(millions)

	Due	Authorized by indenture	Issued and not retired or cancelled	by a of t
I. Celanese Corporation:				
4 3/4% term loan serial notes	1971-73	$100.0	$60.0	
3 1/2% debentures	1971-76	50.0	31.0	
5 3/8% subordinated debenture	1973-77	17.0	17.0	
5 3/4% notes	1971-80	50.0	48.2	
4 3/4% notes	1971-90	75.0	72.0	
4% convertible subordinated debentures	1975-90	78.9	78.9	
6 3/4% notes	1975-87	25.0	25.0	
Total long-term debt - Celanese Corporation				
Deduct: Long-term debt due within one year				
Long-term debt (net)				
II. Celanese Corporation and consolidated subsidiaries:				
A. Celanese Corporation: Total long-term debt - above				
B. U. S. Subsidiaries:				
Camden Fibre Mills, Inc., 5 1/2% note	1971-88	$ 1.2	$ 1.0	$
Celtran, Inc., 4 1/2% to 6 3/4% notes	1971-78	15.4	9.7	
Celanese International Finance Company:				
6 3/4 guaranteed debentures	1973-82	20.0	20.0	
Fiber Industries, Inc.:				
4 1/2% notes	1971-74	35.0	17.5	
5 1/4% first mortgage and collateral trust bonds	1971-78	15.0	12.0	
5% first mortgage and collateral trust bonds	1971-84	100.0	90.0	
10% subordinated income note, payable to Celanese Corporation	1971-74	4.0	4.0	
Stein, Hall & Co., Inc. and Subsidiaries:				
5.64% note	1971-82	6.4	5.9	
Other notes		-	-	
Total U.S. subsidiaries				
C. Non-U.S. subsidiaries:				
Celanese Canada Limited (formerly Chemcell Limited)				
5 1/4% general mortgage bonds, Series A	1971	Can. 12.0	Can. 0.8	Can.
7% sinking fund debentures, Series A (with common stock purchase warrants)	1971-80	Can. 15.0	Can. 10.5	Can. 0
5 3/8% sinking fund debentures, Series B(U.S.dollars)	1972-85	U.S. 30.0	U.S. 30.0	
6 1/2% sinking fund debentures, Series C	1975-86	Can. 15.0	Can. 15.0	
Celtran Equipment Limited:				
6% notes (U.S. dollars)	1971-78	U.S. 5.0	U.S. 3.5	
Amcel Europe, S.A.:				
6.3% and 8% first mortgage notes-(Belgium francs)	1971-78	B.F. 706	B.F. 499.4	B.F. 30
Celanese Colombiana, S.A.:				
10%, 14% and 18% notes	1971-84			
Other notes payable with various interest rates and maturity dates				
Total non-U.S. subsidiaries				
Total Celanese Corporation and consolidated subsidiaries				
Deduct: Long-term debt due within one year				
D. Long-term debt (net)				

Schedule IX
1970

·ized enture	Issued and not retired or cancelled	Held by or for account of issuer thereof	Not held by or for account of issuer thereof	Included in sum extended under caption "Long-term debt" in related balance sheet	In sinking and other special funds of issuer thereof	Pledged by issuer thereof	Held by affiliates for which statements are filed herewith: Persons included in consolidated statments	Held by affiliates for which statements are filed herewith: Other
				($U.S.)	($U.S.)		($U.S)	
.0	$60.0	$ -	$60.0	$60.0	$ -	$ -	$ -	$ -
.0	31.0	3.8	27.2	27.2	3.8	-	-	-
.0	17.0	-	17.0	17.0	-	-	-	-
.0	48.2	-	48.2	48.2	-	-	-	-
.0	72.0	-	72.0	72.0	-	-	-	-
.9	78.9	-	78.9	78.9	-	-	-	-
.0	25.0	-	25.0	25.0	-	-	-	-
				328.3				
				(26.8)				
				$301.5				
				$328.3				
.2	$ 1.0	$ -	$ 1.0	$ 1.0	$ -	$ -	$ -	$ -
.4	9.7	-	9.7	9.7	-	-	-	-
.0	20.0	-	20.0	20.0	-	-	-	-
.0	17.5	-	17.5	17.5	-	-	-	-
.0	12.0	-	12.0	12.0	-	-	-	-
.0	90.0	-	90.0	90.0	-	-	-	-
.0	4.0	-	4.0	-	-	-	-	-
.4	5.9	-	5.9	5.9				
-	-	-	-	0.2				
				$156.3				
.0	Can. 0.8	Can. -	Can. 0.8	0.7	-			
.0	Can. 10.5	Can. 0.8	Can. 9.7	9.7	0.7	-		
.0	U.S. 30.0	-	U.S. 30.0	30.0				
.0	Can. 15.0	-	Can. 15.0	13.9				
.0	U.S. 3.5		U.S. 3.5	3.5				
.1	B.F. 499.4	B.F. 30.6	B.F. 468.8	9.4				
				5.6				
				6.4				
				79.2				
				563.8				
				(46.9)				
				$516.9				

