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COVERING NEW YORK, AMERICAN & REGIONAL STOCK EXCHANGES

MOODY'S®

INDUSTRIAL MANUAL

Moody's Investors Service

a company of
The Dun & Bradstreet Corporation

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CELANESE CORPORATION

CAPITAL STRUCTURE

LONG TERM DEBT

Issue	Rating	Amount Outstanding	Times Charges Earned 1984	Times Charges Earned 1983	Interest Dates	Call Price	Price Range 1984	Price Range 1983
1. Sinking fund deb. 11⅞s, 2005	A 3	$100,000,000			J & J 15	[2]108.70	92½- 80	98 - 87
2. 10⅞% notes, 1987	A 3	100,000,000			J & J 15	[5]100	99⅞- 92⅛	101½- 95
3. Conv. subord. deb. 4s, 1990	Baa 1	20,279,000			A & O 1	[4]100	88 - 77	88 - 63½
4. Conv. subord. deb. 9¾s, 2006	Baa 1	99,990,000			J & D 15	[2]107.15	120 -100	118¾- 84
5. 4¾% note, due 1990	....	22,000,000			....	.....	....	....
6. 6¾% note, due 1987	....	4,000,000	4.05	3.20	....	.....	[3].....	[3].....
7. Other notes	....	38,110,000			....	.....	[3].....	[3].....
8. 9¼% note, due 1996	....	114,000,000			....	.....	[3].....	[3].....
9. 8.45% note, due 1997	....	82,000,000			....	.....	....	....
10. 9.1% first mtge. bonds, 1987	....	14,000,000			....	.....	....	....
11. Subsidiaries' debt	....	67,774,000			....	.....	....	....

CAPITAL STOCK

Issue	Par Value	Amount Outstanding	Earned per Sh. 1984	Earned per Sh. 1983	Divs. per Sh. 1984	Divs. per Sh. 1983	Call Price	Price Range 1984	Price Range 1983
1. 4½% cum. preferred, series A	$100	850,902 shs.	N.A.	N.A.	$4.50	$4.50	100	38¾- 34	39 - 35
2. $3 cum. conv. preference	No par	37,376 shs.			3.00	3.00	65	45½- 45½	49 - 30⅝
3. 7% cum. second preferred	$100	25,638 shs.	....	....	7.00	7.00	N.C.	....	....
4. Common	No par	13,523,759 shs.	[1]$10.87	[1]$6.89	4.10	4.00	.....	82 - 62¾	79¾- 45

[1]Based on average shs. as reported by Co. For other earned per sh. data, see under "Financial & Operating Data," below. [2]Subject to change; also callable for sinking fund, see text. [3]Privately placed. [4]Also callable for sinking fund; see text. [5]Beginning July 15, 1985.

HISTORY

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

In 1927 acquired control of Celluloid Corp. upon turning over to the latter a wholly owned subsidiary, Safety Celluloid Co. Celluloid Corp. was merged with company in Dec., 1941 pursuant to plan dated Mar. 7, 1941.

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

On Feb. 7, 1946, stockholders approved plan for merger of Tubize Rayon Corp. Stockholders of latter company approved plan on Feb. 6, 1946. Under terms of merger holders of Tubize Rayon 4¾% preferred stock received in exchange $4.75 first preferred stock of Celanese Corp. on a share for share basis. In exchange for each 3 common shares of Tubize Rayon holders received 2 common shares of Celanese Corp.

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

In Aug., 1959 formed Chemcell, Ltd. to coordinate all foreign activities (dissolved in Jan., 1963).

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

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

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

In Dec. 1963 acquired additional interest in Fiber Industries, Inc. (formerly 50% owned) giving it controlling interest of 62½%. In 1963 also acquired majority interest in Chemcell (1963) Ltd.

In Aug. 1964 acquired net assets of Devoe & Raynolds Co., Inc. for $60,400,000.

In Oct. 1964 merged Champlin Oil & Refining Co. by issuance of 2,848,987 common and 100,000 new convertible preference shares (sold Dec. 31, 1969).

In Nov., 1964, 300,479 common shares were issued for ownership of two corporations whose principal asset was the outstanding stock of Federal Enameling & Stamping Co., now carried on as FESCO, Inc. (sold in Nov., 1966).

In May 1965, acquired, through a subsidiary, 71% interest in S.I.A.C.E., operating tree farms and paper board mill at Fiumefredos, Sicily. (Sold in May 1969.)

In Oct. 1965, a British subsidiary, acquired for about $48,500,000 substantially all outstanding shares of British Paints (Holding) Ltd. (sold in 1969).

In May 1969, sold interest to Berger, Jenson & Nicholson Ltd., following approval of deal by B.J.N. stockholders. Deal involved issuance to Celanese of 11,820,000 shs. of B.J.N. com. stock, representing 29.4% of outstg.; £6,000,000 of 10% unsecured loan stock, with warrants to purchase 6,000,000 additional shs., and a 4-year note for £2,399,000. Unsecured loan stock and warrants were to be sold at par. In Jan., 1970, company sold 11,620,500 BJN shs. to Sherwin-Williams Co. at $1.44 a sh.

In Sept., 1966 acquired group of French textile companies.

On June 1, 1967 acquired Pontiac Refining Corp., refiner of petroleum products (sold in Dec. 1969).

On July 1, 1968 sold 1,230,000 Columbia Cellulose Co. Ltd. common shs. to Svenska Cellulosa Aktiebolaget. Sale reduced company's interest to less than 50%. On Feb. 10, 1970, a wholly-owned subsidiary, CelEuro, N.V. purchased all of the common stock of Columbia Cellulose held by Svenska Cellulosa for $22,700,000, increasing Corporation's interest in Columbia to 91.3%.

On Dec. 31, 1969, sold its subsidiaries, Champlin Petroleum Co. and Pontiac Refining Co., to Union Pacific Petroleum Corp. for $240,000,000, half paid Jan. 5, 1970 and balance in 3 equal annual installments beginning in 1971.

In Feb. 1971 acquired Duplan Corp.'s Bradley Plant in Cleve., Tenn. for approx. $14 million (sold in Dec. 1973).

In Apr. 1971 merged Stein Hall & Co. into a wholly-owned subsidiary of Co. by issuing 350,769 common shares on the basis of ¼ share common for each share Stein Hall Co. common.

In June 1971 acquired Piping Systems Division of Cabot Corp. for about $14,500,000 in cash.

Also in June, 1971, formed Celanese Piping Systems, Inc. to operate Louisville, Ky., and Santa Ana, Cal., plastic pipe fittings plants acquired from Cabot Corp.

In 1971 divested Celanese Equities Co. and CelEuro, N.V.

On Jan. 26, 1973 sold for $8,000,000, 30% interest in Mitsubishi Acetate Co.

On Mar. 29, 1974 acquired Wica division from Story Chemical Corp. for $3,000,000.

On Aug. 5, 1974, acquired Plast-Labor, S.A. and Coathylene, S.A., Switzerland for $4,676,000.

In Oct. 1974, acquired Narmco materials division of Whittaker Corp.

In Nov. 1974, sold high density polyethylene operation at Deer Park, Texas to Soltex Polymer Corp. for $77,000,000.

In 1975 acquired Ramsey Seed Co. and its subsidiary, Prillcote Industries, Inc. (now Cel Pril Industries, Inc.).

In May 1976, Grow Chemical Corp. purchased the Devoe Trade Sales and Devoe and Raynold Marine divisions from the Celanese Coatings & Specialities Co., subsidiary, for $28,000,000 in cash and pfd. stock.

In Nov. 1978, acquired all the outstanding shares of Joseph Harris Co., Inc. in exchange for 222,001 shares of Corp.'s common stock.

In July 1979, formed Celanese Plastics & Specialties Co.

In Oct. 1979, Celanese do Brazil Inddustria & Comercio Ltda., subsidiary, acquired a 62.5% interest in Safron-Teijin S.A., a maker of polyester fibers for $13,000,000.

In May 1980, formed Celanese International Company.

