Celanese Corp
Form 10-K
February 07, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

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

For the fiscal year ended December 31, 2013

OR

o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

(Commission File Number) 001-32410

CELANESE CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	98-0420726 (I.R.S. Employer Identification No.)
222 West Las Colinas Blvd., Suite 900N Irving TX (Address of Principal Executive Offices)	75039-5421 (Zip Code)

(972) 443-4000
(Registrant's telephone number, including area code)

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

Title of Each Class	Name of Each Exchange on Which Registered
Series A Common Stock, par value $0.0001 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes þ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No þ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes þ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. þ

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ Accelerated filer o Non-accelerated filer o Smaller reporting company o
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No þ

The aggregate market value of the registrant's Series A Common Stock held by non-affiliates as of June 30, 2013 (the last business day of the registrants' most recently completed second fiscal quarter) was $4,681,520,256.

The number of outstanding shares of the registrant's Series A Common Stock, $0.0001 par value, as of February 3, 2014 was 156,941,124.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's Definitive Proxy Statement relating to the 2014 annual meeting of stockholders, to be filed with the Securities and Exchange Commission, are incorporated by reference into Part III.

CELANESE CORPORATION

Form 10-K
For the Fiscal Year Ended December 31, 2013

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Special Note Regarding Forward-Looking Statements

Certain statements in this Annual Report on Form 10-K ("Annual Report") or in other materials we have filed or will file with the Securities and Exchange Commission ("SEC"), and incorporated herein by reference, are forward-looking in nature as defined in Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. You can identify these statements by the fact that they do not relate to matters of a strictly factual or historical nature and generally discuss or relate to forecasts, estimates or other expectations regarding future events. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "plan," "may," "can," "could," "might," "will" and similar expressions identify forward-looking statements, including statements that relate to such matters as planned and expected capacity increases and utilization rates; anticipated capital spending; environmental matters; legal proceedings; sources of raw materials and exposure to, and effects of hedging of raw material and energy costs and foreign currencies; interest rate fluctuations; global and regional economic, political, business and regulatory conditions; expectations, strategies, and plans for individual assets and products, business segments, as well as for the whole Company; cash requirements and uses of available cash; financing plans; pension expenses and funding; anticipated restructuring, divestiture, and consolidation activities; planned construction or operation of facilities; cost reduction and control efforts and targets and integration of acquired businesses.

Forward-looking statements are not historical facts or guarantees of future performance but instead represent only our beliefs at the time the statements were made regarding future events, which are subject to significant risks, uncertainties, and other factors, many of which are outside of our control and certain of which are listed above. Any or all of the forward-looking statements included in this Annual Report and in any other materials incorporated by reference herein may turn out to be materially inaccurate. This can occur as a result of incorrect assumptions, in some cases based upon internal estimates and analyses of current market conditions and trends, management plans and strategies, economic conditions, or as a consequence of known or unknown risks and uncertainties. Many of the risks and uncertainties mentioned in this Annual Report, such as those discussed in Item 1A. Risk Factors, Item 3. Legal Proceedings and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations will be important in determining whether these forward-looking statements prove to be accurate. Consequently, neither our stockholders nor any other person should place undue reliance on our forward-looking statements and should recognize that actual results may differ materially from those anticipated by us.

All forward-looking statements made in this Annual Report are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed in this Annual Report will increase with the passage of time. We undertake no obligation, and disclaim any duty, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changes in our expectations or otherwise. However, we may make further disclosures regarding future events, trends and uncertainties in our subsequent reports on Forms 10-K, 10-Q and 8-K to the extent required under the Exchange Act. The above cautionary discussion of risks, uncertainties and possible inaccurate assumptions relevant to our business includes factors we believe could cause our actual results to differ materially from expected and historical results. Other factors beyond those listed above or in Item 1A. Risk Factors, Item 3. Legal Proceedings and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations below, including factors unknown to us and factors known to us which we have determined not to be material, could also adversely affect us.

Item 1. Business

Basis of Presentation

In this Annual Report on Form 10-K, the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The terms "Company," "we," "our" and "us" refer to Celanese and its subsidiaries on a consolidated basis. The term "Celanese US" refers to the Company’s subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.

Industry

This Annual Report on Form 10-K includes industry data obtained from industry publications and surveys as well as our own internal company surveys. Third-party industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. The statements regarding the Company’s industry position in this document are based on information derived from, among others, the 2012 IHS Chemicals Economics Handbook.

Overview

The Company is a global technology and specialty materials company that engineers and manufactures a wide variety of products essential to everyday living. As a recognized innovator in product and process technology in the chemicals industry, we help to create applications that meet the needs of our customers worldwide. We are a leading global producer of high performance engineered polymers that are used in a variety of high-value applications. We are also one of the world's largest producers of acetyl products, which are intermediate chemicals for nearly all major industries.

Our highly-diversified product portfolio serves a broad range of end-use applications including paints and coatings, textiles, automotive applications, consumer and medical applications, performance industrial applications, filter media, paper and packaging, chemical additives, construction, consumer and industrial adhesives, and food and beverage applications. Serving a diverse global customer base, our products hold leading global positions in the major product industries that we serve, supported by our large global production capacity, operating efficiencies, proprietary production technology and competitive cost structures.

Celanese's history began in 1918, the year that its predecessor company, The American Cellulose & Chemical Manufacturing Company, was incorporated. The company, which manufactured cellulose acetate, was founded by Swiss brothers Drs. Camille and Henri Dreyfus. Since that time, the Company has transformed into a leading global chemical company. The current Celanese was incorporated in 2005 under the laws of the State of Delaware and is a US-based public company traded on the NYSE under the ticker symbol CE.

Headquartered in Irving, Texas, our operations are primarily located in North America, Europe and Asia and consist of 27 global production facilities, and an additional 8 strategic affiliate production facilities. As of December 31, 2013, we employed approximately 7,430 people worldwide.

Due to our geographic breadth, our net sales are balanced across the global regions. See Note 25 - Segment Information in the accompanying consolidated financial statements for further details on our sales by geographic location.

Business Segment Overview

We operate principally through four business segments: Advanced Engineered Materials, Consumer Specialties, Industrial Specialties and Acetyl Intermediates. See Note 25 - Segment Information in the accompanying consolidated financial statements for further details on our business segments.

The table below illustrates each business segment's net sales to external customers for the year ended December 31, 2013, as well as each business segment's major products and end-use applications.

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates
	(In $ millions)			
2013 Net Sales[(1)]	1,352	1,210	1,155	2,793
Key Products	• Polyoxymethylene ("POM") • GUR® ultra-high molecular weight polyethylene • Polybutylene terephthalate ("PBT") • Long-fiber reinforced thermoplastics ("LFT") • Liquid crystal polymers ("LCP")	• Acetate tow • Acetate flake • Acetate film • Sunett® high intensity sweeteners • Sorbates • Qorus™ sweetener system	• Conventional emulsions • Vinyl acetate ethylene ("VAE") emulsions • Ethylene vinyl acetate ("EVA") resins and compounds • Low-density polyethylene resins ("LDPE")	• Acetic acid • Vinyl acetate monomer ("VAM") • Acetic anhydride • Ethanol • Acetaldehyde • Ethyl acetate • Formaldehyde • Butyl acetate
Major End-Use Applications	• Fuel system components • Automotive safety systems • Conveyor belts • Battery separators • Electronics • Appliances • Filtrations • Medical Devices • Telecommunications	• Filter products • Beverages • Confections • Baked goods	• Paints • Coatings • Adhesives • Textiles • Paper finishing • Flexible packaging • Lamination products • Photovoltaic cell systems • Medical tubing • Automotive parts	• Paints • Coatings • Adhesives • Lubricants • Pharmaceuticals • Films • Textiles • Inks • Plasticizers • Esters • Solvents

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(1) Net sales for Consumer Specialties and Acetyl Intermediates exclude inter-segment sales of $4 million and $448 million, respectively, for the year ended December 31, 2013.

In conjunction with our focus on the Celanese brand in 2013, the names of our businesses changed to engineered materials (formerly Advanced Engineered Materials), cellulose derivatives (formerly Acetate Products), food ingredients (formerly Nutrinova), emulsion polymers (formerly Emulsions), EVA polymers (formerly EVA Performance Polymers) and intermediate chemistry (formerly Acetyl Intermediates). There has been no change to the names or composition of our business segments.

Business Segments

Advanced Engineered Materials

Our Advanced Engineered Materials segment includes our engineered materials business, which uses advanced polymer technology to produce a broad portfolio of high performance specialty polymers used in a wide spectrum of applications, including automotive, medical and electronics products, as well as other consumer and industrial applications. As a performance-driven solutions provider, our engineered materials business maintains its competitive advantage with leading technical and application expertise that enables innovation and new product development in concert with its customers. By focusing on new application development for its product lines, it often creates custom formulations to satisfy the technical and processing requirements of its customers' applications. With a strong specification position, our engineered materials business is able to build upon its differentiated polymer processing and material capability to create sustainable value for its high performance polymers. This business segment also includes four strategic affiliates that complement our global reach, improve our ability to capture growth opportunities in emerging economies and position us as a leading participant in the global specialty polymers industry. Together with our strategic affiliates, our engineered materials business is a leading participant in the global specialty polymers industry.

Our specialty polymers have chemical and physical properties that enable them to perform in a variety of conditions. These include enduring elevated temperatures, resisting adverse chemical interactions with solvents and withstanding deformation. POM, PBT and LFT are used in a broad range of performance-demanding applications including automotive components, medical devices, electronics, appliances and industrial applications. GUR® ultra-high molecular weight polyethylene is used in battery separators, conveyor belts, filtration equipment, coatings and medical devices. Primary end uses for LCP are electrical and electronics applications or products. These value-added applications in diverse end-uses support the business' global growth trends.

Value-in-use pricing for most of these products, particularly specialized product grades for targeted applications, generally reflect the value added in complex polymer chemistry, precision formulation and compounding, and the extensive application development services provided.

Our engineered materials business has polymerization, compounding and research and technology centers in Brazil, China, Germany and the US. In 2010, we announced the construction of a new 50,000 ton POM manufacturing facility in Saudi Arabia through our Ibn Sina affiliate. This facility is expected to be operational in 2016. In 2011, we opened a state-of-the art POM production facility in Frankfurt Hoechst Industrial Park, Germany. This POM facility is the world's largest and is expected to meet the increased global demand for innovative specialty solutions in polymer-based products.

• Key Products

POM. Polyoxymethylene, also commonly known as polyacetal in the chemical industry, is sold by our engineered materials business under the trademarks Celcon® and Hostaform®. POM is used for mechanical parts in automotive applications, including fuel system components, and in electrical, medical and consumer applications such as drug delivery systems and gears for large appliances. Polyplastics Co., Ltd., our 45%-owned strategic affiliate ("Polyplastics"), and Korea Engineering Plastics Co., Ltd., our 50%-owned strategic affiliate ("KEPCO"), also manufacture POM and other engineering resins in the Asia-Pacific region.

The primary raw material for POM is formaldehyde, which is manufactured from methanol. Our engineered materials business sources formaldehyde in the US from our intermediate chemistry business and manufactures formaldehyde in Germany from purchased methanol.

Ultra-high molecular weight polyethylene. Our ultra-high molecular weight polyethylene products, sold under the trademark GUR®, are highly engineered materials designed for heavy-duty industrial and automotive applications. They are used in items such as industrial conveyor belts, car battery separator panels, as well as specialty medical and consumer applications, such as sports prostheses and equipment. GUR® ultra-high molecular weight polyethylene micro powder grades are used for high-performance filters, membranes, diagnostic devices, coatings and additives for thermoplastics and elastomers. High tenacity fibers based on GUR® ultra-high molecular weight polyethylene are also used in protective ballistic applications. The primary raw material for GUR® ultra-high molecular weight polyethylene is ethylene.