Schedule IX
1970

horized ndenture	Issued and not retired or cancelled	Held by or for account of issuer thereof	Not held by or for account of issuer thereof	Included in sum extended under caption "Long-term debt" in related balance sheet	In sinking and other special funds of issuer thereof	Pledged by issuer thereof	Held by affiliates for which statements are filed herewith: Persons included in consolidated statements	Held by affiliates for which statements are filed herewith: Other
				($U.S.)	($U.S.)		($U.S.)	
00.0	$60.0	$ -	$60.0	$60.0	$ -	$ -	$ -	$ -
50.0	31.0	3.8	27.2	27.2	3.8	-	-	-
17.0	17.0	-	17.0	17.0	-	-	-	-
50.0	48.2	-	48.2	48.2	-	-	-	-
75.0	72.0	-	72.0	72.0	-	-	-	-
78.9	78.9	-	78.9	78.9	-	-	-	-
25.0	25.0	-	25.0	25.0	-	-	-	-
				328.3				
				(26.8)				
				$301.5				
				$328.3				
1.2	$ 1.0	$ -	$ 1.0	$ 1.0	$ -	$ -	$ -	$ -
15.4	9.7	-	9.7	9.7	-	-	-	-
20.0	20.0	-	20.0	20.0	-	-	-	-
35.0	17.5	-	17.5	17.5	-	-	-	-
15.0	12.0	-	12.0	12.0	-	-	-	-
100.0	90.0	-	90.0	90.0	-	-	-	-
4.0	4.0	-	4.0	-	-	-	-	-
6.4	5.9	-	5.9	5.9				
-	-	-	-	0.2				
				$156.3				
12.0	Can. 0.8	Can. -	Can. 0.8	0.7				
15.0	Can. 10.5	Can. 0.8	Can. 9.7	9.7	0.7			
30.0	U.S. 30.0		U.S. 30.0	30.0				
15.0	Can. 15.0		Can. 15.0	13.9				
5.0	U.S. 3.5		U.S. 3.5	3.5				
706.1	B.F. 499.4	B.F. 30.6	B.F. 468.8	9.4				
				5.6				
				6.4				
				79.2				
				563.8				
				(46.9)				
				$516.9				

CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Reserves
Years ended December 31, 1971 and 1970
(millions)