In Aug. 1980 merged Virginia Chemicals Inc. into Company. The merger resulted in the issuance of 1.2 million shares of Company common stock and the payment of $2 million to stockholders who elected to take cash in lieu of stock for their shares.

In Oct. 1980, sold emulsion polymers and compounded adhesives business to Union Oil Company of California.

In Mar. 1981 Fiber Industries Inc. (a subsidiary of Company) unit completed the purchase of a polyester filament yarn plant in Fayetteville, N.C., from Monsanto Corp., for $30,000,000. Celanese Corp. said the unit also will pay Monsanto as much as $8,000,000 over the next year to fund research on "in-line texturing" technology, which could lead to a new form of polyester fabric. Co. unit also would pay royalties to Monsanto for new products generated by that research.

In June 1981, acquired QTM Consolidated, Inc.

Also in June 1981, sold automotive coatings business to Inmont Corporation.

In Sept. 1981, acquired Speedling, Inc.

Also in Sept. 1981, sold engineering fabrics business to Dominion Textiles, Inc.

In Oct. 1981, sold most of piping systems to Nibco, Inc.

Also in Oct. 1981, Celanese Canada, Inc. sold its carpet business to St. Georges International, Inc. and Fiber Industries Inc. announced plans to withdraw from textured yarn business by December, 1982.

In Nov. 1981, acquired a 33% interest in Metanor, S.A. of Brazil.

In Dec. 1981, sold 35% share of Edmonton, Alberta methanol plant.

In Jan. 1982, announced plans to withdraw from polyester bottle resin business.

In July 1982, Fiber Industries, Inc. and Celanese Fibers Marketing Co., subsidiaries of Co., completed the withdrawal from the textured yarns.

Also in July 1982, Fibers Industries, Inc. permanently closed 200,000,000 pounds of polyester filament spinning capacity.

In July 1983, Co. become the sole stockholder of Fiber Industries, Inc. (FII) by purchasing the 37½% interest formerly owned by Imperial Chemical Industries plc. As of Dec. 30, 1983, FII was liquidated and its assets and liabilities transferred to Co.

Division Sale: In Aug. 1979, American Hoechst Co. acquired the polyester film business and certain other assets at Co.'s Greer, S.C. plant. The Co.'s said Hoechst paid about $75,000,000 for the fixed and other assets and about $20,000,000 for certain current assets. Co. said it received about $80,000,000 and will receive the remainder over a five-year period. Agreement with American Hoechst includes the polyester film and resin manufacturing research and development and administrative facilities at Greer, S.C. as well as certain technology and patent rights. Agreement provides that American Hoechst will supply Co. with polyester resin for soft drink bottles for up to five years. In addition production capacity for petpac resin will be built by Co. at the Fiber Industries, Inc. Palmetto plant at Darlington, S.C. also it is planned that the celgard microporous film product line will be continued at its Summit, N.J. location.

Divestiture of Columbia Cellulose Co. Ltd.: In June 1973, Co. completed divestiture of Columbia Cellulose Co., (Colcel) subsidiary, thru sale of Canadian Cellulose Co., a unit of Columbia Cellulose, to British Columbia Cellulose Co., which is an agency of British Columbia. Under terms of deal Colcel is left without any assets. Neither Co. nor Colcel received any payment as a result of deal, but both were relieved of all obligations with respect to 1st mtge. bonds of Canadian Cellulose, totaling U.S. $68,000,000, and bank debt of other subsidiaries, totaling $14,000,000 (Canadian). Bonds are guaranteed by British Columbia government. As part of deal, Colcel pfd. shareholders of record on May 25, 1973 received $1,500,000 (Canadian), or $1.80 a sh. (Canadian) in accrued dividend arrearages, part of which was paid by Co. Thru deal 79% of Canadian Cellulose's com. shs. are owned by British Columbia government concern, 14% by Colcel pfd. shareholders and 7% by its com. shareholders other than Co. On June 29, Colcel pfd. shareholders received 2 shs. and com. shareholders, other than Co., received one com. sh. of Canadian Cellulose for each of their shs. without surrender or exchange of the Colcel shs. Co. had owned 91.3% of Colcel.

Joint Ventures: In 1978 units of Co. and Texas Eastern Corp. signed an agreement with Saudi Arabia's government-owned Saudi Basic Industries Corp. to jointly build and operate a petrochemical complex at Al-Jubail on the Persian Gulf. The unit came on stream successfully in mid-1984.

In Nov. 1983 Co. and American Cyanamid Co. entered into a joint development agreement based on a new polyacrylonitrile (pan) precursor. The program will focus on a unique acrylic technology held only by American Cyanamid Co. which provides precursors for carbon fiber products which can be tailored to high performance aerospace and industrial applications.

SUBSIDIARIES

Functions primarily as an operating company. As of Dec. 31, 1984, owned 100% (except as otherwise indicated in parenthesis) of the voting control of the following major subsidiaries and affiliates:

Celanese Fibers Operations (division)
Celanese Ltd. (U.K.)
Celanese Specialty Operations (division)
Pama Manufacturing Inc. (Del.)
Celanese S.A. (Belgium)
Celanese do Brasil-Fibras Quimicas Ltd. (Brazil)
Celanese Canada Inc. (Canada) (56.3%)
Celanese do Brasil Nordeste S.A.
Celanese Mexicana, S.A. (Mexico) (40%)

Celanese Chemical Co., Inc. (Texas)
Narmco Materials, Inc. (Del.)
Ticona Polymerwerke GmbH (Germany) (41%)
Polyplastics Co., Ltd. (Japan) (45%)
Metanor S.A.—Metanol do Nordeste (33⅓%)
Hager & Kassner GmbH (Germany) (50%)
Hindustan Gum & Chemicals Ltd. (India) (50%)
Meypro B.V. (Netherlands)
Pakistan Gum & Chemicals Ltd. (Pakistan) (60%)
Indal-Industries de Alfarroba, Ltda (Portugal)
Stein, Hall S.A. (Proprietary) Ltd. (South Africa)
Meyhall Chemical AG (Switzerland)
Plast-Labor S.A. (Switzerland)
Celanese Research Co. (Del.)
Quimica da Bahia (33½%)
Quantum, Inc.
Virginia Chemicals Inc.
Celanese International Co.
National Methanol Co. (25%)
Virchem S.A./N.V. (51%)
VirChem Canada Inc.
R.V. Chemicals Ltd. (40%)
Celanese France SARL
Celanese Japan Ltd.
Aprithan GmbH (50%)
Amcel Industra e Participacoes Ltda.

BUSINESS & PRODUCTS

Celanese, together with its subsidiaries and affiliates, manufactures and sells a diversified line of chemicals, fibers and specialties products. Most of these products are made by chemically processing and upgrading three basic types of raw materials, petroleum hydrocarbons, natural gas and wood pulp.

Celanese products are generally sold directly or through distributors or agents to other manufacturers for use in a wide variety of industrial and consumer items.

Fibers

Celanese is the second largest U.S. producer of man-made fibers. It manufactures polyester, acetate and triacetate fibers and sell them for a wide variety of end uses.

Man-made fibers are usually divided into two subcategories: cellulosic fibers, such as acetate and triacetate fibers: and non-cellulosic fibers, such as polyester and woven fabrics. Typical end uses of the Corporation's fiber products are as follows:

(a) Polyester textile filament yarn (Fortrel) used in wearing apparel and home furnishing.

(b) Polyester staple (Fortrel) used in wearing apparel, home furnishings, fiberfill in outerwear, pillows and sleeping bags, industrial fabrics and non-woven fabrics.

(c) Polyester industrial filament yarn used in automotive tires and seat belts, sewing thread, conveyor belts and hoses.

(d) Cellulosic acetate filament yarn and acetate staple used in wearing apparel.

(e) Cellulosic triacetate filament yarn (Arnel) used in wearing apparel and home furnishings.

(f) Cellulosic acetate tow used for cigarette filters.

(g) Cellulosic flake used in fibers and plastics.