Polyesters. Our products include a series of thermoplastic polyesters including Celanex® PBT, Celanex® PET (polyethylene terephthalate), Thermx® PCT (polycyclohexylene-dimethylene terephthalate) and Vandar®, as well as Riteflex®, a thermoplastic polyester elastomer. They are used in a wide variety of automotive, electrical and consumer applications, including ignition

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system parts, radiator grilles, electrical switches, appliance and sensor housings, light emitting diodes ("LEDs") and technical fibers.

LFT. Celstran®, Compel® and Factor® are long-fiber reinforced thermoplastics that impart extra strength and stiffness, making them more suitable for larger parts than conventional thermoplastics. Both products are used in automotive, transportation and industrial applications, such as instrument panels, consoles and front end modules. The primary raw materials for LFT include polypropylene and a variety of fibers such as glass, stainless steel and carbon.

LCP. Liquid crystal polymers, such as Thermx®, Vectra® and Zenite®, are primarily used in electrical and electronics applications for precision parts with thin walls and complex shapes. They are also used in high heat cookware applications. Raw materials for LCP include acetic anhydride, which is sourced from our Acetyl Intermediates segment, and monomers such as hydroxybenzoic acid.

• Geographic Regions

Net sales by destination for the Advanced Engineered Materials segment by geographic region are as follows:

	Year Ended December 31,								
	2013			2012			2011		
	(In $ millions, except percentages)								
North America	487	36	%	460	36	%	443	34	%
Europe and Africa	562	41	%	527	42	%	623	48	%
Asia-Pacific	251	19	%	224	18	%	188	15	%
South America	52	4	%	50	4	%	44	3	%
Total	1,352	100	%	1,261	100	%	1,298	100	%

• Customers

Advanced Engineered Materials' principal customers are original equipment manufacturers and their suppliers serving the automotive, industrial, consumer and medical industries. By collaborating with its customers, our engineered materials business assists in developing and improving specialized applications and systems and offers customers global solutions. Our engineered materials business has long-standing relationships and multi-year arrangements with many of its major customers and utilizes distribution partners to expand its customer base.

• Competition

Advanced Engineered Materials' principal competitors include BASF SE, E. I. du Pont de Nemours and Company, DSM N.V., SABIC Innovative Plastics and Solvay S.A. Other regional competitors include Asahi Kasei Corporation, Mitsubishi Gas Chemical Company, Inc., Chevron Phillips Chemical Company, L.P., Braskem S.A., Lanxess AG, Teijin Limited, Sumitomo Corporation and Toray Industries, Inc.

Consumer Specialties

The Consumer Specialties segment includes our cellulose derivatives and food ingredients businesses, which serve consumer-driven applications. These businesses deliver growth primarily through manufacturing productivity, geographic expansions and targeting high-value opportunities in diverse applications, and generally are not dependent on gross domestic product.

Our cellulose derivatives business is a leading global producer and supplier of acetate flake, acetate film and acetate tow, primarily used in filter products applications. We also hold an approximately 30% ownership interest in three separate ventures in China that produce acetate flake and acetate tow. China National Tobacco Corporation, a Chinese state-owned tobacco entity, has been our venture partner for over two decades and has driven successful growth in our cellulose derivatives business.

During 2012, the Company introduced CelFX™ matrix technology, which redefines tobacco filtration performance, enabling unique product attributes and innovation, such as increased filter design flexibility and improved constituent reduction. CelFX™ also supports a broad choice of enhancement additives and is engineered to run on existing equipment.

Our cellulose derivatives business has production sites in Belgium, Mexico, the United Kingdom and the US, along with sites at its three cellulose derivatives ventures in China. In November 2012, we ceased manufacturing acetate tow and acetate flake at our Spondon, Derby, United Kingdom site. We will continue to manufacture our Clarifoil® film at this facility.

Our food ingredients business is a leading international supplier of premium quality ingredients for the food and beverage and pharmaceutical industries and is one of the world's largest producers of food protection ingredients, such as potassium sorbates and sorbic acid. The business produces and sells Sunett® (acesulfame potassium), a high intensity sweetener, and the new sweetener system Qorus™, which was launched in 2013. Our food ingredients business' expertise is based on more than sixty years of experience in developing and marketing specialty ingredients to the food and beverage and pharmaceutical industries. While this business has traditionally focused on providing low calorie sweeteners in the beverage industry, it continues to target high-value opportunities in more diverse applications such as oral hygiene, pharmaceuticals, dairy and cereals.

Our food ingredients business has a production facility in Germany, with sales and distribution facilities in all major regions of the world.

• Key Products

Acetate flake, acetate tow and acetate film. Acetate tow is a fiber used primarily in cigarette filters. In order to produce acetate tow, we first produce acetate flake by processing wood pulp with acetic acid and acetic anhydride. Wood pulp generally comes from reforested trees and is purchased externally from a variety of sources, and acetic anhydride is an intermediate chemical that we produce from acetic acid. The acetate flake is then further processed into acetate tow. Acetate flake can also be solvent cast to create a film, which is primarily used in packaging for food and high-end luxury goods.

Sales of acetate tow amounted to 16%, 15% and 14% of our consolidated net sales for the years ended December 31, 2013, 2012 and 2011, respectively.

Sunett® sweetener. Acesulfame potassium, a high intensity sweetener sold under the trademark Sunett®, is used in a variety of beverages, confections and dairy products throughout the world. Sunett® sweetener is the ideal blending partner for caloric and non-caloric sweeteners and is recognized for its consistent product quality and reliable supply. The primary raw material for Sunett is diketene, which is derived from acetic acid.

Qorus™ sweetener system. Qorus™ was introduced in 2013 to assist food and beverage formulators in achieving their unique taste profile. This product enables the manufacturer to balance taste, without the need to mask certain notes, and ultimately delight the consumer with a pure, authentic taste. The Qorus™ sweetener system is designed for low- to no-calorie carbonated and non-carbonated beverages, flavored waters, energy drinks, milk and dairy products.

Food protection ingredients. Our food protection ingredients, potassium sorbate and sorbic acid (together "sorbates"), are mainly used in foods, beverages and personal care products. Sorbates pricing is extremely sensitive to demand and industry capacity and is not necessarily dependent on the cost of raw materials. The primary raw materials for sorbates are acetic acid, ethylene and potassium hydroxide.

• Geographic Regions

Net sales by destination for the Consumer Specialties segment by geographic region are as follows:

	Year Ended December 31,								
	2013			2012			2011		
	(In $ millions, except percentages)								
North America	200	16	%	200	17	%	180	16	%
Europe and Africa	460	38	%	464	39	%	459	40	%
Asia-Pacific	483	40	%	452	38	%	456	39	%
South America	67	6	%	66	6	%	63	5	%
Total[1]	1,210	100	%	1,182	100	%	1,158	100	%

(1) Excludes inter-segment sales of $4 million, $4 million and $3 million for the years ended December 31, 2013, 2012 and 2011, respectively.

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• Customers

Acetate tow is sold principally to the major tobacco companies that account for a majority of worldwide cigarette production. Contracts with most of our customers are generally entered into on an annual basis.

Customers of Clarifoil® include printers, carton manufacturers, retailers, packaging buyers, publishers and designers.

Our food ingredients business primarily sells Sunett® sweetener and Qorus™ sweetener system to a limited number of large multinational and regional customers in the food and beverage industry under long-term and annual contracts. Food protection ingredients are primarily sold through regional distributors to small and medium sized customers and directly to large multinational customers in the food industry.

• Competition

Our cellulose derivatives business' principal competitors include Daicel Corporation, Eastman Chemical Company, Solvay S.A. and Mitsubishi Rayon Co., Ltd.

The principal competitors for Sunett® sweetener and Qorus™ sweetener system include The NutraSweet Company, Ajinomoto Co., Inc. and Tate & Lyle PLC. The principal competitors for sorbates include Nantong Acetic Acid Chemical Co., Ltd. and Daicel Corporation.

Industrial Specialties

The Industrial Specialties segment, which includes our emulsion polymers and EVA polymers businesses, is active in every major global industrial sector and serves diverse industrial and consumer end-use applications. These include traditional vinyl-based end uses, such as paints and coatings and adhesives, as well as other unique, high-value end uses including solar cells and medical applications.

Our emulsion polymers business is a leading global producer of vinyl acetate-based emulsions and develops products and application technologies to improve performance, create value and drive innovation in applications such as paints and coatings, adhesives, construction, glass fiber, textiles and paper. The business has production facilities in major global regions and is supported by expert technical service regionally. Our emulsion polymers products are sold under globally and regionally recognized brands including EcoVAE®, Mowilith®, Vinamul®, Celvolit®, BriteCoat®, TufCOR® and Avicor®. Our emulsion polymers business has production facilities in Canada, China, Germany, the Netherlands, Spain, Sweden and the US.

Our EVA polymers business is a leading North American manufacturer of a full range of specialty EVA resins and compounds as well as select grades of low-density polyethylene. Sold under the Ateva® and VitalDose® brands, these products are used in many applications, including flexible packaging films, lamination film products, hot melt adhesives, medical products, automotive, carpeting and photovoltaic cells. Our EVA polymers business has a production facility in Edmonton, Alberta, Canada.

The Industrial Specialties segment builds on our leading acetyl technology. Our Acetyl Intermediates segment produces VAM, a primary raw material for our emulsion polymers and EVA polymers businesses. Ethylene, another key raw material, is purchased externally from a variety of sources.

Our Industrial Specialties businesses have experienced significant growth in Asia, and we have made investments to support continued growth in the region. In 2011, we doubled the VAE emulsions capacity at our integrated chemical complex in Nanjing, China to meet the increased global demand for innovative specialty solutions in vinyl-based emulsions.

In addition to geographic growth, the Industrial Specialties businesses are focused on innovation efforts to increase value. The business segment has successfully launched new innovative products and technologies in non-traditional applications such as medical, carpet, textiles and paper.

• Key Products

Our emulsion polymers business produces conventional vinyl- and acrylate-based emulsions and VAE emulsions. Emulsions are made from VAM, ethylene, acrylate esters and styrene. VAE emulsions are a key component of water-based architectural coatings, adhesives, non-wovens, textiles, glass fiber and other applications.

Our EVA polymers business produces low-density polyethylene and EVA resins and compounds. EVA resins and compounds are produced in high-pressure reactors from ethylene and VAM.

•Geographic Regions

Net sales by destination for the Industrial Specialties segment by geographic region are as follows:

	Year Ended December 31,								
	2013			2012			2011		
	(in $ millions, except percentages)								
North America	441	38	%	475	40	%	492	40	%
Europe and Africa	500	44	%	483	41	%	550	45	%
Asia-Pacific	199	17	%	213	18	%	169	14	%
South America	15	1	%	13	1	%	12	1	%
Total	1,155	100	%	1,184	100	%	1,223	100	%

•Customers

Industrial Specialties' products are sold to a diverse group of regional and multinational customers. Customers of our emulsion polymers business are manufacturers of water-based paints and coatings, adhesives, paper, building and construction products, glass fiber, non-wovens and textiles. Customers of our EVA polymers business are engaged in the manufacture of a variety of products, including hot melt adhesives, automotive components, solar energy products, thermal laminations, flexible and food packaging materials, medical packaging and controlled-release medical devices.

•Competition

Principal competitors of our emulsion polymers business include The Dow Chemical Company, BASF SE, Dairen Chemical Corporation and Wacker Chemie AG.

Principal competitors of our EVA polymers business include E. I. du Pont de Nemours and Company, ExxonMobil Chemical and Arkema.

Acetyl Intermediates

Our Acetyl Intermediates segment includes our intermediate chemistry business, which produces and supplies acetyl products, including acetic acid, VAM, acetic anhydride and acetate esters. These products are generally used as starting materials for colorants, paints, adhesives, coatings and pharmaceuticals. Our intermediate chemistry business also produces organic solvents and intermediates for pharmaceutical, agricultural and chemical products.