	Balance at beginning of period	Pooled Company	Additions charged to Income	Additions charged to Other accounts	Deductions from reserves	Balance at end of period
1971						
I. Celanese Corporation:						
Deducted from assets:						
Allowance for doubtful accounts (deducted from trade accounts receivable)	$ 1.4		$ 0.7	$ -	$ 0.1(2)	$ 2.
Allowance for losses (deducted from investments and advances)	13.8		75.7(11)			89.
II. Celanese Corporation and consolidated subsidiaries:						
Deducted from assets:						
Allowance for doubtful accounts (deducted from trade accounts receivable)	$ 6.5		$ 3.0	$ 0.5(13)	$ 0.7(1) 1.3(2)	$ 8.
Allowance for losses (deducted from investments and advances)	30.0		82.2(11)	0.5(12)	C.5(10)	112.
1970						
I. Celanese Corporation:						
Deducted from assets:						
Allowance for doubtful accounts (deducted from trade accounts receivable)	$ 1.5		$ 0.3	$ -	$ 0.2(1) 0.2(2)	$ 1.
Allowance for doubtful accounts (deducted from other accounts receivable)	0.4		-	-	0.4(3)	-
Allowance for losses (deducted from investments and advances)	27.6		15.2(4)	0.2(1)	1.2(10) 28.2(5)	13.
II. Celanese Corporation and consolidated subsidiaries:						
Deducted from assets:						
Allowance for doubtful accounts (deducted from trade accounts receivable)	$ 7.0	$0.1(9)	$ 3.5	$ -	$ 0.2(1) 3.6(2) 0.3(6)	$ 6.
Allowance for doubtful accounts (deducted from other accounts receivable)	0.4	-	-	-	0.4(3)	-
Allowance for losses (deducted from investments and advances)	34.0		15.2(4) 0.9	0.2(1)	14.1(7) 4.4(8) 1.8(10)	32

(1) Reclassification of accounts.
(2) Bad debts, claims and allowances net of recoveries.
(3) Receivables of SIACE written off.
(4) Provision for divestment of certain European textile operations.
(5) Results primarily from transfer of Allowance for Losses to a consolidated U.S. subsidiary and write-down
(6) Balance at January 1, 1970, of a non-U.S. subsidiary deconsolidated during 1970.
(7) Write-downs of investments in certain non-U.S. subsidiaries and affiliates.
(8) Principally losses on divestment of non-U.S. operations.
(9) Balance at January 1, 1970, of Stein, Hall & Co., Inc. pooled in 1971.
(10) Allowances for losses applied to investments accounts.
(11) Provision for elimination of current investment in Colcel.
(12) Refunds and credits applied to reduce previous provisions.
(13) Balances of subsidiaries acquired during 1971.

Schedule XII
1971 and 1970

ditions arged to Other accounts	Deductions from reserves	Balance at end of period
$ -	$ 0.1(2)	$ 2.0
1) —	—	89.5
$ 0.5(13)	$ 0.7(1) 1.3(2) 0.5(10)	$ 8.0
11) 0.5(12)	—	112.2
$ -	$ 0.2(1) 0.2(2)	$ 1.4
-	0.4(3) 1.2(10)	-
4) 0.2(1)	28.2(5)	13.8
$ -	$ 0.2(1) 3.6(2) 0.3(6)	$ 6.5
-	0.4(3)	-
4) —	14.1(7)	
0.2(1)	4.4(8)	
—	1.8(10)	30.0

ted U.S. subsidiary and write-down of investment in non-U.S. subsidiary.
ring 1970.
ates.

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Capital Shares
December 31, 1971

	Name of issuer and title of issue	Number of shares: Authorized by charter	Issued and not retired or cancelled	Held by or for account of issuer thereof
I.	Celanese Corporation:			
	Capital Stock:			
	Preferred Stock, Series A (4 1/2% cumulative), par value $100	908,602	850,902	-
	Convertible Preference Stock ($3.00 cumulative), without par value	91,914	91,914	-
	7% Second Preferred Stock (cumulative), par value $100	32,398	25,638	-
	Common Stock, without par value	25,000,000	13,861,567	9,242
	Total			
II.	Celanese Corporation and consolidated subsidiaries:			
	Minority interests:			
	Fiber Industries, Inc.:			
	Common Stock, par value $10	9,500,000	7,200,000	
	Celanese Canada Limited (formerly Chemcell Ltd.):			
	Cumulative Redeemable Preferred Stock, par value $25 (Canadian):			
	$1.75 series	594,500	395,000	-
	$1.00 series		99,500	-
	Common Stock, without par value	20,000,000	13,258,477	-
	Celanese Colombiana, S.A.:			
	Common Stock, par value 5 pesos	20,000,000	13,887,698	13,362
	Celanese Venezolana, S.A.:			
	Common Stock, par value 10 bolivars	1,522,500	1,522,500	
	Celfibras de Venezuela, C.A. (formerly C.A. Fibras Quimicas de Venezuela):			
	Common Stock, par value 100 bolivars	130,000	130,000	
	Celanese do Brasil - Fibras Quimicas Ltda.:			
	Common Stock, Stated value $1.00 new cruzeiros	36,811,000	36,811,000	
	Nylon Colombiana, S.A.:			
	Common Stock, par value 10 pesos	5,000,000	4,400,000	
	Pakistan Gum and Chemicals Limited:			
	Common Stock, par value 100 rupees	30,000	28,000	