Chemicals

Celanese Chemical Co., Inc. produces and sells more than 40 petrochemicals for ultimate use in such familiar materials as apparel, adhesives, paint, synthetic lubricants and automobile engine coolants. Celanese produces chemicals by upgrading hydrocarbons such as ethyline, propylene, natural gas, butane and naphtha. These hydrocarbon raw materials are purchased in the open market, principally under long-term contracts. A description of Chemical Company's major products and typical applications appears below.

(a) Methyl Chemicals: Methanol, Formaldehyde, Pentaerythritol, Synthetic Fatty Acids and Trimethylolpropane used in plastics, polyesters, adhesives, solvents, synthetic lubricants, and coatings.

(b) Ethylene Oxide, Oxo Alcohols and Solvents: Ethylene Oxide, Ethylene Glycol, Butanol, Propanol and Solvents used in surfactants, coatings, rocket propellants, anti-freeze, herbicides, and polyesters.

(c) Monomers and Acetyl Chemicals: Acetic acid, Acetic anhydride, Acetaldehyde, Acrylic acid, Acrylate esters, Vinyl acetate used in water-based paints, adhesives, textile finishes, paper coatings, man-made fibers, pharmaceuticals, herbicides, and plastics.

Specialties

In Mid-1982, the corporation created a new division known as Celanese Specialty Operations, to direct the specialties businesses.

Celanese specialties products consist of engineering resins, structural composites, specialty chemicals, water-soluble polymers and agricultural products. A description of these products and their uses appears below:

(a) Acetal copolymer (Celcon), Nylon 6/6, Polybutylene terephthalate (Celanex), used in automotive functional and exterior parts, appliances, plumbing fixtures, hardware, industrial and communication equipment, audio and video recording devices, tool housings and electrical connectors and insulation.

(b) Structural adhesives, carbon fiber (Celion) fiberglass and carbon reinforced composites are used in aircraft and aerospace components, and recreational and industrial products.

(c) Acrylic and epoxy resins are used in pipe coatings, electrical insulation, printed circuits, industrial finishes, powder coatings, beverage can linings and coatings for flexible substrates.

(d) Guar gum and derivatives, Gum Arabic, Gum Karaya, and other water-soluble and gas polymers are used in processing aids for oil and gas production, mining, explosive systems, textile and paper manufacturing, thickeners, extenders and encapsulants for cultured dairy products, foods, soft drinks, confectioneries and pharmaceutical products.

(e) Alkyl amines used in herbicide intermediates; Sodium hydrosulfite used in textile, paper and clay processing; Sodium bisulfite and Sodium dioxide used in fibers and waste treatment;

Dollar Sales by Product Group ($000 omitted):

	1984	1983	1982
Chemicals	950	891	811
Fibers	1,625	1,617	1,477
Specialties	670	667	636
Brazil/Mexico	83	86	138
Total	3,328	3,261	3,062

Income (Loss) Per Share By Product Group (in $):

	1984	1983	1982
Chemicals	2.65	0.81	(0.05)
Fibers	5.35	4.67	1.93
Specialties	2.30	1.06	0.18
Brazil/Mexico	0.57	0.35	(4.51)
Total	10.87	6.89	(2.45)

Note: Different product groups have varying tax rates and minority interests, which have significant effect on product profitability.

PRINCIPAL PLANTS & PROPERTIES

Co. owns and operates fiber plants at following locations:

Narrows, Va.	Darlington, S.C.
Greenville, S.C.	Shelby, N.C.
Fayetteville, N.C.	Salisbury, N.C.
Rock Hill, S.C.	Gastonia, N.C.

Co. owns and operates chemical plants at following locations:

Bay City, Tex.	Clear Lake, Tex.
Bishop, Tex.	Pampa, Tex.

Co. owns and operates specialty plants at following locations:

[1]Hilliard, O.	Bucks, Ala.
Bishop, Tex.	Florence, Ky.
[1]Charleston, S.C.	Louisville, Ky.
Vernon, Tex.	Anaheim, Cal.
[1]Clifton, N.J.	Leeds, S.C.
Los Angeles, Cal.	Kalama, Wash.
Rock Hill, S.D.	Portsmouth, Va.
Wallingford, Ct.	

[1]Leased facilities.

Research Laboratories are located in Summit, N.J., Charlotte, N.C. Corpus Christi, Tex. and Louisville, Ky.

Foreign subsidiaries and affiliates maintain facilities in following countries:

Belgium	Portugal
Brazil	Mexico
Canada	France
Germany	India
Japan	Netherlands
South Africa	Pakistan
Switzerland	England

MANAGEMENT

Officers

J.D. Macomber, Chmn. of the Bd., Pres. & Chief Exec. Off.
R.L. Mitchell, Vice-Chairman
A.A. Cooksey, Vice-Pres. & Contr.
R.A. Longman, Vice-Pres. & Gen. Counsel
C.R. Tully, Vice-Pres., Chief Fin. Off.
D.W. Lodge, Vice-Pres. & Treas.
D.A. Jenkins, Sec.

Vice-Presidents

K.G. Anderson	R.C. Schroeder
H.B. Bartley, Jr.	M.D. Sellers
J.A. Fennie	J.J. Bigham
R.M. Clarke	D.G. Ogilvie
E.H. Drew	H.W. Buchanan
R.S. Payne	

Directors

(Showing Principal Corporate Affiliations)

Robert Anderson, Chmn. and Chief Exec. Off., Rockwell International Corp.

B.A. Bridgewater, Jr., Pres. & Chief Exec. Off., Brown Group, Inc.

John W. Brooks, Former Chmn., Celanese Corp.

Ida Larkin Clement, Dir., First City Bank of Corpus Christi.

Eleanor T. Elliott, Bd. of Trustees, Barnard College.

Frederic C. Hamilton, Chmn., Pres. & Chief Exec. Off., Hamilton Brothers Petroleum Co.

Vernon E. Jordan Jr., Partner, Akin, Gump, Strauss, Hauer & Feld.

John D. Macomber, Chmn. of the Bd., Pres. & Chief Exec. Off., Celanese Corp.

Paul L. Miller, Former Pres., First Boston Corp.

Robert L. Mitchell, Vice-Chmn., Celanese Corp.

S. Bruce Smart Jr., Dir. & Former Chmn. & Chief Exec. Off., Continental Group, Inc.

J. Paul Sticht, Chmn. of Exec. Comm., R.J. Reynolds Inds., Inc.

C. Robert Tully, Vice-Pres. and Chief Fin. Off., Celanese Corp.

Auditors: Peat, Marwick, Mitchell & Co.

Shareholder Relations: V.J. Leheny, Asst. Treas. **Tel.:** (212) 719-8694.

Annual Meeting: Second Wed. in Apr.

Director Meetings: Last Wednesday of each month.

No. of Stockholders: Dec. 31, 1984: Ser. A pfd., 3,702; conv. pfd., 348; 2nd pfd., 379; common, 25,687.

No. of Employees: Dec. 31, 1984, 21,500.

General Office: 1211 Avenue of the Americas, New York, NY 10036. **Tel.:** (212)719-8000.