As an industry leader, our intermediate chemistry business has built on its leading technology, advantaged feedstock position and attractive competitive position to drive growth. With decades of experience, advanced proprietary process technology and favorable capital and production costs, we are a leading global producer of acetic acid and VAM. AOPlus®3 technology, introduced in 2011, extends our historical technology advantage and enables us to construct a greenfield acetic acid facility with a capacity of 1.8 million tons at a lower capital cost than our competitors. VAntage®2 technology, also introduced in 2011, could increase VAM capacity by up to 50% to meet growing customer demand globally. We believe our production technology is among the lowest cost in the industry and provides us with global growth opportunities through low cost expansions and a cost advantage over our competitors. Our intermediate chemistry business has production sites in China, Germany, Mexico, Singapore and the US.

Building on our acetic acid technology platform, we developed Celanese TCX® ethanol process technology to supply current and prospective customers with ethanol for industrial purposes and for other potential uses. Industrial ethanol is used in chemical and industrial applications for the manufacture of paints, coatings, inks and pharmaceuticals. This innovative process combines our proprietary and leading acetyl platform with advanced manufacturing technology to produce ethanol from hydrocarbon-sourced feedstocks.

In 2012, we completed construction of a technology development unit for industrial ethanol production at our facility in Clear Lake, Texas, which will allow us to continue the advancement of our acetyl and TCX® technologies. In 2013, we completed

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modifications and enhancements to our existing integrated acetyl facility in Nanjing, China to further advance our TCX® technology. The modifications added approximately 275,000 tons of industrial ethanol production capacity.

• Key Products

Acetyl Products. Acetyl products include acetic acid, VAM, acetic anhydride and acetaldehyde. Acetic acid is primarily used to manufacture VAM, purified terephthalic acid and other acetyl derivatives. VAM is used in a variety of adhesives, paints, films, coatings and textiles. Acetic anhydride is a raw material used in the production of cellulose acetate, detergents and pharmaceuticals. Acetaldehyde is a major feedstock for the production of a variety of derivatives, such as pyridines, which are used in agricultural products. We manufacture acetic acid, VAM and acetic anhydride for our own use, as well as for sale to third parties.

Acetic acid and VAM, our basic acetyl intermediates products, are impacted by global supply and demand fundamentals and can be cyclical in nature. The principal raw materials in these products are carbon monoxide, which we generally purchase under long-term contracts, and methanol and ethylene, which we generally purchase under both long- and short-term contracts. Generally, methanol and ethylene are commodity products available from a wide variety of sources, while carbon monoxide is typically obtained from sources in close proximity.

Sales from acetyl products amounted to 32%, 32% and 34% of our consolidated net sales for the years ended December 31, 2013, 2012 and 2011, respectively.

Solvents and Derivatives. We manufacture a variety of solvents, formaldehyde and other chemicals, which in turn are used in the manufacture of paints, coatings, adhesives and other products. Many solvents and derivatives products are derived from our production of acetic acid. Primary products are:

- Ethyl acetate, an acetate ester that is a solvent used in coatings, inks and adhesives and in the manufacture of photographic films and coated papers;
- Butyl acetate, an acetate ester that is a solvent used in inks, pharmaceuticals and perfume;
- Formaldehyde, paraformaldehyde and formcels, which are primarily used to produce adhesive resins for plywood, particle board, coatings, POM engineering resins and a compound used in making polyurethane; and
- Other chemicals, such as crotonaldehyde, which are used by our food ingredients business for the production of sorbates, as well as raw materials for the fragrance and food ingredients industry.

Sales from solvents and derivatives products amounted to 11%, 11% and 12% of our consolidated net sales for the years ended December 31, 2013, 2012 and 2011, respectively.

• Geographic Regions

Net sales by destination for the Acetyl Intermediates segment by geographic region are as follows:

	Year Ended December 31,								
	2013			2012			2011		
	(In $ millions, except percentages)								
North America	708	25	%	698	25	%	717	23	%
Europe and Africa	848	30	%	970	35	%	1,110	36	%
Asia-Pacific	1,137	41	%	1,026	37	%	1,166	38	%
South America	100	4	%	97	3	%	90	3	%
Total[1]	2,793	100	%	2,791	100	%	3,083	100	%

(1) Excludes inter-segment sales of $448 million, $440 million and $468 million for the years ended December 31, 2013, 2012 and 2011, respectively.

Customers

Our intermediate chemistry business sells its products both directly to customers and through distributors. Acetic acid, VAM and acetic anhydride are global businesses and each has several large customers, but no individual customer comprises more than 10% of our consolidated net sales. Generally, we supply these global customers under multi-year contracts. Acetic acid, VAM and acetic anhydride customers produce polymers used in water-based paints, adhesives, paper coatings, polyesters, film modifiers, pharmaceuticals, cellulose acetate and textiles. We have long-standing relationships with most of these customers.

Solvents and derivatives are sold to a diverse group of regional and multinational customers under multi-year contracts and on the basis of long-standing relationships. Solvents and derivatives customers are primarily engaged in the production of paints, coatings and adhesives. We manufacture formaldehyde for our own use as well as for sale to a few regional customers that include manufacturers in the wood products and chemical derivatives industries. The sale of formaldehyde is based on long- and short-term agreements. Specialty solvents are sold globally to a wide variety of customers, primarily in the coatings and resins and the specialty products industries. These products serve global regions in the synthetic lubricant, agrochemical, rubber processing and other specialty chemical areas.

Competition

Our principal competitors in the Acetyl Intermediates segment include BASF SE, BP PLC, Chang Chun Petrochemical Co., Ltd., Daicel Corporation, The Dow Chemical Company, Eastman Chemical Company, E. I. du Pont de Nemours and Company, LyondellBasell Industries N.V., Nippon Gohsei, Perstorp Inc., Jiangsu Sopo (Group) Co., Ltd., Showa Denko K.K. and Kuraray Co., Ltd.

Other Activities

Other Activities primarily consists of corporate center costs, including financing and administrative activities such as legal, accounting and treasury functions, interest income and expense associated with our financing activities and results of our captive insurance companies. Our two wholly-owned captive insurance companies are a key component of our global risk management program, as well as a form of self-insurance for our liability and workers compensation risks. The captive insurance companies issue insurance policies to our subsidiaries to provide consistent coverage amid fluctuating costs in the insurance market and to lower long-term insurance costs through the reduction of certain fees and expenses. The captive insurance companies retain risk at levels approved by management and obtain reinsurance coverage from third parties to limit the net risk retained. One of the captive insurance companies also insures certain third-party risks. Other Activities also includes the interest cost, expected return on assets and net actuarial gains and losses components of our net periodic benefit cost for our defined benefit pension plans and other post retirement plans, which are not allocated to our business segments.

Strategic Affiliates

Our strategic affiliates represent an important component of our strategy for accelerated growth and global expansion. We have a substantial portfolio of affiliates in various regions, including Asia-Pacific, North America and the Middle East. These affiliates, some of which date back as far as the 1960s, have sizeable operations and are significant within their industries.

Our strategic affiliates have similar growth patterns and business models as our core businesses. With shared characteristics such as products, applications and manufacturing technology, these strategic affiliates complement and extend our technology and specialty materials portfolio. We have historically entered into these investments to gain access to local demand, minimize costs and accelerate growth in areas we believe have significant future business potential. Depending on the level of investment and other factors, we account for our strategic affiliates using either the equity method or cost method of accounting.

Our strategic affiliates contribute substantial sales, earnings and cash flows. During the year ended December 31, 2013, our equity method strategic affiliates generated combined sales of $3 billion, resulting in our recording $148 million of equity in net earnings of affiliates and $121 million of dividends in the accompanying consolidated financial statements for the year ended December 31, 2013.

Our strategic affiliates as of December 31, 2013 are as follows:

	Location of Headquarters	Ownership	Partner(s)	Year Entered
Equity Method Investments				
Advanced Engineered Materials				
National Methanol Company	Saudi Arabia	25 %	Saudi Basic Industries Corporation/ Texas Eastern Arabian Corporation Ltd.	1981
Korea Engineering Plastics Co., Ltd	South Korea	50 %	Mitsubishi Gas Chemical Company, Inc./ Mitsubishi Corporation	1999
Polyplastics Co., Ltd.	Japan	45 %	Daicel Corporation	1964
Fortron Industries LLC	US	50 %	Kureha America Inc.	1992
Cost Method Investments				
Consumer Specialties				
Kunming Cellulose Fibers Co. Ltd.	China	30 %	China National Tobacco Corporation	1993
Nantong Cellulose Fibers Co. Ltd.	China	31 %	China National Tobacco Corporation	1986
Zhuhai Cellulose Fibers Co. Ltd.	China	30 %	China National Tobacco Corporation	1993

National Methanol Company (Ibn Sina). National Methanol Company represents approximately 1% of the world's methanol production capacity and is one of the world's largest producers of methyl tertiary-butyl ether ("MTBE"), a gasoline additive. Its production facilities are located in Saudi Arabia. We indirectly own a 25% interest in Ibn Sina through CTE Petrochemicals Company, a 50%/50% joint venture with Texas Eastern Arabian Corporation Ltd. (which also indirectly owns a 25% interest). The remaining 50% interest in Ibn Sina is held by the Saudi Basic Industries Corporation ("SABIC"). SABIC is responsible for all product marketing. Methanol is a key feedstock for POM production and is produced by our Ibn Sina affiliate which provides an economic hedge against raw material costs in our engineered materials business.

In April 2010, we announced that Ibn Sina will construct a 50,000 ton POM production facility in Saudi Arabia. The new facility will supply POM to support Advanced Engineered Materials' accelerated future growth plans as well as our venture partners' regional business development. Upon successful startup of the POM facility, our indirect economic interest in Ibn Sina will increase from 25% to 32.5%. SABIC's economic interest will remain unchanged.

Korea Engineering Plastics Co., Ltd. KEPCO is the leading producer of POM in South Korea. KEPCO is a venture between Celanese Holdings B.V. (50% ownership and a wholly-owned subsidiary of Celanese GmbH), Mitsubishi Gas Chemical Company, Inc. (40%) and Mitsubishi Corporation (10%). KEPCO has polyacetal production facilities in Ulsan, South Korea, compounding facilities for PBT and nylon in Pyongtaek, South Korea, and participates with Polyplastics and Mitsubishi Gas Chemical Company, Inc. in a world-scale POM facility in Nantong, China.

Polyplastics Co., Ltd. Polyplastics is a leading supplier of engineered plastics and is a venture between Daicel Corporation, Japan (55%) and Ticona LLC (45% ownership and a wholly-owned subsidiary of CNA Holdings LLC). Polyplastics is a manufacturer and/or marketer of POM, LCP and polyphenylene sulfide ("PPS"), with principal production facilities located in Japan and Malaysia.

Fortron Industries LLC. Fortron is a leading global producer of PPS, sold under the Fortron® brand, which is used in a wide variety of automotive and other applications, especially those requiring heat and/or chemical resistance. Fortron is a limited liability company whose members are Ticona Fortron Inc. (50% ownership and a wholly-owned subsidiary of CNA Holdings LLC) and Kureha America Inc. (50% ownership and a wholly-owned subsidiary of Kureha Corporation of Japan). Fortron's facility is located in Wilmington, North Carolina. This venture combines the sales, marketing, distribution, compounding and manufacturing expertise of Celanese with the PPS polymer technology expertise of Kureha.

Cellulose derivatives strategic ventures. We hold ownership interest in three separate acetate flake and acetate tow production ventures in China as follows: Nantong Cellulose Fibers Co. Ltd. (31%), Kunming Cellulose Fibers Co.

Ltd. (30%) and Zhuhai Cellulose Fibers Co. Ltd. (30%). The China National Tobacco Corporation, the Chinese state-owned tobacco entity, controls the remaining ownership interest in each of these ventures.
Our cellulose derivatives ventures generally fund their operations using operating cash flow and pay dividends based on the ventures' performance for the preceding year. Prior to 2013, the ventures paid dividends during the second quarter of each fiscal

year. Beginning in 2013, the ventures pay dividends on a quarterly basis. In 2013, 2012 and 2011, we received cash dividends of $92 million, $83 million and $78 million, respectively.