(1) Includes 1013 shares reserved for officers and employees by a wholly-owned subsidiary acquired in 1971 through a pooling of interests

Schedule XIII
1971

Number of shares			Shares outstanding as shown on or included under related balance sheet caption "Capital Stock"		Number of shares held by affiliates for which statements are filed herewith		Number of shares reserved for	
sued and t retired cancelled	Held by or for account of issuer thereof	Not held by or for account of issuer thereof	Number	Amount at which carried (millions)	Persons included in consolidated statements	Others	Officers and employees	Options, warrants, conversion and other rights
850,902	-	850,902	850,902	$ 85.1	-	-	-	-
91,914	-	91,914	91,914	2.2	-	-	-	-
25,638	-	25,638	25,638	2.6	-	-	-	-
3,861,567	9,242	13,852,325	13,852,325	232.8	9,242(1)	-	395,418	1,285,067
				$322.7				
7,200,000	-	7,200,000	2,700,000	$ 27.0	4,500,000			
395,000	-	395,000	395,000	9.2	-			
99,500	-	99,500	99,500	2.3	-			
3,258,477	-	13,258,477	5,689,247	20.1	7,569,230		394,969	1,011,589
3,887,698	13,362	13,874,336	6,550,179	4.0	7,337,519			
1,522,500	-	1,522,500	442,916	1.3	1,079,584			
130,000	-	130,000	24,904	0.6	105,096			
6,811,000	-	36,811,000	16,564,965	4.0	20,246,035			
4,400,000	-	4,400,000	1,892,000	0.9	2,508,000			
28,000	-	28,000	11,200	0.2	16,800			
				$69.6				

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Capital Shares
December 31, 1970

Name of issuer and title of issue	Number of shares: Authorized by charter	Issued and not retired or cancelled	Held by or for account of issuer thereof	
I. Celanese Corporation:				
Capital Stock:				
Preferred Stock, Series A (4 1/2% cumulative), par value $100	908,602	850,902	-	
Convertible Preference Stock ($3.00 cumulative), without par value	96,717	96,717	-	
7% Second Preferred Stock (cumulative), par value $100	32,398	25,638	-	
Common Stock, without par value	25,000,000	13,690,381	-	1
Total				
II. Celanese Corporation and consolidated subsidiaries:				
Minority interests:				
Fiber Industries, Inc.:				
Common Stock, par value $10	9,500,000	7,200,000	-	
Celanese Canada Limited (formerly Chemcell Ltd.):				
Cumulative Redeemable Preferred Stock, par value $25 (Canadian):				
$1.75 series	594,500	395,000	-	
$1.00 series		99,500	-	
Common Stock, without par value	20,000,000	13,258,477	-	1
Celanese Colombiana, S.A.:				
Common Stock, par value 5 pesos	7,635,000	7,604,928	13,362	
Celanese Venezolana, S.A.:				
Common Stock, par value 10 bolivars	1,522,500	1,522,500	-	
Celfibras de Venezuela, S.A. (formerly C. A. Fibras Quimicas de Venezuela):				
Common Stock, par value 100 bolivars	130,000	130,000	-	
Celanese do Brasil - Fibras Quimicas Ltda.:				
Common Stock, Stated value $1.00 new cruzeiro	34,580,000	34,580,000	-	3
CelBuro, N.V.:				
Common Stock, par value 100 guilders	650,000	200,000	-	
Pakistan Gum and Chemicals Limited:				
Common Stock, par value 100 rupees	30,000	28,000	-	