INCOME ACCOUNTS

COMPARATIVE CONSOLIDATED INCOME ACCOUNT, YEARS ENDED DEC. 31

(In thousands of dollars)

	1984	1983	1982	1981	1980	1979	1978
Sales	3,328,000	3,261,000	3,062,000	3,752,000	3,348,000	3,146,000	2,609,000
Operating expenses:							
[3]Cost of goods sold	2,696,000	2,683,000	2,626,000	3,112,000	2,807,000	2,554,000	[6]2,084,000
[3]Selling and administration	266,000	279,000	297,000	316,000	251,000	236,000	223,000
Research and development	94,000	85,000	100,000	104,000	94,000	92,000	83,000
Total operating expenses	3,056,000	3,047,000	3,023,000	3,532,000	3,152,000	2,882,000	[6]2,390,000
Operating income	272,000	214,000	39,000	220,000	196,000	264,000	[6]219,000
Interest expense	74,000	77,000	59,000	77,000	57,000	51,000	48,000
Equity in net income of affiliates	28,000	34,000	[5](73,000)	21,000	27,000	18,000	13,000
Other income and expense	36,000	17,000	17,000	55,000	36,000	19,000	14,000
Income before taxes	262,000	188,000	(76,000)	219,000	202,000	250,000	[6]198,000
Provision for income taxes	101,000	67,000	(45,000)	58,000	69,000	93,000	[6]69,000
Income bef. minority interest	161,000	121,000	(31,000)	161,000	133,000	157,000	129,000
Minority interest	......	9,000	3,000	17,000	11,000	16,000	17,000
Income before extraord. items	161,000	112,000	(34,000)	144,000	122,000	141,000	112,000
[1]Extraordinary items	......	......	......	......	......	......	*cr*43,000
Net income	161,000	112,000	(34,000)	144,000	122,000	141,000	155,000
Retained earnings beg. of yr.	780,000	735,000	836,000	763,000	695,000	603,000	487,000

INCOME ACCOUNTS (Cont'd):	1984	1983	1982	1981	1980	1979	1978
[2]Adjustments	......	......	......	*dr*10,000	......	......	......
Preferred dividends	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Common dividends	59,000	63,000	63,000	60,000	50,000	45,000	41,000
Business combination	......	......	......	*cr*3,000	......	......	*cr*6
Retained earnings end of yr.	878,000	780,000	735,000	836,000	763,000	695,000	603,000
SUPPLEMENTARY P. & L. DATA							
Depreciation & amtz.	214,000	213,000	211,000	192,000	205,000	220,000	218,000
Maintenance & repairs	194,000	186,000	185,000	199,000	180,000	157,000	133,000
[4]Taxes other than fed. inc.	68,000	66,000	65,000	71,000	59,000	55,000	61,000
Rent	38,000	37,000	31,000	32,000	33,000	29,000	24,000
Advertising	21,000	19,000	19,000	21,000	18,000	20,000	18,000
Royalties	5,000	7,000	6,000	7,000	5,000	5,000	4,000

[1]1978: Cumulative effect of change in accounting for Investment tax credits.

[2]Reflects compliance with FASB pronouncement relating to accrual of vacation pay.

[3]Includes related portions of items shown under "Supplementary p. & l. data" below statement.

[4]Includes social security taxes.

[5]Includes a special charge of $39,000,000 relating to the Corp.'s 40% equity in Celanese Mexicana, S.A.

[6]Reclassified to reflect change in accounting for investment tax credits from deferral to flow-through method.

Consolidated Statement of Changes in Financial Position (in $000's):

	1984	1983
Cash & marketable sec. beg. of yr.	196,000	104,000
Funds from operations:		
Net income	161,000	112,000
Depreciation	214,000	213,000
Prepaid & other non-cash charges & cred.	4,000	10,000
Tot. funds fr. oper.	379,000	335,000
Capital exp.	(169,000)	(105,000)
Capitalized interest	(9,000)	(6,000)
Chg. in—Accts. rec.	(1,000)	16,000
—Inventories	17,000	(25,000)
—Accts. pay. & accr. liabil.	13,000	87,000
Purch. of assets	......	(119,000)
Contrib. of jt. vent.	......	10,000
Net fds. fr. oper.	230,000	193,000
Financial transactions:		
Dividends	(63,000)	(67,000)
L.-t. debt incl. current portion:		
Additions	4,000	8,000
Reductions	(80,000)	(42,000)
Notes pay., net	(8,000)	3,000
Capital stk.	(151,000)	3,000
Net fds. fr. fin. transact.	(298,000)	98,000
Investments and other transactions	38,000	(6,000)
Cash & marketable sec. end of yr.	166,000	196,000

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

Year	Net Sales	Cost and Expenses	Balance	Oth. Inc. & Ded. (Net)	Inc. Bef. Taxes	Income Taxes	Net Income	Common Dividends	Com. Shs. Outstand.	Earn. Per. Com. Sh.
1965	862,290	720,861	141,429	*d*23,731	117,699	52,749	64,949	23,066	11,828,972	5.10
1966	1,019,912	878,922	140,990	*d*23,611	117,379	50,677	66,702	25,876	13,307,594	4.67
1967	1,110,034	977,361	132,673	*d*25,820	106,853	47,553	59,300	26,615	13,307,594	4.12
1968	1,255,800	1,082,000	173,800	*d*35,200	138,600	80,800	[1]57,800	26,600	13,311,094	[1]4.02
1969	1,249,900	1,103,100	146,800	*cr*2,700	149,500	73,200	[3]76,300	26,600	13,322,709	[4]5.41
1970	1,036,700	971,600	65,100	*cr*21,300	86,400	35,400	[3]51,000	26,600	13,339,987	[4]3.51
1971	1,236,000	1,099,000	137,000	*d*25,000	112,000	53,000	[3]59,000	28,000	13,852,325	[4]3.99
1972	1,385,000	1,263,000	122,000	*d*25,000	97,000	40,000	[3]51,000	28,000	13,853,498	[4]3.39
1973	1,609,000	1,411,000	198,000	*d*20,000	178,000	75,000	[3]75,000	28,000	13,853,504	[4]5.12
1974	1,928,000	1,763,000	165,000	*cr*33,000	198,000	80,000	98,000	33,000	13,853,508	6.78
1975	1,900,000	1,785,000	115,000	*d*25,000	90,000	33,000	50,000	39,000	13,864,700	3.30
1976	2,123,000	1,958,000	165,000	*d*26,000	139,000	64,000	69,000	39,000	13,918,800	4.67
1977	2,320,000	2,140,000	180,000	*d*28,000	152,000	68,000	70,000	40,000	14,109,681	4.70
1978	2,609,000	2,390,000	219,000	*d*38,000	181,000	69,000	[3]112,000	41,000	14,393,046	[4]7.50

[1]Before special items, after; *d*$77,000,000 and *d*$6.11. [3]Before extraordinary items; after: 1969, $79,500,000; 1970, $48,500,000; 1971, *d*$2,000,000; 1972, $44,000,000; 1973, $81,000,000; 1978, $155,000,000. [4]Before extraordinary items; after: 1969, $5.64; 1970, $3.52; 1971, *d*$0.41; 1972, $2.86; 1973, $5.56; 1978, $10.49.

BALANCE SHEETS

COMPARATIVE CONSOLIDATED BALANCE SHEET, AS OF DEC. 31

(In thousand of dollars)