In 2012 our Nantong venture completed an expansion of its acetate flake and acetate tow capacity, each by 30,000 tons. We made contributions of $29 million from 2009 through 2012 related to the capacity expansion in Nantong. Similar expansions since the ventures were formed have led to earnings growth and increased dividends for the Company.

According to the Euromonitor database services, China is estimated to have had a 42% share of the world's 2012 cigarette consumption. Cigarette consumption in China is expected to grow at a rate of 1.9% per year from 2012 through 2017. Combined, these ventures are a leader in Chinese domestic acetate production and we believe we are well positioned to supply Chinese cigarette producers.

Although our ownership interest in each of our cellulose derivatives ventures exceeds 20%, we account for these investments using the cost method of accounting because we determined that we cannot exercise significant influence over these entities due to local government investment in and influence over these entities, limitations on our involvement in the day-to-day operations and the present inability of the entities to provide timely financial information prepared in accordance with generally accepted accounting principles in the United States of America ("US GAAP").

• Other Equity Method Investments

InfraServs. We hold indirect ownership interests in several German InfraServ Groups that own and develop industrial parks and provide on-site general and administrative support to tenants. Our ownership interest in the equity investments in InfraServ affiliates are as follows:

	As of December 31, 2013
	(In percentages)
InfraServ GmbH & Co. Gendorf KG	39
InfraServ GmbH & Co. Knapsack KG	27
InfraServ GmbH & Co. Hoechst KG	32

Research and Development

Our businesses are innovation-oriented and conduct research and development activities to develop new, and optimize existing, production technologies, as well as to develop commercially viable new products and applications. We consider the amounts spent during each of the last three fiscal years on research and development activities to be sufficient to execute our current strategic initiatives.

Intellectual Property

We attach importance to protecting our intellectual property, including through patents, trademarks, copyrights and product designs in order to preserve our investment in research and development, manufacturing and marketing. Patents may cover processes, products, intermediate products and product uses. We also seek to register trademarks as a means of protecting the brand names of our Company and products. We protect our intellectual property against infringement and also seek to register design protection where appropriate.

Patents. In most industrial countries, patent protection exists for new substances and formulations, as well as for certain unique applications and production processes. However, we do business in regions of the world where intellectual property protection may be limited and difficult to enforce. We maintain strict information security policies and procedures wherever we do business. Such information security policies and procedures include data encryption, controls over the disclosure and safekeeping of confidential information, as well as employee awareness training. Moreover, we monitor competitive developments and defend against infringements on our intellectual property rights.

Trademarks. AOPlus®, AOPlus®2, AOPlus®3, Ateva®, Avicor®, BriteCoat®, Celanese®, Celanex®, Celcon®, CelFX™, Celstran®, Celvolit®, Clarifoil®, Compel®, Duroset®, EcoVAE®, Factor®, Fortron®, GUR®, Hostaform®, Impet®, Mowilith®, Nutrinova®, Qorus™, Riteflex®, Sunett®, TCX™, Thermx®, TufCOR®, Vandar®, VAntage®, VAntagePlus™, VAntage®2, Vectra®, Vinamul®, VitalDose®, Zenite® and certain other branded products and services named in this document are registered or reserved trademarks or service marks owned or licensed by Celanese. The foregoing is not intended to be an exhaustive or comprehensive list of all registered or reserved trademarks and service marks owned or licensed by Celanese. Fortron® is a registered trademark of Fortron Industries LLC.

Neither Celanese nor any particular business segment is materially dependent upon any one patent, trademark, copyright or trade secret.

Environmental and Other Regulation

Matters pertaining to environmental and other regulations are discussed in Item 1A. Risk Factors, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates – Accounting for Commitments and Contingencies, and Note 15 - Environmental and Note 23 - Commitments and Contingencies in the accompanying consolidated financial statements.

Employees

The approximate number of employees employed by Celanese on a continuing basis throughout the world is as follows:

	Employees as of December 31, 2013
North America	
US	2,800
Canada	240
Mexico	670
Total	3,710
Europe	
Germany	1,550
Other Europe	1,070
Total	2,620
Asia	1,030
Rest of World	70
Total	7,430

Backlog

We do not consider backlog to be a significant indicator of the level of future sales activity. In general, we do not manufacture our products against a backlog of orders. Production and inventory levels are based on the level of incoming orders as well as projections of future demand. Therefore, we believe that backlog information is not material to understanding our overall business and should not be considered a reliable indicator of our ability to achieve any particular level of revenue or financial performance.

Available Information — Securities and Exchange Commission ("SEC") Filings and Corporate Governance Materials

We make available free of charge, through our internet website (http://www.celanese.com), our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as well as ownership reports on Form 3 and Form 4, as soon as reasonably practicable after electronically filing such material with, or furnishing it to, the SEC. References to our website in this report are provided as a convenience, and the information on our website is not, and shall not be deemed to be a part of this report or incorporated into any other filings we make with the SEC. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers, including Celanese Corporation, that electronically file with the SEC at http://www.sec.gov.

We also make available free of charge, through our website, our Corporate Governance Guidelines of our Board of Directors and the charters of each of the committees of the Board.

Item 1A. Risk Factors
Many factors could have an effect on our financial condition, cash flows and results of operations. We are subject to various risks resulting from changing economic, environmental, political, industry, business, financial and regulatory conditions. The factors described below represent our principal risks.
Risks Related to Our Business
We are a company with operations around the world and are exposed to general economic, political and regulatory conditions and risks in the countries in which we have significant operations.
We operate globally and have customers in many countries. Our major facilities are primarily located in North America, Europe and Asia, and we hold interests in affiliates that operate in the US, Germany, China, Japan, Malaysia, South Korea and Saudi Arabia. Our principal customers are similarly global in scope, and the prices of our most significant products are typically regional or world market prices. Also, our operations in certain foreign jurisdictions are subject to nationalization and expropriation risk, and some of our contractual relationships within these jurisdictions are subject to cancellation without full compensation for loss. In certain cases where we benefit from local government subsidies or other undertakings, such benefits are subject to the solvency of local government entities and are subject to termination without meaningful recourse or remedies. Consequently, our business and financial results are affected, directly and indirectly, by world economic, political and regulatory conditions.
In addition, conditions such as the uncertainties associated with war, terrorist activities, civil unrest, epidemics, pandemics, weather, natural disasters, the effects of climate change or political instability in any of the countries in which we operate or have significant customers or suppliers could affect us by causing delays or losses in the supply or delivery of raw materials and products, as well as increasing security costs, insurance premiums and other expenses. These conditions could also result in or lengthen economic recession in the US, Europe, Asia or elsewhere.
Failure to comply with applicable laws, rules, regulations or court decisions could expose us to fines, penalties and other costs. Moreover, changes in laws or regulations, such as unexpected changes in regulatory requirements (including import or export licensing requirements), or changes in reporting requirements of the US, Canadian, Mexican, German, European Union ("EU") or Asian governmental agencies, could increase the cost of doing business in these regions. Any of these conditions may have an effect on our business and financial results as a whole and may result in volatile current and future prices for our securities, including our stock.
In particular, we have invested significant resources in China and other Asian countries. This region's growth may slow, and we may fail to realize the anticipated benefits associated with our investment there and our financial results may be adversely impacted.
In addition, we have significant operations and financial relationships based in Europe. Historically sales originating in Europe have accounted for over one-third of our net sales and more than 40% in 2013. Adverse conditions in the European economy may negatively impact our overall financial results due to reduced economic growth and resulting decreased end-use customer demand.
As of December 31, 2013, we held $219 million in cash in Europe. This cash is primarily invested in deposits in several European banks, a European money market fund that invests only in highly rated and liquid European sovereign debt and a US Treasury money market fund. The allocation of the cash invested in each of these options fluctuates based on market conditions. As of December 31, 2013, we also had $106 million of direct investments in European sovereign debt and corporate bonds in our pension funds, accounting for less than 4% of our total pension fund assets, which may be affected if there are adverse conditions in the European economy. Finally, our ability to access additional liquidity from European financial institutions in the future may also be impaired.
We are subject to risks associated with the increased volatility in the prices and availability of key raw materials and energy, which could have a significant adverse effect on the margins of our products and our financial results.
We purchase significant amounts of ethylene, methanol, carbon monoxide and natural gas from third parties primarily for use in our production of basic chemicals in the Acetyl Intermediates segment, principally acetic acid, VAM and formaldehyde. We use a portion of our output of these chemicals, in turn, as inputs in the production of downstream products in all our business segments. We also purchase some of these raw materials for use in our Industrial Specialties segment, primarily for VAE emulsions and EVA production, as well as significant amounts of wood pulp

for use in our production of cellulose acetate in

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our Consumer Specialties segment. The price of many of these items is dependent on the available supply of that item and may increase significantly as a result of natural disasters, plant or production disruptions, strikes or other labor unrest, war or other outbreak of hostilities or terrorism, breakdown or degradation of transportation infrastructure used for delivery of strategic raw materials and energy commodities, or changes in laws or regulations. In particular, to the extent of our vertical integration in the production of chemicals, shortages in the availability of raw material chemicals, such as natural gas, ethylene and methanol, or the loss of our dedicated supplies of carbon monoxide, may have an increased adverse impact on us as it can cause a shortage in intermediate and finished products. Such shortages would adversely impact our ability to produce certain products and increase our costs resulting in reduced margins and adverse financial results.

We are exposed to volatility in the prices of our raw materials and energy. Although we have long-term supply agreements, multi-year purchasing and sales agreements and forward purchase contracts providing for the supply of ethylene, methanol, carbon monoxide, wood pulp, natural gas and electricity, the contractual prices for these raw materials and energy can vary with economic conditions and may be highly volatile. In addition to the factors noted above that may impact supply or price, factors that have caused volatility in our raw material prices in the past and which may do so in the future include:

- Shortages of raw materials due to increasing demand, e.g., from growing uses or new uses;
- Capacity constraints, e.g., due to construction delays, labor disruption, involuntary shutdowns or turnarounds;
- The inability of a supplier to meet our delivery orders or a supplier's choice not to fulfill orders or to terminate a supply contract or our inability to obtain or renew supply contracts on favorable terms;
- The general level of business and economic activity; and
- The direct or indirect effect of governmental regulation (including the impact of government regulation relating to climate change).

If we are not able to fully offset the effects of higher energy and raw material costs through price increases, productivity improvements or cost reduction programs, or if such commodities become unavailable, it could have a significant adverse effect on our ability to timely and profitably manufacture and deliver our products resulting in reduced margins and adverse financial results.

We have a practice of maintaining, when available, multiple sources of supply for materials. However, some of our individual plants may have single sources of supply for some of their raw materials, such as carbon monoxide, steam and ethylene. Although we have been able to obtain sufficient supplies of raw materials, there can be no assurance that unforeseen developments will not affect our raw material supply. Even if we have multiple sources of supply for a raw material, there can be no assurance that these sources can make up for the loss of a major supplier. It is also possible profitability will be adversely affected if we are required to qualify additional sources of supply to our specifications in the event of the loss of a sole supplier.

A portion of our supply of methanol in North America is currently obtained under a contract expiring in 2015. We are currently constructing a methanol plant in the US that we anticipate will be operational in the second half of 2015 to replace the majority of the methanol obtained under that contract. We have secured a bridge supply agreement that will supply us with methanol through the end of 2015.

Production at our manufacturing facilities could be disrupted for a variety of reasons, which could prevent us from producing enough of our products to maintain our sales and satisfy our customers' demands.