Schedule XIII
1970

Number of shares			Shares outstanding as shown on or included under related balance sheet caption "Capital Stock"		Number of shares held by affiliates for which statements are filed herewith		Number of shares reserved for	
ed and etired ncelled	Held by or for account of issuer thereof	Not held by or for account of issuer thereof	Number	Amount at which carried (millions)	Persons included in consolidated statements	Other	Officers and employees	Options, warrants, conversion and other rights
,902	-	850,902	850,902	$ 85.1	-	-	-	-
96,717	-	96,717	96,717	2.4	-	-	-	-
25,638	-	25,638	25,638	2.6	-	-	-	-
90,381	-	13,690,381	13,690,381	230.3			559,800	1,448,488
				$320.4				
00,000	-	7,200,000	2,700,000	$ 27.0	4,500,000			
395,000	-	395,000	395,000	9.2	-			
99,500	-	99,500	99,500	2.3	-			
258,477	-	13,258,477	5,689,247	20.1	7,569,230		394,969	1,011,569
604,920	13,362	7,591,564	1,826,426	1.6	5,778,500			
522,500	-	1,522,500	442,916	1.3	1,079,584			
130,000	-	130,000	24,904	0.6	105,096			
580,000	-	34,580,000	15,561,000	4.0	19,019,000			
200,000	-	200,000	42,000	1.2	158,000			
28,000	-	28,000	11,200	0.2	16,800			
				$ 67.5				

Schedule XVII
1971

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Income from Dividends - Equity in Net Income of Subsidiaries and Affiliates

Year ended December 31, 1971
(millions, except par value)

Name of issuer and title of issue	Par value(5)	Dividends received (cash)	Amount of equity in net income/(loss) for the year
I. Celanese Corporation:			
A. Subsidiaries consolidated:			
U.S. subsidiaries:			
Fiber Industries, Inc.	$10	$6.9	$17.3
Celanese International Corporation	-	-	(5.8)
Celtran, Inc.	$10	-	0.8
Other Companies - seventeen totally held	various	-	3.5
Total U.S. subsidiaries		6.9	15.8
Non-U.S.subsidiaries:			
Amcel Europe,S.A.	1,000 Belgian francs	-	1.2
Celanese Canada Limited	-	-	1.9
Celtran Equipment Limited	$10 Canadian	-	-
Celanese Colombiana, S.A.	5 pesos	0.6	1.0
Celanese Venezolana, S.A.:			
Preferred	100 bolivars	-	-
Common	10 bolivars	0.1	(1.0)
Celfibras de Venezuela,C.A.	100 bolivars	-	(0.5)
Celanese do Brasil - Fibras Quimicas, Ltda.:			
Common stock quotas		-	(0.5)
Other companies - ten totally held	various	-	3.7
		0.7	5.8
		7.6(1)	21.6
Extraordinary losses reported in statement of income			6.5
Equity in subsidiary net income included in cost of goods sold			(3.7)
Equity in income before extraordinary items of subsidiaries			$24.4(3)
B. Equity in net income of affiliates		$3.3(2)	$ 6.8(4)
C. Other investments		$(0.2)	

Schedule XVII
1971

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Income from Dividends - Equity in Net Income of Subsidiaries and Affiliates

Year ended December 31, 1971
(millions, except par value)
(continued)

Name of issuer and title of issue	Par values(5)	Dividends received (cash)	Amount of equity in net income/(loss) for the year
II. Celanese Corporation and Consolidated Subsidiaries:			
A. Non-U.S. subsidiaries not consolidated - seven		$ -	$3.7
Equity in subsidiary net income included in cost of goods sold			(3.7)
Equity in net income of subsidiaries not consolidated			$ -
B. Equity in net income of affiliates		$3.8(2)	$7.7(4)
C. Other investments		$(0.2)	$ -

Notes:

(1) Dividends from consolidated subsidiaries are credited to the investment account (Schedule III).