ASSETS	1984	1983	1982	1981	[7]1980	[7]1979	[7]1978
[1]Cash and marketable securities	166,000	196,000	104,000	235,000	274,000	214,000	143,000
[2]Receivables	439,000	438,000	454,000	470,000	518,000	483,000	399,000
Receiv. from pension plan	370,000	......	......	......	......	......	......
[3]Inventories	428,000	445,000	420,000	443,000	393,000	352,000	318,000
Other current assets	32,000	17,000	9,000	23,000	9,000	6,000	6,000
Total current assets	1,435,000	1,096,000	987,000	1,171,000	1,194,000	1,055,000	866,000
Investments in affiliates, at equity	200,000	174,000	129,000	200,000	152,000	121,000	108,000
[4]Net property, plant and equipment	1,349,000	1,445,000	1,608,000	1,518,000	1,197,000	1,150,000	1,148,000
Investment in Elwood Insurance at equity						13,000	10,000
Goodwill, net of amortization	120,000	154,000	138,000	102,000	91,000	6,000	10,000
Other assets						35,000	16,000
Total	3,104,000	2,869,000	2,862,000	2,991,000	2,634,000	2,380,000	2,158,000
LIABILITIES							
Accts. payable & accrued liabilities	467,000	454,000	367,000	423,000	398,000	372,000	286,000
Income taxes payable	319,000	125,000	109,000	100,000	160,000	186,000	[9]129,000
Notes payable	6,000	14,000	11,000	21,000	19,000	16,000	11,000
Long-term debt due within one year	77,000	46,000	41,000	42,000	30,000	49,000	32,000
Total current liabilities	869,000	639,000	528,000	586,000	607,000	623,000	458,000
Deferred pension gain	333,000	......	......	......	......	......	......
Deferred income taxes	29,000	158,000	139,000	119,000	65,000	52,000	57,000
Long-term debt	662,000	769,000	808,000	815,000	699,000	512,000	552,000
Minority interest in consol. subs.	112,000	134,000	256,000	238,000	171,000	164,000	155,000
Deferred investment tax credits	......	......	......	......	......	......	......
[5]Cumulative preferred	89,000	89,000	89,000	89,000	90,000	90,000	90,000
[6]Common (no par)	306,000	302,000	302,000	301,000	233,000	233,000	233,000
Additional paid-in capital	27,000	27,000	25,000	24,000	22,000	21,000	20,000
Retained earnings	878,000	780,000	735,000	836,000	753,000	685,000	593,000
Total stockholders' equity	1,300,000	1,198,000	1,151,000	1,250,000	1,098,000	1,029,000	936,000
[10]Less: Treasury stk.	172,000	17,000	20,000	17,000	6,000	......	......
Cumul. trans. adj.	29,000	12,000	......	......	......	......	......
Net stockholder's equity	1,099,000	1,169,000	1,131,000	1,233,000	1,092,000	1,029,000	36,000
Total	3,104,000	2,869,000	2,862,000	2,991,000	2,634,000	2,380,000	2,158,000
Net current assets	566,000	457,000	459,000	585,000	587,000	432,000	408,000
PROPERTY ACCT.—ANALYSIS							
Additions at cost	178,000	111,000	309,000	437,000	264,000	245,000	N.A.
Retirement or sales	207,000	65,000	83,000	149,000	88,000	175,000	N.A.
Other additions (deductions)	(62,000)	(11,000)	7,000	113,000	1,000	35,000	N.A.
DEPREC. RESERVE ACCT.—ANALYSIS							
Additions charged to income	214,000	213,000	211,000	192,000	205,000	220,000	N.A.
Retirements, renewals & etc.	178,000	53,000	70,000	113,000	76,000	117,000	N.A.
Other additions (deductions)	(31,000)	26,000	1,000	1,000	1,000	......	N.A.

[1]1984: Includes: ($23,000,000) cash on hand and demand deposits; $189,000,000 marketable securities.

[2]Net of allowances for doubtful accounts: 1984, $24,000,000; 1983, $26,000,000; 1982, $29,000,000; 1981, $23,000,000; 1980, $22,000,000; 1979, $19,000,000; 1978, $17,000,000.

[3]1984 Comprised: Finished goods, $307,000,000; work in process, $61,000,000; raw materials, $137,000,000; supplies, $43,000,000; less: excess of curr. costs over stated values, $120,000,000; total, $428,000,000.

[4]1984 ($000):

	Property	Deprec. Reserves
Mach. & equipt.	2,781,000	
Bldgs. & improv.	460,000	
Rolling stock	91,000	
Furniture & fixt.	27,000	2,275,000
Other assets	28,000	
Capitalized interest	79,000	
Land	27,000	
Constr. in progress	131,000	
Total	3,624,000	2,275,000

[5]Comprised: 1984-78, 850,902 $100 par value cum. pfd. ser. A, 4½%; 1984, 37,376; 1983, 42,210; 1982, 45,664; 1981, 53,436; 1980, 82,595, 1979, 86,914, 1978, 87,114; no par value conv. preference shs., 1984-78, 25.638 $100 par value, 7% second pfd.

[6]Shares: 1984, 15,523,759; 1983, 15,680,744; 1982, 15,943,697; 1981, 15,904,791; 1980, 14,438,224; 1979, 14,420,362; 1978, 14,393,046.

[7]Restated to reflect compliance with FASB pronouncement relating to accrual of vacation pay.

[9]Reclassified to reflect change in accounting for investment tax credits from deferral to the flow-through method.

[10]Shares at cost: 1984, 2,511,019; 1983, 285,477; 1982, 364,700; 1981, 296,600; 1980, 124,000.

Notes

Principles of Consolidation: The consolidated financial statements include the accounts of the Corporation and all significant subsidiaries and joint ventures in which the Corporation owns in excess of 50% of the voting rights, except insurance subsidiaries, which are carried at equity. All material intercompany transactions are eliminated.

In June 1983, Celanese became the sole stockholder of Fiber Industries, Inc., (FII), by purchasing the 37½% interest formerly owned by Imperial Chemical Industries plc for $119 million in cash. Consolidated results include 100% of FII's operations from June 1, 1983.

Depreciation Policy: Property, plant and equipment includes the cost of land, buildings, equipment, significant improvements of existing plant and equipment and capitalized interest. Additions, improvements, renewals and expenditures for maintenance that add materially to productive capacity or extend the life of an asset are capitalized. Other maintenance expenditures are charged to income.

Generally, assets are grouped and depreciated on a composite basis. When facilities are sold or retired in the normal course of business, the original cost of the asset adjusted by any net proceeds is charged or credited to the accumulated depreciation account. Depreciation is provided over the estimated useful lives of the assets on the straight-line method, except that the sum-of-the-years-digits method is used for U.S. machinery and equipment acquired from 1974 to 1977.

In 1978, the Corporation reduced the maximum estimated useful life for all U.S. machinery and equipment from 10 to 9½ years. Capitalized interest is amortized over 10 years.

Foreign Exchange: The Corporation adopted the provisions of Statement of Financial Accounting Standards No. 52 "Foreign Currency Translation" as required at the beginning of 1983. In general, local currencies have been designated as the functional currencies for the Corporation's foreign operations except in Brazil and Mexico, where the U.S. dollar is the functional currency. The cumulative effect of the change for 1982 and prior years was $12 million at the beginning of 1983.

Retirement Income Plan: During 1983, the Corporation filed for government approval to restructure the pension plan. If approval is granted, the Corporation will reclaim a portion of the plan assets. The amount to be reclaimed cannot yet be determined.

During 1982, for most U.S. plans, Celanese changed from the entry age normal cost method to a modified unit credit method for determining pension expense. This change relates pension expense to accumulated pension plan benefits by taking into consideration the excess of pension assets over accumulated benefits. Celanese uses the entry age normal method for funding purposes.

The net effect of this change in actuarial method was to increase 1982 net income by 68¢ per share, or $11 million. Pension expense was decreased by $23 million.