A disruption in production at one or more of our manufacturing facilities could have a material adverse effect on our business. Disruptions could occur for many reasons, including fire, natural disasters, weather, unplanned maintenance or other manufacturing problems, disease, strikes or other labor unrest, transportation interruption, government regulation, political unrest or terrorism. Alternative facilities with sufficient capacity or capabilities may not be available, may cost substantially more or may take a significant time to start production, each of which could negatively affect our business and financial performance. If one of our key manufacturing facilities is unable to produce our products for an extended period of time, our sales may be reduced by the shortfall caused by the disruption and we may not be able to meet our customers' needs, which could cause them to seek other suppliers. In particular, production disruptions at our manufacturing facilities that produce chemicals used as inputs in the production of chemicals in other business segments, such as acetic acid, VAM and formaldehyde, could have a more significant adverse effect on our business and financial performance and results of operation to the extent of such vertical integration. Furthermore, to the extent a production disruption occurs at a manufacturing facility that has been operating at or near full capacity, the resulting shortage of our product could be particularly harmful because production at the manufacturing facility may not be able to reach levels achieved prior to the disruption.

Failure to develop new products and production technologies or to implement productivity and cost reduction initiatives successfully may harm our competitive position.

Our operating results depend significantly on the development of commercially viable new products, product grades and applications, as well as process technologies, free of any legal restrictions. If we are unsuccessful in developing new products, applications and production processes in the future, our competitive position and operating results may be negatively affected. However, as we invest in new technology, we face the risk of unanticipated operational or commercialization difficulties, including an inability to obtain necessary permits or governmental approvals, the development of competing technologies, failure of facilities or processes to operate in accordance with specifications or expectations, construction delays, cost over-runs, the unavailability of financing, required materials or equipment and various other factors. Likewise, we have undertaken and are continuing to undertake initiatives in all business segments to improve productivity and performance and to generate cost savings. These initiatives may not be completed or beneficial or the estimated cost savings from such activities may not be realized.

Our business exposes us to potential product liability claims and recalls, which could adversely affect our financial condition and performance.

The development, manufacture and sales of specialty chemical products by us, including products produced for the food and beverage, cigarette, automobile, aerospace, medical device and pharmaceutical industries, involve a risk of exposure to product liability claims, product recalls, product seizures and related adverse publicity. A product liability claim or judgment against us could also result in substantial and unexpected expenditures, affect consumer or customer confidence in our products, and divert management's attention from other responsibilities. Although we maintain product liability insurance, there can be no assurance that this type or the level of coverage is adequate or that we will be able to continue to maintain our existing insurance or obtain comparable insurance at a reasonable cost, if at all. A product recall or a partially or completely uninsured judgment against us could have a material adverse effect on our results of operations or financial condition. Although we have standard contracting policies and controls, we may not always be able to contractually limit our exposure to third party claims should our failure to perform result in downstream supply disruptions or product recalls.

We could be subject to damages based on claims brought against us by our customers or lose customers as a result of the failure of our products to meet certain quality specifications.

Our products provide important performance attributes to our customers' products. If a product fails to perform in a manner consistent with quality specifications, a customer could seek replacement of the product or damages for costs incurred as a result of the product failing to perform as guaranteed. A successful claim or series of claims against us could have a material adverse effect on our financial condition and results of operations and could result in a loss of one or more key customers.

Our future success depends in part on our ability to protect our intellectual property rights. Our inability to protect and enforce these rights could reduce our ability to maintain our industry position and our profit margins.

We attach importance to our patents, trademarks, copyrights, know-how and trade secrets in order to protect our investment in research and development, and competitive commercial positions in manufacturing and marketing of our products. We have also adopted internal policies for protecting our know-how and trade secrets. In addition, we sometimes license patents and other technology from third parties. Our practice is to seek patent or trade secret protection for significant developments that provide us competitive advantages and freedom to practice for our businesses. Patents may cover catalysts, processes, products, intermediate products and product uses. These patents are usually filed throughout the world and provide varying periods and scopes of protection based on the filing date and the type of patent application. The legal life and scope of protection provided by a patent may vary among those countries in which we seek protection. As patents expire, the catalysts, processes and products described and claimed in those patents generally may become available for use by the public subject to our continued protection for associated know-how and trade secrets. We also seek to register trademarks as a means of protecting the brand names of our products, which brand names become more important once the corresponding product or process patents have expired. We operate in regions of the world where intellectual property protection may be limited and difficult to enforce and our continued growth strategy may bring us to additional regions with similar challenges. If we are not successful in protecting or maintaining our patent, license, trademark or other intellectual property rights, our revenues, results of operations and cash flows may be adversely affected.

Our business is exposed to risks associated with the creditworthiness of our suppliers, customers and business partners and the industries in which our suppliers, customers and business partners participate are cyclical in nature, both of which may adversely affect our business and results of operations.

Some of the industries in which our end-use customers participate, such as the automotive, electrical, construction and textile industries, are highly competitive, to a large extent driven by end-use applications, and may experience overcapacity, all of which may affect demand for and pricing of our products. Our business is exposed to risks associated with the creditworthiness of our key suppliers, customers and business partners and reductions in demand for our customers' products. These risks include the interruption of production at the facilities of our customers, the reduction, delay or cancellation of customer orders, delays in or the inability of customers to obtain financing to purchase our products, delays in or interruptions of the supply of raw materials we purchase and bankruptcy of customers, suppliers or other creditors. In addition, many of these industries are cyclical in nature, thus posing risks to us that vary throughout the year. The occurrence of any of these events may adversely affect our cash flow, profitability and financial condition. Furthermore, adverse conditions in the European economy could increase the likelihood and impact of these events for our European customers by potentially limiting end-use customer demand and restricting our customers' access to capital, which could continue to negatively affect our financial results.

Environmental regulations and other obligations relating to environmental matters could subject us to liability for fines, clean-ups and other damages, require us to incur significant costs to modify our operations and increase our manufacturing and delivery costs.

Costs related to our compliance with environmental laws and regulations, and potential obligations with respect to sites currently or formerly owned or operated by us, may have a significant negative impact on our operating results. We also have obligations related to the indemnity agreement contained in the demerger and transfer agreement between Celanese GmbH and Hoechst AG for environmental matters arising out of certain divestitures that took place prior to the demerger.

Our operations are subject to extensive international, national, state, local and other laws and regulations that govern environmental and health and safety matters. We incur substantial capital and other costs to comply with these requirements. If we violate any one of those laws or regulations, we can be held liable for substantial fines and other sanctions, including limitations on our operations as a result of changes to or revocations of environmental permits involved. Stricter environmental, safety and health laws and regulations could result in substantial costs and liabilities to us or limitations on our operations.

We are currently impacted by the National Emission Standard for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters ("Boiler MACT"), which was published by the Environmental Protection Agency ("EPA") in the Federal Register on March 21, 2011 and revised on December 20, 2012. The Boiler MACT regulation requires us to make significant capital expenditures to comply with stricter emissions requirements for industrial boilers and process heaters at our Narrows, Virginia facility. Consequently, compliance with these laws and regulations may negatively affect our earnings and cash flows in a particular reporting period. See Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources for further information related to the Boiler MACT project.

Changes in environmental, health and safety regulations in the jurisdictions where we manufacture and sell our products could lead to a decrease in demand for our products.

New or revised governmental regulations and independent studies relating to the effect of our products on health, safety or the environment may affect demand for our products and the cost of producing our products.

In June 2009, the California Office of Environmental Health Hazard Assessment ("OEHHA") formally proposed to add VAM, along with 11 other substances, to a list of chemicals "known to the state of California" to cause cancer. OEHHA is required to maintain this list under the Safe Drinking Water and Toxic Enforcement Act of 1986 ("Proposition 65"). Celanese successfully defeated the attempt to list VAM through a judicial challenge that is now final, and OEHHA has withdrawn VAM from its list of proposed chemicals for the Proposition 65 list. However, OEHHA initially proposed VAM to the Proposition 65 list as a result of a lawsuit by an environmental group. Activists may again seek to require OEHHA to consider listing VAM or other chemicals we produce on the

Proposition 65 list. In addition, VAM or other chemicals we produce may be classified in other jurisdictions in a manner that would adversely affect demand for such products.

We are a producer of formaldehyde and plastics derived from formaldehyde. Several studies have investigated possible links between formaldehyde exposure and various end points including leukemia. The International Agency for Research on Cancer ("IARC"), a private research agency, has reclassified formaldehyde from Group 2A (probable human carcinogen) to Group 1 (known human carcinogen) based on studies linking formaldehyde exposure to nasopharyngeal cancer, a rare cancer in humans.

In October 2009, IARC also concluded based on a recent study that there is sufficient evidence for a causal association between formaldehyde and the development of leukemia. We expect the results of IARC's review will be examined and considered by government agencies with responsibility for setting worker and environmental exposure standards and labeling requirements.

Other pending initiatives potentially will require toxicological testing and risk assessments of a wide variety of chemicals, including chemicals used or produced by us. These initiatives include the Voluntary Children's Chemical Evaluation Program, High Production Volume Chemical Initiative and expected modifications to the Toxic Substances Control Act ("TSCA") in the US, as well as various European Commission programs, such as the Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH").

The above-mentioned assessments in the US and Europe may result in heightened concerns about the chemicals involved and additional requirements being placed on the production, handling, labeling or use of the subject chemicals. Such concerns and additional requirements could also increase the cost incurred by our customers to use our chemical products and otherwise limit the use of these products, which could lead to a decrease in demand for these products. Such a decrease in demand would likely have an adverse impact on our business and results of operations.

Our production facilities, including facilities we own and/ or operate, handle the processing of some volatile and hazardous materials that subject us to operating and other risks that could have a negative effect on our operating results.

Our operations are subject to operating and other risks associated with chemical manufacturing, including the related storage and transportation of raw materials, finished products and waste. These risks include, among other things, pipeline and storage tank leaks and ruptures, explosions and fires and discharges or releases of toxic or hazardous substances.

These operating and other risks can cause personal injury, property damage, third-party damages and environmental contamination, and may result in the shutdown of affected facilities and the imposition of civil or criminal penalties. The occurrence of any of these events may disrupt production and have a negative effect on the productivity and profitability of a particular manufacturing facility, our operating results and cash flows.

US federal regulations aimed at increasing security at certain chemical production plants and similar legislation that may be proposed in the future, if passed into law, may increase our operating costs and cause an adverse effect on our results of operations.

Regulations are being implemented by the US Department of Homeland Security ("DHS") aimed at decreasing the risk, and effects, of potential terrorist attacks on chemical plants located within the US. Pursuant to these regulations, these goals would be accomplished in part through the requirement that certain high-priority facilities develop a prevention, preparedness, and response plan after conducting a vulnerability assessment. In addition, companies may be required to evaluate the possibility of using less dangerous chemicals and technologies as part of their vulnerability assessments and security plans and implementing feasible safer technologies in order to minimize potential damage to their facilities from a terrorist attack. We cannot determine with certainty the costs associated with any security measures that DHS may require.

We are subject to risks associated with possible climate change legislation, regulation and international accords.

Greenhouse gas emissions have become the subject of a large amount of international, national, regional, state and local attention. For example, the EPA has promulgated rules concerning greenhouse gas emissions. In addition, regulation of greenhouse gas also could occur pursuant to future US treaty obligations, statutory or regulatory changes under the Clean Air Act or new climate change legislation. In addition, cap and trade initiatives to limit greenhouse gas emissions have been introduced in the EU.

While not all are likely to become law, many countries are considering or have implemented regulatory programs to reduce greenhouse gas emissions. Future environmental legislative and regulatory developments related to climate change are possible, which could materially increase operating costs in the chemical industry and thereby increase our manufacturing and delivery costs.

Our business and financial results may be adversely affected by various legal and regulatory proceedings.

We are subject to legal and regulatory proceedings, lawsuits and claims in the normal course of business and could become subject to additional claims in the future, some of which could be material. The outcome of existing proceedings, lawsuits and claims may differ from our expectations because the outcomes of litigation, including regulatory matters, are often difficult to reliably predict. Various factors or developments can lead us to change current estimates of liabilities and related insurance receivables where applicable, or permit us to make such estimates for matters previously not susceptible to reasonable estimates, such as a significant judicial ruling or judgment, a significant settlement, significant regulatory developments, or changes in applicable law. A future adverse ruling, settlement, or unfavorable development could result in charges that could have a material adverse effect on our business, results of operations or financial condition in any particular period. For a more detailed discussion of our legal proceedings, see Item 3. Legal Proceedings below.