(2) Taxes withheld on dividends received of $697,000 have been reclassified to provision for income taxes. Dividends from affiliates carried on an equity bases are credited to the investment account.

(3) Taxes withheld on dividends received from non-U.S. subsidiaries of $91,000 have been reclassified to provision for income taxes.

(4) Represents equity in income of affiliates in which the Corporation or the Corporation and its consolidated subsidiaries own 20% to 50% of the voting stock.

(5) Common stock unless otherwise noted.

Schedule XVII
1970

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Income from Dividends - Equity in Net Income of Subsidiaries and Affiliates

Year ended December 31, 1970
(millions, except par value)

Name of issuer and title of issue	Par values(7)	Dividends received (cash)	Amount of equity in net income/(loss) for the year
I. Celanese Corporation:			
A. Subsidiaries consolidated:			
U.S. subsidiaries:			
Fiber Industries, Inc.	$10	$3.1	$ 9.7
Celanese International Corporation	-	-	(19.4)
Celtran, Inc.	$10	-	0.5
Stein, Hall & Co., Inc.	$ 1	-	1.2(5)
Other companies - fifteen totally held	Various	-	0.7
Total U.S. subsidiaries		3.1	(7.3)
Non-U.S. subsidiaries:			
Amcel Europe, S.A.	1,000 Belgian francs	-	1.8
Celanese Canada Limited (formerly Chemcell Ltd.	-	0.7	(14.5)
Celtran Equipment Limited	$10 Canadian	-	0.1
Celanese Colombiana, S.A.	5 pesos	0.6	1.3
Celanese Venezolana, S.A.	10 bolivars	0.3	0.1
Celfibras de Venezuela, C.A.(formerly C.A. Fibras Quimicas de Venezuela)	100 bolivars	-	0.5
Celanese do Brasil-Fibras Quimicas Ltda. (common stock quotas)	-	-	0.2
Other companies - ten totally held	Various	1.0	2.2
Total Non-U.S. Subsidiaries		2.6	(8.3)
		$5.7(1)	(15.6)
Losses reported as extraordinary			34.4(4)
Equity in subsidiary net income included in cost of goods sold			(2.1)
Equity in income before extraordinary items of subsidiaries			$16.7(3)
B. Equity in net income of affiliates		$5.9(2)	$ 7.6(6)
C. Other investments		$ -	$ -

Schedule XVII
1970

CELANESE CORPORATION
and
CELANESE CORPORATION AND CONSOLIDATED SUBSIDIARIES
Income from Dividends - Equity in Net Income of Subsidiaries and Affiliates

Year ended December 31, 1970
(millions, except par value)
(continued)

Name of issuer and title of issue	Par values(7)	Dividends received (cash)	Amount of equity in net income/(loss) for the year
II. Celanese Corporation and consolidated subsidiaries:			
A. Non-U.S. subsidiaries not consolidated - ten	Various	$0.4(1)	$2.1
Equity in subsidiary net income included in cost of goods sold			(2.1)
Equity in net income of subsidiaries not consolidated			$ -
B. Equity in net income of affiliates		$6.6(2)	$7.5(6)
C. Other investments		$0.2	$ -

Notes:
(1) Dividends from consolidated and unconsolidated subsidiaries are credited to the investment account (Schedule III).
(2) Taxes withheld on dividends received of $1,135,000 have been reclassified to provision for income taxes. Dividends from affiliates carried on an equity basis are credited to the investment account.
(3) Taxes withheld on dividends received from non-U.S. subsidiaries of $183,000 have been reclassified to provision for income taxes.
(4) Includes $5.7 million intercompany loss eliminated in consolidation, $13.2 million (as restated) provision for losses on certain European textile operations and $15.5 million (as restated) representing the Corporation's share of Celanese Canada Limited's extraordinary items.
(5) Equity in net income of pooled company acquired in 1971.
(6) As restated to reflect the equity in income of affiliates in which the Corporation and the Corporation and its consolidated subsidiaries own 20% to 50% of the voting stock.
(7) Common stock unless otherwise noted.

END