FINANCIAL & OPERATING DATA

Statistical Record	1984	1983	1982	1981	1980	1979	1978
Earned per share—common:							
Year-end shares:							
Before special items	$11.60	$6.86	d$2.45	$8.97	$8.24	$9.50	$7.50
After special items	$11.60	$6.86	d$2.45	$8.97	$8.24	$9.50	$10.49
[4]Average Shares:							
Assuming no dilution:							
Before special items	$10.87	$6.89	d$2.45	$9.01	$8.20	$9.52	$7.61
After special items	$10.87	$6.89	d$2.45	$9.01	$8.20	$9.52	$10.62
[4]Assuming full dilution:							
Before special items	$10.07	$6.52	......	$8.52	$8.06	$9.34	$7.36
After special items	$10.07	$6.52	......	$8.52	$8.06	$9.34	$10.24
Dividends per share—4½% pfd. A	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50
—$3 conv. pref.	$3.00	$3.00	$3.00	$3.00	$3.00	$3.00	$3.00
—7% 2nd pfd.	$7.00	$7.00	$7.00	$7.00	$7.00	$7.00	$7.00
—common	$4.10	$4.00	$4.00	$3.85	$3.50	$3.10	$2.85
Price range—4½% pfd. A	38¾-34	39-35	37½-35	44-31⅜	44-33	48¼-39	51-44¼
—$3 preference	45½-45½	49-30⅝	38⅞-33	41¾-31	41¾-31¼	33-31	32-32
—7% cum. cv. pfd.	......	......	......	63- 35	52-35	66-52½	75-71
—common	82-62¾	79¾-45	59⅞-45¼	69¼-51⅝	62⅝-39⅞	48¾-39⅜	47⅛-35⅝
Net tang. assets per com. share	$74.66	$68.77	$66.89	$73.15	$69.78	$64.98	$58.60
Fixed charges earned:							
Before income taxes	4.54	3.20	......	3.62	4.35	5.59	[8]4.60
After income taxes	3.17	2.40	0.42	2.87	3.14	3.76	[8]3.33
[6]Net tang. assets $1,000 fund. debt	$26.60	$2,520	$2,400	$2,513	$2,562	$3,009	$2,696
[6]Net curr. assets per $1,000 fund. debt	$855	$594	$568	$718	$840	$844	$739
Price range—S.f. deb. 11⅞s, 2005	92½-80	98-87	87-71	82½-78⅝	93-82½	......	......
—10⅞% notes, 1987	99⅞-92⅛	101½-95	98-84	85½-79½	91½-83	......	......
—deb. 4s, 1990	88-77	88-63½	67-55	74-56	71-59	70½-67	69½-65
—deb. 9¾s, 2006	120-100	118¾-84	94-75	106-83	......	......	......
Year end shares—4½% pfd. A	850,902	850.902	850,902	850,902	850,902	850,902	850,902
—$3 conv. pref.	37,376	42,210	45,664	53,436	82,595	86,914	87,114
—7% 2nd prd.	25,638	25.638	25,638	25,638	25,638	25,638	25,638
—common	13,523,759	15,680,744	15,578,997	15,608,191	14,314,224	14,420,362	14,393,046
Average common shares	14,431,000	15,608,000	15,600,000	15,528,000	14,373,000	14,413,000	14,175,000
Fully diluted shares	16,158,000	17,386,000	......	16,992,000	14,729,000	14,778,000	14,849,000
Financial & Operating Ratios							
Current assets÷current liabilities	1.65	1.72	1.87	2.00	1.97	1.69	1.89
% cash & securities to current assets	11.57	17.88	10.54	20.07	22.95	20.28	16.51
% inventory to current assets	29.83	40.60	42.55	37.83	32.91	33.36	36.72
% net current assets to net worth	51.50	39.09	40.58	47.45	53.75	41.98	43.59
% property depreciated	62.78	61.11	56.96	56.67	61.41	60.64	59.29
% ann. depr. & amort. to gross prop.	5.91	5.73	5.65	5.48	6.61	7.52	7.73
Capitalization:							
% long term debt	29.62	34.48	34.62	33.89	34.48	29.14	32.47
Def. pension gain	14.90	......	......	......	......	......	......
% Deferred inc. taxes	1.30	7.09	5.96	4.95	3.21	2.96	3.35
% Minority int.	5.01	6.01	10.96	9.90	8.44	9.33	9.12
% Preferred stock	3.98	3.99	3.81	3.70	4.44	5.12	5.29
% Common stk. and surp.	45.19	48.43	44.65	47.56	49.43	53.45	49.77
% net income to total assets	5.19	3.90	......	4.81	4.63	5.92	7.18
% net income to net worth	14.65	9.58	......	11.68	11.17	13.70	16.56
Preferred dividend times earned	39.08	27.09	......	36.54	28.67	33.03	36.30
Times 1st preferred dividend earned	40.85	29.05	......	36.10	29.92	34.47	37.90
Times second pfd. dividend earned	899.44	625.70	......	804.47	681.56	787.71	865.92
Analysis of Operations	%	%	%	%	%	%	%
Net sales	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Cost of sales	81.01	83.29	86.19	82.94	83.84	81.18	79.88
Selling, gen. and adm. exp.	10.82	10.15	12.54	11.19	10.30	10.43	11.73
Balance	8.17	6.56	1.27	5.87	5.86	8.39	8.39
Other inc.	1.92	1.56	(1.83)	2.03	1.88	1.18	1.03
Interest charges	2.22	2.36	1.93	2.05	1.70	1.62	1.84
Balance	7.87	5.76	(2.49)	5.85	6.04	7.95	7.59
Gen. income etc. taxes & min. int.	3.03	2.33	(1.38)	2.00	2.39	3.46	3.30
Other extraordinary items	......	......	......	......	......	......	cr1.65
Net income	4.84	3.43	(1.11)	3.85	3.63	4.49	5.94

[4]Based on weighted average number of shares outstanding during each year after giving effect to shares issued in regard to poolings of interests and after providing for all preferred dividends. Fully diluted income per share was determined by giving appropriate effect to shares that may be issued for dilutive stock options and shares that may be issued upon conversion of the convertible debentures and preferred stock.

[6]Funded debt excludes current portion shown in current liabilities.

[8]Before extraord. item.

LONG TERM DEBT

1. Celanese Corp. sinking fund debenture 11⅞s, due 2005:

Rating—A 3

AUTH.—$100,000,000; Outstg., Dec. 31, 1984, $100,000,000.

DATED—July 15, 1980. DUE—July 15, 2005.

INTEREST—J&J 15 to holders registered J&J 1.

TRUSTEE—Manufacturers Hanover Trust Co.

DENOMINATION—Fully registered, $1,000 and any integral multiple of $1,000. Transferable and exchangeable without service charge.

CALLABLE—As a whole or in part at any time on at least 30 but not more than 60 days' notice to each July 14 as follows:

1984	109.90	1985	109.30	1986	108.70
1987	108.15	1988	107.55	1989	107.00
1990	106.40	1991	105.80	1992	105.25
1993	104.65	1994	104.05	1995	103.50
1996	102.90	1997	102.35	1998	101.75
1999	101.15	2000	100.60		

and thereafter at 100. Not callable, however, prior to July 15, 1990 thru refunding at an interest cost of less than 11.91% per annum. Also callable for sinking fund (which see) at 100.

SINKING FUND—Annually, July 15, commencing in 1991, sufficient to redeem $6,600,000 principal amount of debs. outstg., plus similar optional payments. Sinking fund is designed to retire 92.4% of debs. prior to maturity.

SECURITY—The Indenture provides that the Company may not, nor may it permit any Restricted Subsidiary to, issue, assume or guarantee evidences of indebtedness for money borrowed which are secured by any mortgage, security interest, pledge or lien of or upon any Principal Property or of or upon any shares of stock or evidences of indebtedness for borrowed money issued by any Restricted Subsidiary and owned by the Company or any Restricted Subsidiary, whether owned at the date of such Indenture or thereafter acquired, without effectively providing that the Notes or Debentures, as the case may be, shall be secured equally and ratably by such mortgage, except that this restriction will not apply to (1) mortgages on any property existing at the time of its acquisition or at the date of the Indenture; (2) mortgages on property of a corporation existing at the time such corporation is merged into or consolidated with, or disposes of substantially all its properties (or those of a division) to, the Company or Restricted Subsidiary; (3) mortgages on property of a corporation existing at the time such corporation first becomes a Restricted Subsidiary; (4) mortgages securing indebtedness of a Restricted Subsidiary to the Company or to another Restricted Subsidiary; (5) mortgages to secure the cost of acquisition, construction, development or substantial repair, alteration or improvement of property if the commitment to extend the credit secured by any such mortgage is obtained within 120 days after the later of the completion or the placing in operation of the acquired, constructed, developed or substantially repaired, altered or improved property; (6) mechanic's liens, tax liens, liens arising from the sale of mineral, oil or gas rights, liens to a governmental body to secure advances and other liens incidental to the conduct of business which do not materially impair the use of the Principal Property or which are being contested in good faith; or (7) any extension, renewal or replacement of any mortgage referred to in clauses (1) through (6). However, the Company or any Restricted Subsidiary may issue, assume or guarantee indebtedness secured by mortgages which would otherwise be subject to the foregoing restrictions in an aggregate amount which, together with all such other indebtedness outstanding, does not exceed 5% of Net Tangible Assets.