Changes in tax legislation or rates throughout the world could materially impact our results.

Our future effective tax rate and related tax balance sheet attributes could be impacted by changes in tax legislation throughout the world. In particular, proposed US tax legislation could materially impact our results. Currently, the majority of our revenue is generated from customers located outside of the US, and a substantial portion of our assets and employees are located outside of the US. We have not accrued income taxes or foreign withholding taxes on undistributed earnings for most non-US subsidiaries, because those earnings are intended to be indefinitely reinvested in the operations of those subsidiaries. Certain tax proposals with respect to such earnings could substantially increase our tax expense, which would substantially reduce our income and have a material adverse effect on our results of operations and cash flows from operating activities.

Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, expirations of tax holidays, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws and regulations or their interpretation. We are subject to the regular examination of our income tax returns by various tax authorities. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for taxes. It is possible the outcomes from these examinations will have a material adverse effect on our financial condition and operating results.

Our significant non-US operations expose us to global exchange rate fluctuations that could adversely impact our profitability.

Because we conduct a significant portion of our operations outside the US, fluctuations in currencies of other countries, especially the Euro, may materially affect our operating results. For example, changes in currency exchange rates may decrease our profits in comparison to the profits of our competitors whose principal operations are conducted in the US on the same products sold in the same industries and increase the cost of items required in our operations.

A substantial portion of our net sales is denominated in currencies other than the US dollar. In our consolidated financial statements, we translate our local currency financial results into US dollars based on average exchange rates prevailing during a reporting period or the exchange rate at the end of that period. During times of a strengthening US dollar our reported international sales, earnings, assets and liabilities will be reduced because the local currency will translate into fewer US dollars.

In addition to currency translation risks, we incur a currency transaction risk whenever one of our operating subsidiaries enters into a purchase or sales transaction using a currency different from the operating subsidiary's functional currency. Given the volatility of exchange rates, we may not be able to manage our currency transaction and translation risks effectively, and volatility in currency exchange rates may expose our financial condition or results of operations to a significant additional risk. Since a portion of our indebtedness is and will be denominated in currencies other than US dollars, a weakening of the US dollar could make it more difficult for us to repay our indebtedness denominated in foreign currencies unless we have cash flows in those foreign currencies from our foreign operations to repay such indebtedness.

We use financial instruments to hedge certain exposure to foreign currency fluctuations, but we cannot guarantee that our hedging strategies will be effective. In addition, the use of financial instruments creates counterparty settlement risk. Failure to effectively manage these risks could have an adverse impact on our financial position, results of operations and cash flows.

We are subject to information technology security threats that could materially affect our business.

We have been and will continue to be subject to advanced persistent information technology security threats. While some unauthorized access to our information technology systems occurs, we believe to date these threats have not had a material impact on our business. We seek to detect and investigate these security incidents and to prevent their recurrence but in some cases we might be unaware of an incident or its magnitude and effects. The theft, mis-use or publication of our intellectual property and/or confidential business information or the compromising of our systems or networks could harm our competitive position, cause operational disruption, reduce the value of our investment in research and development of new products and other strategic initiatives or otherwise adversely affect our business or results of operations. To the extent that any security breach results in inappropriate disclosure of our employees', customers' or vendors' confidential information, we may incur liability as a result. Although we attempt to mitigate these risks by employing a number of measures, including monitoring of our systems and networks, and maintenance of backup and protective systems, our systems, networks, products and services remain potentially vulnerable to increasingly sophisticated advanced persistent threats that may have a material effect on our business. In addition, the devotion of additional resources to the security of our information technology systems in the future could significantly increase the cost of doing business or otherwise adversely impact our financial results.

Our success depends upon our ability to attract and retain key employees and the identification and development of talent to succeed senior management.

Our success depends on our ability to attract and retain key personnel, and we rely heavily on our management team. The inability to recruit and retain key personnel or the unexpected loss of key personnel may adversely affect our operations. In addition, because of our reliance on our management team, our future success depends in part on our ability to identify and develop talent to succeed senior management. The retention of key personnel and appropriate senior management succession planning will continue to be important to the successful implementation of our strategies.

Significant changes in pension fund investment performance or assumptions relating to pension costs may have a material effect on the valuation of pension obligations, the funded status of pension plans and our pension cost.

The cost of our pension plans is incurred over long periods of time and involves many uncertainties during those periods of time. Our funding policy for pension plans is to accumulate plan assets that, over the long run, will approximate the present value of projected benefit obligations. Our pension cost is materially affected by the discount rate used to measure pension obligations, the level and value of plan assets available to fund those obligations at the measurement date and the expected long-term rate of return on plan assets. Significant changes in investment performance or a change in the portfolio mix of invested assets will likely result in corresponding increases and decreases in the valuation of plan assets and a change in the discount rate will likely result in an increase or decrease in the valuation of pension obligations. The combined impact of these changes will affect the reported funded status of our pension plans as well as the net periodic pension cost in the following fiscal years. In recent years, an extended duration strategy in the asset portfolio has been implemented in some plans to reduce the influence of liability volatility due to changes in interest rates. If the funded status of a pension plan declines, we may be required to make unscheduled contributions in addition to those contributions for which we have already planned.

Some of our employees are unionized, represented by workers councils or are subject to local laws that are less favorable to employers than the laws of the US.

As of December 31, 2013, we had approximately 7,430 employees. Approximately 19% of our 2,800 US based employees are unionized. Our two US based collective bargaining agreements expire in 2014 and 2016. In addition, a large number of our employees are employed in countries in which employment laws provide greater bargaining or other employment rights than the laws of the US. Such employment rights require us to work collaboratively with the legal representatives of the employees to effect any changes to labor agreements. Most of our employees in Europe are represented by workers councils and/or unions that must approve any changes in terms and conditions of employment, including potentially salaries and benefits. They may also impede efforts to restructure our workforce. Although we believe we have a good working relationship with our employees and their legal representatives and the chances are low, a strike, work stoppage, or slowdown by our employees could occur, resulting in a disruption of our operations or higher ongoing labor costs.

Provisions in our certificate of incorporation and bylaws, as well as any stockholders' rights plan, may discourage a takeover attempt.

Provisions contained in our certificate of incorporation and bylaws could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our stockholders. Provisions of our certificate of incorporation and bylaws impose various procedural and other requirements, which could make it more difficult for stockholders to effect certain corporate actions. For example, our certificate of incorporation authorizes our Board of Directors to determine the rights, preferences, privileges and restrictions of unissued series of preferred stock, without any vote or action by our stockholders. Thus, our Board of Directors can authorize and issue shares of preferred stock with voting or conversion rights that could adversely affect the voting or other rights of holders of our Series A common stock.

These rights may have the effect of delaying or deterring a change of control of our Company. In addition, a change of control of our Company may be delayed or deterred as a result of our having three classes of directors (each class elected for a three year term) or as a result of any stockholders' rights plan that our Board of Directors may adopt. These provisions could limit the price that certain investors might be willing to pay in the future for shares of our Series A common stock.

We may incur significant charges in the event we close or divest all or part of a manufacturing plant or facility.

We periodically assess our manufacturing operations in order to manufacture and distribute our products in the most efficient manner. Based on our assessments, we may make capital improvements to modernize certain units, move manufacturing or distribution capabilities from one plant or facility to another plant or facility, discontinue manufacturing or distributing certain products or close or divest all or part of a manufacturing plant or facility. We also have shared services agreements at several of our plants and if such agreements are terminated or revised, we would assess and potentially adjust our manufacturing operations. The closure or divestiture of all or part of a manufacturing plant or facility could result in future charges that could be significant. See Note 4 - Acquisitions, Dispositions, Ventures and Plant Closures in the accompanying consolidated financial statements for further information.

We may not be able to complete future acquisitions or successfully integrate future acquisitions into our business, which could adversely affect our business or results of operations.

As part of our growth strategy, we intend to pursue acquisitions and joint venture opportunities. Successful accomplishment of this objective may be limited by the availability and suitability of acquisition candidates and by our financial resources, including available cash and borrowing capacity. Acquisitions involve numerous risks, including difficulty determining appropriate valuation, integrating operations, technologies, services and products of the acquired lines or businesses, personnel turnover and the diversion of management's attention from other business matters. In addition, we may be unable to achieve anticipated benefits from these acquisitions in the time frame that we anticipate, or at all, which could adversely affect our business or results of operations.

The insurance coverage that we maintain may not fully cover all operational risks.

We maintain property, business interruption and casualty insurance but such insurance may not cover all of the risks associated with the hazards of our business and is subject to limitations, including deductibles and maximum liabilities covered. We may incur losses beyond the limits, or outside the coverage, of our insurance policies, including liabilities for environmental remediation. In the future, the types of insurance we obtain and the level of coverage we maintain may be inadequate or we may be unable to continue to maintain our existing insurance or obtain comparable insurance at a reasonable cost.

Differences in views with our joint venture participants may cause our joint ventures not to operate according to their business plans, which may adversely affect our results of operations.

We currently participate in a number of joint ventures and may enter into additional joint ventures in the future. The nature of a joint venture requires us to share control with unaffiliated third parties. Differences in views among joint venture participants may result in delayed decisions or failure to agree on major decisions. If these differences cause the joint ventures to deviate from their business plans or to fail to achieve their desired operating performance, our results of operations could be adversely affected.

Risks Related to Our Indebtedness

Our level of indebtedness and other liabilities could diminish our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or the chemicals industry and prevent us from meeting obligations under our indebtedness.

Our total indebtedness is $3.1 billion as of December 31, 2013. See Note 13 - Debt in the accompanying consolidated financial statements for further information. We also have numerous other obligations. See Note 12 - Noncurrent Other Liabilities, Note 14 - Benefit Obligations and Note 15 - Environmental in the accompanying consolidated financial statements for further information.

Our level of indebtedness and other liabilities could have important consequences, including:

- Increasing our vulnerability to general economic and industry conditions including exacerbating the impact of any adverse business effects that are determined to be material adverse events under our existing senior credit facilities (the "Amended Credit Agreement");
- Requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on indebtedness and amounts payable in connection with the satisfaction of our other liabilities, therefore reducing our ability to use our cash flow to fund operations, capital expenditures and future business opportunities or pay

dividends on our common stock;

- Exposing us to the risk of increased interest rates as certain of our borrowings are at variable rates of interest;
- Limiting our ability to obtain additional financing for working capital, capital expenditures, product development, debt service requirements, acquisitions and general corporate or other purposes; and
- Limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage compared to our competitors who have less debt.

We may incur additional indebtedness in the future, which could increase the risks described above.

Although covenants under the Amended Credit Agreement and the indentures governing the $600 million in aggregate principal amount of 6.625% Senior Notes due 2018, the $400 million in aggregate principal amount of 5.875% Senior Notes due 2021, and the $500 million in aggregate principal amount of 4.625% Senior Notes due 2022 (together, the "Senior Notes") limit our ability to incur certain additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the indebtedness we could incur in compliance with these restrictions could be significant. To the extent that we incur additional indebtedness, the risks associated with our debt described above, including our possible inability to service our debt, including the Senior Notes, would increase.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly and affect our operating results.

Certain of our borrowings are at variable rates of interest and expose us to interest rate risk. If interest rates were to increase, our debt service obligations on our variable rate indebtedness would increase. As of December 31, 2013, we had $790 million, €192 million and CNY470 million of variable rate debt and outstanding US-dollar interest rate swap agreements with a notional value of $1.1 billion that expire January 2, 2014 and additional US-dollar interest rate swap agreements with notional value of $500 million that are in effect January 2, 2014 and expire January 2, 2016. These interest rate swap agreements have the economic effect of modifying the US-dollar variable rate obligations into fixed interest obligations. Accordingly, a 1% increase in interest rates would increase annual interest expense by $6 million.

See Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources, Item 7A. Quantitative and Qualitative Disclosures About Market Risk below and Note 21 - Derivative Financial Instruments in the accompanying consolidated financial statements for further information.

We may not be able to generate sufficient cash to service our indebtedness and may be forced to take other actions to satisfy obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on the financial condition and operating performance of our subsidiaries, which are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. The Amended Credit Agreement restricts our ability to dispose of assets and use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due.

Restrictive covenants in our debt agreements may limit our ability to engage in certain transactions and may diminish our ability to make payments on our indebtedness or pay dividends.

The Amended Credit Agreement, the indentures governing the Senior Notes and the Receivables Purchase Agreement (the "Purchase Agreement") governing our receivables securitization facility each contain various covenants that limit our ability to engage in specified types of transactions. The Amended Credit Agreement requires us to maintain a maximum first lien senior secured leverage ratio if there are outstanding borrowings or letters of credit issued under the revolving credit facility. Our ability to meet this financial ratio can be affected by events beyond our control, and we may not be able to meet this test at all.

The Amended Credit Agreement also contains covenants including, but not limited to, restrictions on the Company’s ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; make investments; prepay or modify certain indebtedness; engage in transactions with affiliates; enter into sale-leaseback transactions or hedge transactions; or engage in other businesses.

In addition, the indentures governing the Senior Notes limit Celanese US's and certain of its subsidiaries' ability to, among other things, incur additional debt; pay dividends or make other restricted payments; consummate specified asset sales; enter into transactions with affiliates; incur liens, impose restrictions on the ability of a subsidiary to pay dividends or make payments to Celanese US and its restricted subsidiaries; merge or consolidate with any other person; and sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of Celanese US's assets or the assets of its restricted subsidiaries.

The Purchase Agreement also contains covenants including, but not limited to, restrictions on CE Receivables LLC, a wholly-owned, "bankruptcy remote" special purpose subsidiary of the Company, and certain other Company subsidiaries’ ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; make investments; prepay or modify certain indebtedness; or engage in other businesses.

Such restrictions in our debt obligations could result in us having to obtain the consent of our lenders and holders of the Senior Notes in order to take certain actions. Disruptions in credit markets may prevent us from obtaining or make it more difficult or more costly for us to obtain such consents. Our ability to expand our business or to address declines in our business may be limited if we are unable to obtain such consents.

A breach of any of these covenants could result in a default, which, if not cured or waived, could have a material adverse effect on our business, financial condition and results of operations. Furthermore, a default under the Amended Credit Agreement could permit lenders to accelerate the maturity of our indebtedness under the Amended Credit Agreement and to terminate any commitments to lend. If we were unable to repay or refinance such indebtedness, the lenders under the Amended Credit Agreement could proceed against the collateral granted to them to secure that indebtedness. Our subsidiaries have pledged a significant portion of our assets as collateral to secure our indebtedness under the Amended Credit Agreement. If the lenders under the Amended Credit Agreement accelerate the repayment of such indebtedness, we may not have sufficient assets to repay such amounts or our other indebtedness, including the Senior Notes. In such event, we could be forced into bankruptcy or liquidation.

Celanese and Celanese US are holding companies and depend on subsidiaries to satisfy their obligations under the Senior Notes and the guarantee of Celanese US's obligations under the Senior Notes by Celanese.

As holding companies, Celanese and Celanese US conduct substantially all of their operations through their subsidiaries, which own substantially all of our consolidated assets. Consequently, the principal source of cash to pay Celanese and Celanese US's obligations, including obligations under the Senior Notes and the guarantee of the Celanese US's obligations under the Senior Notes by Celanese, is the cash that our subsidiaries generate from their operations. We cannot assure that our subsidiaries will be able to, or be permitted to, make distributions to enable Celanese US and/or Celanese to make payments in respect of their obligations. Each of our subsidiaries is a distinct legal entity and, under certain circumstances, applicable country or state laws, regulatory limitations and terms of our debt instruments may limit our subsidiaries' ability to distribute cash to Celanese US and Celanese. While the indentures governing the Senior Notes limit the ability of our subsidiaries to put restrictions on paying dividends or making other intercompany payments to us, these limitations are subject to certain qualifications and exceptions, which may have the effect of significantly restricting the applicability of those limits. In the event Celanese US and/or Celanese do not receive distributions from our subsidiaries, Celanese US and/or Celanese may be unable to make required payments on the Senior Notes, the guarantee of Celanese US's obligations under the Senior Notes by Celanese, or our other indebtedness.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Description of Property

We and our affiliates own or lease numerous production and manufacturing facilities throughout the world. We also own or lease other properties, including office buildings, warehouses, pipelines, research and development facilities and sales offices. We continuously review and evaluate our facilities as a part of our strategy to optimize our business portfolio. The following table sets forth a list of our principal offices, production and other facilities throughout the world as of December 31, 2013.

Site	Leased/Owned	Products/Functions
Corporate Offices		
Budapest, Hungary	Leased	Administrative offices
Irving, Texas, US	Leased	Corporate headquarters
Nanjing, China	Leased	Administrative offices
Shanghai, China	Leased	Administrative offices
Sulzbach, Germany	Leased	Administrative offices
Advanced Engineered Materials		
Auburn Hills, Michigan, US	Leased	Automotive Development Center
Bishop, Texas, US	Owned	POM, GUR® ultra-high molecular weight polyethylene, Compounding
Florence, Kentucky, US	Owned	Compounding
Frankfurt am Main, Germany(1)	Owned by InfraServ GmbH & Co. Hoechst KG(8)	POM, Compounding
Fuji City, Japan	Owned by Polyplastics Co., Ltd.(8)	POM, PBT, LCP, Compounding
Jubail, Saudi Arabia	Owned by National Methanol Company(8)	MTBE, Methanol
Kaiserslautern, Germany(1)	Leased	LFT
Kuantan, Malaysia	Owned by Polyplastics Co., Ltd.(8)	POM, Compounding
Nanjing, China(2)	Owned	LFT, GUR® ultra-high molecular weight polyethylene, Compounding
Oberhausen, Germany(1)	Leased	GUR® ultra-high molecular weight polyethylene
Shelby, North Carolina, US	Owned	LCP, Compounding
Suzano, Brazil(1)	Leased	Compounding
Ulsan, South Korea	Owned by Korea Engineering Plastics Co., Ltd.(8)	POM
Wilmington, North Carolina, US	Owned by Fortron Industries LLC(8)	PPS
Winona, Minnesota, US	Owned	LFT
Consumer Specialties		
Frankfurt am Main, Germany(3)	Owned by InfraServ GmbH & Co. Hoechst KG(8)	Sorbates, Sunett® sweetener, Qorus™ sweetener system
Kunming, China	Leased by Kunming Cellulose Fibers Co. Ltd.(5)	Acetate tow
Lanaken, Belgium	Owned	Acetate tow
Nantong, China	Owned by Nantong Cellulose Fibers Co. Ltd.(6)	Acetate tow, Acetate flake
Narrows, Virginia, US	Owned	Acetate tow, Acetate flake
Ocotlán, Mexico	Owned	Acetate tow, Acetate flake
Spondon, Derby, United Kingdom(9)	Owned	Acetate film

Zhuhai, China	Leased by Zhuhai Cellulose Fibers Co. Ltd.[7]	Acetate tow

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Site	Leased/Owned	Products/Functions
Industrial Specialties		
Boucherville, Quebec, Canada	Owned	Conventional emulsions
Edmonton, Alberta, Canada	Owned	LDPE, EVA
Enoree, South Carolina, US	Owned	Conventional emulsions, VAE emulsions
Frankfurt am Main, Germany(3)	Owned by InfraServ GmbH & Co. Hoechst KG(8)	Conventional emulsions, VAE emulsions
Geleen, Netherlands	Owned	VAE emulsions
Meredosia, Illinois, US	Owned	Conventional emulsions, VAE emulsions
Nanjing, China(2)	Owned	Conventional emulsions, VAE emulsions
Perstorp, Sweden	Owned	Conventional emulsions, VAE emulsions
Tarragona, Spain(1)	Leased	Conventional emulsions
Tarragona, Spain	Owned	VAE emulsions
Acetyl Intermediates		
Bay City, Texas, US(1)	Leased	VAM
Bishop, Texas, US	Owned	Formaldehyde
Cangrejera, Mexico	Owned	Acetic anhydride, Ethyl acetate
Clear Lake, Texas, US	Owned	Acetic acid, VAM
Frankfurt am Main, Germany(3)	Owned by InfraServ GmbH & Co. Hoechst KG(8)	Acetaldehyde, VAM, Butyl acetate
Jurong Island, Singapore(1)	Leased	Acetic acid, Butyl acetate, Ethyl acetate, VAM
Nanjing, China(2)	Owned	Acetic acid, Acetic anhydride, VAM
Pardies, France	Owned	Site is no longer operating
Roussillon, France(1)	Leased	Site is no longer operating
Tarragona, Spain(4)	Owned by Complejo Industrial Taqsa AIE(6)	Site is no longer operating

(1) Celanese owns the assets on this site and leases the land through the terms of a long-term land lease.

(2) Multiple Celanese business segments conduct operations at the Nanjing facility. Celanese owns the assets on this site. Celanese also owns the land through "land use right grants" for 46 to 50 years with the right to transfer, mortgage or lease such land during the term of the respective land use right grant.

(3) Multiple Celanese business segments conduct operations at the Frankfurt Hoechst Industrial Park located in Frankfurt am Main, Germany.

(4) Celanese owns the assets on this site and shares ownership in the land. Celanese's ownership percentage in the land is 15%.

(5) A Celanese cost method investment. Kunming Cellulose Fibers Co. Ltd. owns the assets on this site and leases the land from China National Tobacco Corporation.

(6) A Celanese cost method investment. Nantong Cellulose Fibers Co. Ltd. owns the assets on this site and the land through "land use right grants" with the right to transfer, mortgage or lease such land during the term of the respective land use right grant.

(7) A Celanese cost method investment. Zhuhai Cellulose Fibers Co. Ltd. owns the assets on this site and leases the land from China National Tobacco Corporation.

(8) A Celanese equity method investment.

(9) Celanese no longer manufactures acetate tow and acetate flake at the Spondon, Derby, United Kingdom site as of December 31, 2012.

Item 3. Legal Proceedings

We are involved in a number of legal and regulatory proceedings, lawsuits, claims and investigations incidental to the normal conduct of our business, relating to such matters as product liability, land disputes, commercial contracts, employment, antitrust, intellectual property, workers' compensation, chemical exposure, asbestos exposure, trade compliance, prior acquisitions and divestitures, past waste disposal practices and release of chemicals into the environment. The Company is actively defending those matters where it is named as a defendant. See Note 15 - Environmental and Note 23 - Commitments and Contingencies in the accompanying consolidated financial statements for a discussion of environmental matters and commitments and contingencies related to legal and regulatory proceedings.

Item 4. Mine Safety Disclosures

None.

Executive Officers of the Registrant

The names, ages and biographies of our executive officers as of February 7, 2014 are as follows:

Name	Age	Position
Mark C. Rohr	62	Chairman of the Board of Directors and Chief Executive Officer, President
Steven M. Sterin	42	Senior Vice President and Chief Financial Officer
Christopher W. Jensen	47	Senior Vice President, Finance
Lori A. Johnston	49	Senior Vice President, Human Resources
Gjon N. Nivica, Jr.	49	Senior Vice President, General Counsel and Corporate Secretary
Jay C. Townsend	55	Senior Vice President, Business Strategy Development and Procurement

Mark C. Rohr has been our Chairman of the Board of Directors and Chief Executive Officer and President since April 2012 and a member of our board of directors since April 2007. He served as a director and as the Executive Chairman of Albemarle Corporation, a global developer, manufacturer and marketer of highly-engineered specialty chemicals, from September 2011 until February 2012 and previously had served as the Chairman from 2008 to 2011, President from 2000 to 2010, Chief Operating Officer from 2000 to 2002 and Chief Executive Officer from 2002 to 2011 of Albemarle. Prior to that, Mr. Rohr served as Executive Vice President - Operations of Albemarle. Before joining Albemarle, Mr. Rohr held leadership roles with companies including Occidental Chemical Corporation and The Dow Chemical Company. Mr. Rohr has served on the board of directors of Ashland Inc. since 2008, and has served as a member of its audit committee and the environmental, health & safety committee. He also serves as Vice Chairman of the board of directors and chairman of the Finance, Audit and Membership Committee of the American Chemical Council. Mr. Rohr received a bachelor's degree in chemistry and chemical engineering from Mississippi State University.