SALE AND LEASEBACK—The Indenture provides that neither the Company nor any Restricted Subsidiary may enter into any Sale and Lease-Back Transaction with respect to a Principal Property if the purchaser's commitment is obtained more than 120 days after the later of the completion or the placing in operation of such Principal Property or of such Principal Property as constructed or developed or substantially repaired, altered or improved. This restriction will not apply if either (a) the Company or such Restricted Subsidiary would be entitled to issue, assume or guarantee a debt secured by a mortgage on such Principal Property without equally and ratably securing the Notes or Debentures, as the case may be, or (b) the Company applies within 180 days an amount equal to, in the case of a sale or transfer for cash, the net proceeds thereof and, otherwise, an amount equal to the fair value of the Principal Property so leased to the retirement of the Notes or Debentures or other indebtedness of the Company or a Restricted Subsidiary, subject to reduction as set forth in each Indenture in respect of Notes, Debentures and other indebtedness retired during such 180 day period otherwise than for mandatory sinking funds and payments at maturity. Such retirement of Debentures shall not be deemed to be a redemption at an interest cost to the Company of less than the rate of interest borne by the Debentures. The Company or any Restricted Subsidiary, however, may enter into a Sale and Lease-Back Transaction which would otherwise be subject to the foregoing restriction so as to create an aggregate amount of attributable debt which, together with all attributable debt outstanding and all indebtedness outstanding, does not exceed 5% of Net Tangible Assets.

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

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

LISTED—On New York Stock Exchange.

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

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

2. Celanese Corp. 10⅞% notes, due 1987:

Rating—A 3

AUTH.—$100,000,000; Outstg., Dec. 31, 1984, $100,000,000.

DATED—July 15, 1980. DUE—July 15, 1987.

INTEREST—J&J 15 to holders registered J&J 1.

TRUSTEE—Manufacturers Hanover Trust Co.

DENOMINATION—Fully registered, $1,000 and any integral multiple of $1,000. Transferable and exchangeable without service charge.

CALLABLE—As a whole or in part at any time on or after July 15, 1985 on at least 30 but not more than 60 days' notice at 100.

SINKING FUND—None.

SECURITY—OTHER PROVISIONS—Same as s.f. deb. 11⅞s, 2005.

LISTED—On New York Stock Exchange.

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

OFFERED—($100,000,000) at 99.50 plus accrued interest (proceeds to Co., 98.80) on July 18, 1980 thru Frist Boston Corp.

3. Celanese Corp. (Celanese Corp. of America) convertible subordinated debenture 4s, due 1990:

Rating—Baa 1

OUTSTG.—Dec. 31, 1984, $20,279,000.

DATED—Apr. 1, 1965. DUE—Apr. 1990.

INTEREST—A&O1 by mail to registered holders: Interest accrues from Apr. 5, 1965.

TRUSTEE—Morgan Guaranty Trust Co., NYC.

DENOMINATION—Fully registered $100 and approved multiples of $100; exchangeable without service charge, except that debs. may not be exchanged for debs. of a lesser denomination when such lesser denomination is less than $1,000.

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

1984 ......100¼ 1985 ......100⅛ 1990 100

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

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

CONVERTIBLE—Into common at any time (if called, on or before redemption date) at $92.00 per sh. The conversion price will be subject to adjustment under a formula in certain usual events, excepting shares of stock issued pursuant to (a) conversion of debentures and corporation's convertible preference stock, and (b) exercise of stock purchase options, etc., now outstanding and hereafter granted to officers or employees of Celanese or its subsidiaries. Under the adjustment formula, if additional shares of common stock are sold at a price above the debenture conversion price, this excess will establish a credit to be applied against subsequent reductions of the debenture conversion price. Under the formula, conversion price changes will be made when the cumulative adjustment amounts to 50 cents per share, etc. Fractional shares of stock will not be issued upon conversion but may be sold or purchased to round out full shares. Conversions will be effected without adjustment for interest or dividends and, in the case of debentures surrendered for conversion after the tenth day preceding an interest date, such debentures must be accompanied by payment of interest accrued thereon.

SECURITY—Not secured; subordinated to superior debt, including 5¾% notes due 1980 and other debt specifically designated as superior debt.

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

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

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

LISTED—On New York Stock Exchange.

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

4. Celanese corp. convertible subordinated debenture 9¾s, due 2006:

Rating—Baa 1

AUTH.—$100,000,000; outstg., Dec. 31, 1984, $99,990,000.

DATED—Mar. 15, 1981. DUE—June 15, 2006.

INTEREST—J&D 15 to holders registered J&D 1.

TRUSTEE—Bankers Trust Co.

DENOMINATION—Fully registered, $1,000 and integral multiples thereof. Interchangeable without service charge.

CALLABLE—As a whole or in part at any time on at least 30 but not more than 60 days' notice to each June 14 as follows:

1985	.....107.80	1986	.....107.15	1987	.....106.50
1988	.....105.85	1989	.....105.20	1990	.....104.55
1991	.....103.90	1992	.....103.25	1993	.....102.60
1994	.....101.95	1995	.....101.30	1996	.....100.65

and thereafter at 100. Also callable for sinking fund (which see) at 100.

SINKING FUND—Annually, June 15, 1991-2005, sufficient to redeem $5,000,000 principal amount of debs., plus similar optional payments. Sinking fund is designed to retire 75% of debs. outstg.

CONVERTIBLE—Into com. at any time at $71 per sh., subject to adjustment. Conv. privilege protuted against dilution.

SECURITY—Not secured. Subordinate to all senior indebtedness.

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

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

LISTED—On New York Stock Exchange.

PURPOSE—Proceeds will be used for capital expenditures.

OFFERED—($100,000,000) at 100 plus accrued interest on (proceeds to Co., 98.875) on Mar. 6, 1981 thru First Boston Corp. and associates.

5-10. Term Loans: Outstanding Dec. 31, 1984:

(a) $22,000,000 4¾% notes payable $4,000,000, each Apr., to 1989, and balance on Apr. 1, 1990. Proceeds to repay bank loans and for general purposes.

Co. may not pay cash dividends or acquire capital stock in excess of consolidated net earnings after Dec. 31, 1964 plus $75,000,000 and proceeds from stock sold after Dec. 31, 1964 and if consolidated working capital is less than $100,000,000.

(b) $4,000,000 6¾% notes, due Dec. 1987.

(c) $38,110,000 other notes payable.

(d) $114,000,000 9¼% notes due Nov., 1996.

(e) $82,000,000 8.45% notes, due Sept. 1997.

(f) $14,000,000 9.1% first mortgage bonds due Dec. 1987.

Restrictions exist, principally due to debt agreements, with respect to the rights of certain consolidated subsidiaries of the Corporation to transfer funds to Celanese. At Dec. 31, 1984, the Corporation's proportional share of net assets of such subsidiaries was restricted in the aggregate amount of $28 million.

The Corporation's debt instruments include various covenants that require maintenance of working capital and limit creation of funded debt and payment of dividends. Also, additional funded debt may be created only if immediately thereafter consolidated net tangible assets are at least twice consolidated funded debt, as those terms are defined in the debt instruments.

Under the most restrictive of these restrictions and covenants at Dec. 31, 1984, the Corporation's consolidated working capital exceeded the required minimum of $160 million by $406 million, and $290 million of stockholders' equity was available for dividend or other restricted payments to common stockholders.

The Corporation has revolving credit agreements with several banks until June 30, 1987, providing for loans of up to $100 million. These credit lines were unused during 1984.

11. Subsidiaries Debt: Outstanding, Dec. 31, 1984, $67,771,000 comprised of debt of Virginia Chemicals, Inc. and other U.S. subsidiaries, Celanese Canada, Inc., Celanese do Brasil-Fibras Quimicas Ltda. and other non-U.S. subsidiaries.

CAPITAL STOCK

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

AUTHORIZED—908,602 shares; outstanding, series A, Dec. 31, 1984, 850,902 shares; par $100.

PREFERENCES—Has first preference for assets and dividends.

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

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

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

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

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

LIQUIDATION RIGHTS—In liquidation entitled to $100 per share if involuntary or call price if voluntary, plus dividends before distribution to other classes of stock.

PREEMPTIVE RIGHTS—Has no preemptive rights.

CALLABLE—As a whole or in part on not less than 30 days' notice at any time to May 1, 1966 at $102 per share; thereafter at $100 per share.

PURPOSE—Proceeds used to retire $4.75 first preferred and also offered in exchange for 7% second preferred on basis of 1½ 4½% preferred shares for each 7% preferred share.

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

TRANSFER AGENTS AND REGISTRAR—Morgan Guaranty Trust Co. of New York.

LISTED—On NYSE (Symbol: CZ Pr).

2. Celanese Corp. $3 convertible preference; No par:

AUTH.—45,664 shs.; outstg., Dec. 31, 1984, 37,376 shs.; no par.

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

DIVIDEND RIGHTS—Entitled to cum. divs. of $3 a sh. annually, payable quarterly Jan. 1, etc.
DIVIDEND RECORD—Initial dividend of $1 (four months) paid Jan. 2, 1965.
VOTING RIGHTS—Non-voting, except on default of 4 quarterly divs. when preference, voting together with common, is entitled to one vote per sh. on election of directors.
LIQUIDATION RIGHTS—On any liquidation (not consolidation or merger) entitled to $55 per sh. plus divs. price to 7% second preferred and common shares.
CALLABLE—As a whole or in part on any dividend date on 60 days' notice at $65 per sh. plus divs.
CONVERTIBLE—Into common at any time (if called, on or before business day next preceding redemption date) at rate of 0.6953 of one common sh. plus $1.15 in cash for each pref. sh.: cash paid in lieu of franctional shs. Conversion privilege protected against dilution.
PREEMPTIVE RIGHTS—None.
DIVIDEND DISBURSING AGENT—Bankers Trust Co., New York.
TRANSFER AGENTS AND REGISTRAR—Morgan Guaranty Trust Co. of New York.
PURPOSE—Issued (100,000 shs.) in Nov. 1964 in exchange, sh. for sh., for conv. preference of Champlin Oil & Refining Co. under proposed merger.
LISTED—On Midwest Stock Exchange.

3. Celanse Corp. 7% cumulative second preferred, par $100:
AUTHORIZED—32,398 shares; outstanding, Dec. 31, 1984, 25,638 shares; par $100.
DIVIDEND RIGHTS—Has preference over common stock to cumulative dividends of $7 a share per annum; payable quarterly, on Jan. 1, etc.
DIVIDEND RECORD—Initial dividend of $1.75 per share paid April 1, 1942; regular dividends paid quarterly thereafter.
VOTING RIGHTS—None provided, except any increase in authorized second preferred requires approval of holders of 90% of second preferred.
LIQUIDATION RIGHTS—In liquidation whether voluntary or involuntary, entitled to $100 a share and dividends prior to any distribution to common stock.
PREEMPTIVE RIGHTS—None.
CALLABLE—Non-callable.
DIVIDEND DISBURSING AGENT—Bankers Trust Co., New York and London.
TRANSFER AGENT AND REGISTRAR—Morgan Guaranty Trust Co. of New York.
ISSUED—In Dec., 1941 in connection with merger of Celluloid Corp.
EXCHANGE OFFER—In Apr. 1951, holders were offered right to exchange for 4½% preferred on basis of one and one-half shares of 4½% preferred for each 7% preferred share held. Offer expired Apr. 25, 1951. See also rights under common stock.

4. Celanese Corp. common; no par:
AUTHORIZED—50,000,000 shares; outstanding, Dec. 31, 1984, 13,523,759 shares; in treasury, 2,511,019 shares; reserved for convertible preference 25,987 shares; reserved for convertible debentures 1,628,734 shares; reserved for stock options, 331,100 shares; no par.
No par shares split 4-for-1 in May, 1927 and 2½-for-1 Sept. 25, 1946.

Dividend Record (In $)

1918-35	Nil	1936	1.50	1937	2.25
1938	Nil	[1]1939	0.50	[2]1940	1.25
1941-43	2.00	[3]1944	0.50	1945	2.00
1946	1.62½				

After 2½-for-1 split:

1946	0.25	1947	1.30	1948	2.20
1949	2.40	1950	2.55	1951	3.00
1952	2.25	1953	1.25	1954	0.62½
1955	0.50	1956	0.62½	[1]1957-59	1.00
1960	1.10	1961	1.20	1962	1.40
1963	1.60	1964	1.70	1965	1.95
1966-73	2.00	1974	2.40	1975-77	2.80
1978	2.85	1979	3.10	1980	3.50
1981	3.85	1982-83	4.00	1984	4.10
[4]1985	1.10				

[1]Plus stock dividends: 1939, 2½%; 1959, 25%.
[2]Also paid 2 shares common for each 40 shares held and 1 share common for each 30 shares held.
[3]Also paid stock dividends aggregating 3 shares for each 70 shares held.
[4]To Mar. 29.

DIVIDEND LIMITATION—For details, see term loans under Long Term Debt, above.
DIVIDEND REINVESTMENT PLAN—Company offers its holders of common stock the opportunity to buy additional shares of common stock through its Automatic Dividend Reinvestment Plan, administered by Morgan Guaranty Trust Co. of New York. Participating share-owners may invest additional cash contributions, in addition to their dividend, at their option. Celanese Corp. pays all costs of the plan.
VOTING RIGHTS—Subject to rights of preferred (Nos. 1, 2, and 3 above), as sole voting power with one vote per share.
PREEMPTIVE RIGHTS—Common has preemptive rights under law, except as to any stock (or securities convertible thereinto) issued for property or services.
DIVIDEND DISBURSING AGENT—Bankers Trust Co., New York.
TRANSFER AGENT AND REGISTRAR—Morgan Guaranty Trust Co. of New York.
ISSUED—Old no par shares were issued as follows: 150,000 shares June, 1919 to acquire territory rights, patents, processes, agreements, etc.; in Aug., 1923, 16,000 shares in blocks of 5 shares first participating preferred and 2 shares of common at $502 per block; 9,000 shares commission for underwriting these blocks; and 25,000 shares to acquire extra trading territory rights, patent rights, agreements, etc.; in Nov., 1925, 5,000 shares in blocks of 9 shares first participating preferred and 5 shares common at $1,020 per block; and 1,000 shares for underwriting these blocks; in Apr., 1927, 13,750 shares in blocks of 4 shares first participating preferred and one share common at $450 per block.
Plan dated Mar. 7, 1941 for merger with Celluloid Corp. provided that each share of Celanese common continue to be a share of common of the continuing corporation 263,763 additional shares of common were issued in accordance with plan of merger.
330,846 shares issued in Dec., 1951, in connection with commutation of the Dreyfus patent rights.
(225,000 shares) at $66.25 a share on Mar. 4, 1969 thru Bache & Co., Inc. and associates.
LISTED—On NYSE (Symbol: CZ); also listed on Midwest and Pacific Stock Exchanges; unlisted trading on Boston, Cincinnati, and Philadelphia Stock Exchanges. Listed on London and Amsterdam Stock Exchanges.

Subscription Rights: Granted since 1950:
Common stockholders of record April 11, 1951 had right to subscribe to 4½% convertible preferred at rate of 6/35ths of a share of preferred stock for each common share at, $100 a share (7% second preferred stock was accepted on subscriptions at $150 per share). Rights expired Apr. 25, 1951.
Common stockholders of record Oct. 25, 1963 had right to subscribe to 964,390 common shares on basis of one share for each 8 shares held at price of $45 a share. Rights expired Mar. 12, 1963.
Common stockholders of record Mar. 16, 1965 had right to subscribe to $78,859,800 convertible subordinated debenture 4s, due 1990 at par at rate of $100 debentures for each 15 shares held. Rights expired Apr. 5, 1965.
Common stockholders of record Mar. 10, 1966 had right to subscribe to 1,478,622 common shares on basis of one share for each 8 shares held at $64 a share. Rights expired Mar. 29, 1966.