Steven M. Sterin has served as our Senior Vice President and Chief Financial Officer since July 2007. Mr. Sterin previously led our fuel ethanol projects from November 2010 to January 2013 and served as our Vice President, Controller and Principal Accounting Officer from September 2005 to July 2007 and Director of Finance for Celanese Chemicals from 2003 to 2005 and Controller of Celanese Chemicals from 2004 to 2005. Prior to joining Celanese, Mr. Sterin worked for Reichhold, Inc., a subsidiary of Dainippon Ink and Chemicals, Incorporated, beginning in 1997. There he held a variety of leadership positions in the finance organization before serving as Treasurer from 2000 to 2001 and later as Vice President of Finance, Coating Resins from 2001 to 2003. Mr. Sterin began his career at Price Waterhouse LLP, an assurance, tax and advisory services firm, currently known as PricewaterhouseCoopers LLP. Mr. Sterin, a Certified Public Accountant, graduated from the University of Texas at Austin in May 1995, receiving both a bachelor's degree in business and a master's degree in professional accounting.

Christopher W. Jensen has served as our Senior Vice President, Finance since April 2011. From August 2010 to April 2011, Mr. Jensen served as our Senior Vice President, Finance and Treasurer. Prior to August 2010, Mr. Jensen served as our Vice President and Corporate Controller from March 2009 to July 2010. From May 2008 to February 2009, he served as Vice President of Finance and Treasurer. In his current capacity, Mr. Jensen has global responsibility for corporate finance, treasury operations, insurance risk management, pensions, global business services, corporate accounting, tax and general ledger accounting. Mr. Jensen was previously the Assistant Corporate Controller from

March 2007 through April 2008, where he was responsible for SEC reporting, internal reporting, and technical accounting. In his initial role at Celanese from October 2005 through March 2007, he built and directed the Company's technical accounting function. From August 2004 to October 2005, Mr. Jensen worked in the inspections and registration division of the Public Company Accounting Oversight Board. He spent

13 years of his career at PricewaterhouseCoopers LLP, an assurance, tax and advisory services firm, in various positions in both the auditing and mergers & acquisitions groups. Mr. Jensen earned bachelor's and master's degrees in accounting from Brigham Young University and is a Certified Public Accountant.

Lori A. Johnston has served as our Senior Vice President, Human Resources since October 2012. Prior to joining Celanese, she was the Vice President, International Human Resources for Amgen, Inc., a biotechnology medicines company, and had served in various human resources positions of increasing importance with Amgen since 2001, except from January 2006 to April 2007 when she served as the Human Resources and Communications Director of the Michael and Susan Dell Foundation. Before joining Amgen, Ms. Johnston held a variety of leadership positions beginning in 1990 at Dell, Inc., a global information technology company, before serving as the Human Resources Director, Home and Small Business, from 1997 to 2001. Ms. Johnston earned a master's of human sciences degree from Our Lady of the Lake University and a bachelor's degree in psychology from the University of Central Oklahoma.

Gjon N. Nivica, Jr. has served as our Senior Vice President, General Counsel and Corporate Secretary since April 2009. Mr. Nivica previously served as Deputy General Counsel to Honeywell International Inc., a global technology and manufacturing leader, and Vice President and General Counsel of the Honeywell Transportation Systems business group from 2005 to 2009. Prior to that time, he was the Vice President and General Counsel of Honeywell Aerospace Electronic Systems from 2002 to 2005 and of Honeywell Engines Systems and Services from 1996 to 2002.

Mr. Nivica began his career in 1989 as a corporate associate in the Los Angeles office of Gibson, Dunn & Crutcher, a global law firm, where he specialized in acquisitions, divestitures and general corporate and securities work, before becoming Mergers & Acquisitions Senior Counsel to AlliedSignal Aerospace Inc. from 1994 to 1996. Mr. Nivica received his J.D., magna cum laude, from Boston University Law School.

Jay C. Townsend has served as our Senior Vice President, Business Strategy Development and Procurement since 2010. In addition to his current role, Mr. Townsend has led our fuel ethanol projects with the responsibility of capitalizing on TCX®, our proprietary advanced technology process for the production of fuel ethanol, since February 2013. Mr. Townsend previously served as our Senior Vice President, Strategy and Business Development from 2007 to 2010, and as our Vice President of Business Strategy and Development from 2005 to 2006. Mr. Townsend joined Celanese in 1986 as a Business Analyst and has held several roles of increasing responsibility within the US and Europe. Mr. Townsend received his bachelor's degree in international finance from Widener University in 1980.

PART II

Item 5. Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our Series A common stock has traded on the New York Stock Exchange under the symbol "CE" since January 21, 2005. The closing sale price of our Series A common stock, as reported by the New York Stock Exchange, on February 3, 2014 was $48.83. The following table sets forth the high and low intraday sales prices per share of our Series A common stock, as reported by the New York Stock Exchange, and the dividends declared per share on our Series A common stock for the periods indicated.

	Price Range		Dividends
	High	Low	Declared
	(In $ per share)		
2013			
Quarter ended March 31, 2013	50.68	42.03	0.075
Quarter ended June 30, 2013	51.58	41.55	0.090
Quarter ended September 30, 2013	53.00	44.49	0.180
Quarter ended December 31, 2013	58.56	51.21	0.180
2012			
Quarter ended March 31, 2012	52.59	42.25	0.060
Quarter ended June 30, 2012	49.80	33.24	0.060
Quarter ended September 30, 2012	43.18	32.77	0.075
Quarter ended December 31, 2012	45.31	34.96	0.075

Holders

No shares of Celanese’s Series B common stock and no shares of Celanese’s 4.25% convertible perpetual preferred stock ("Preferred Stock") are issued and outstanding. As of February 3, 2014, there were 34 holders of record of our Series A common stock. By including persons holding shares in broker accounts under street names, however, we estimate we have approximately 59,326 beneficial holders.

Dividend Policy

Our Board of Directors has a policy of declaring, subject to legally available funds, a quarterly cash dividend on each share of our Series A common stock as determined in its sole discretion. Our Board of Directors may, at any time, modify or revoke our dividend policy on our Series A common stock.

On February 6, 2014, we declared a cash dividend of $0.18 per share on our Series A common stock amounting to $28 million. The cash dividend was for the period from November 1, 2013 to January 31, 2014 and will be paid on February 28, 2014 to holders of record as of February 17, 2014.

The amount available to us to pay cash dividends is restricted by our Amended Credit Agreement and the Senior Notes. Any decision to declare and pay dividends in the future will be made at the discretion of our Board of Directors and will depend on, among other things, our results of operations, cash requirements, financial condition, contractual restrictions and other factors that our Board of Directors may deem relevant.

Celanese Purchases of its Equity Securities

The table below sets forth information regarding repurchases of our Series A common stock during the three months ended December 31, 2013:

Period	Total Number of Shares Purchased[1]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares Remaining that may be Purchased Under the Program[2]
October 1 - 31, 2013	463,212	$55.69	384,708	$268,000,000
November 1 - 30, 2013	691,282	$57.11	691,282	$229,000,000
December 1 - 31, 2013	23,403	$54.60	13,870	$228,000,000
Total	1,177,897		1,089,860	

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(1) Includes 78,504 and 9,533 for October and December 2013, respectively, related to shares withheld from employees to cover their statutory minimum withholding requirements for personal income taxes related to the vesting of restricted stock units.

(2) Our Board of Directors authorized the repurchase of our Common Stock as follows:

	Authorized Amount (In $ millions)
February 2008	400
October 2008	100
April 2011	129
October 2012	264
As of December 31, 2013	893

Performance Graph

The following Performance Graph and related information shall not be deemed "soliciting material" or to be "filed" with the Securities and Exchange Commission, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or Securities Exchange Act of 1934, each as amended, except to the extent that we specifically incorporate it by reference into such filing.

Comparison of Cumulative Total Return

Recent Sales of Unregistered Securities

Our deferred compensation plan offers certain of our senior employees and directors the opportunity to defer a portion of their compensation in exchange for a future payment amount equal to their deferments plus or minus certain amounts based upon the market-performance of specified measurement funds selected by the participant. These deferred compensation obligations may be considered securities of Celanese. Participants were required to make deferral elections under the plan prior to January 1 of the year such deferrals will be withheld from their compensation. We relied on the exemption from registration provided by Section 4(2) of the Securities Act in making this offer to a select group of employees, fewer than 35 of which were non-accredited investors under the rules promulgated by the Securities and Exchange Commission.

Item 6. Selected Financial Data

The balance sheet data as of December 31, 2013 and 2012, and the statements of operations data for the years ended December 31, 2013, 2012 and 2011, all of which are set forth below, are derived from the consolidated financial statements included elsewhere in this Annual Report and should be read in conjunction with those financial statements and the notes thereto. The balance sheet data as of December 31, 2011, 2010 and 2009 and the statements of operations data for the years ended December 31, 2010 and 2009 shown below were derived from previously issued financial statements, adjusted for applicable discontinued operations and the change in accounting policy for defined benefit pension plans and other postretirement benefit plans described below.

Change in accounting policy regarding pension and other postretirement benefits

Effective January 1, 2013, we elected to change our policy for recognizing actuarial gains and losses and changes in the fair value of plan assets for our defined benefit pension plans and other postretirement benefit plans. We now immediately recognize in operating results net actuarial gains and losses and the change in fair value of plan assets annually in the fourth quarter of each fiscal year and whenever a plan is required to be remeasured. The remaining components of our net periodic benefit cost are recorded on a quarterly basis. For further discussion, see Note 2 - Summary of Accounting Policies and Note 14 - Benefit Obligations in the accompanying consolidated financial statements.

	Year Ended December 31,				
	2013	2012	2011	2010	2009
	(In $ millions, except per share data)				
Statement of Operations Data					
Net sales	6,510	6,418	6,763	5,918	5,082
Other (charges) gains, net	(158)	(14)	(48)	(46)	(136)
Operating profit	1,508	175	402	398	144
Earnings (loss) from continuing operations before tax	1,609	321	467	433	105
Earnings (loss) from continuing operations	1,101	376	426	361	399
Earnings (loss) from discontinued operations	—	(4)	1	(49)	4
Net earnings (loss) attributable to Celanese Corporation	1,101	372	427	312	403
Earnings (loss) per common share					
Continuing operations — basic	6.93	2.37	2.72	2.31	2.71
Continuing operations — diluted	6.91	2.35	2.68	2.28	2.54
Balance Sheet Data (as of the end of period)					
Total assets	9,018	9,000	8,518	8,281	8,412
Total debt	3,064	3,098	3,017	3,218	3,501
Total Celanese Corporation stockholders' equity	2,699	1,730	1,341	926	586
Other Financial Data					
Depreciation and amortization	305	308	298	287	308
Capital expenditures(1)	408	339	364	222	167
Dividends paid per common share(2)	0.53	0.27	0.22	0.18	0.16

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(1) Amounts include accrued capital expenditures. Amounts do not include capital expenditures related to capital lease obligations or capital expenditures related to the relocation and expansion of our POM plant in Kelsterbach. See Note 24 - Supplemental Cash Flow Information and Note 27 - Plant Relocation in the accompanying consolidated financial statements.

(2) Annual dividends for the year ended December 31, 2013 consist of one quarterly dividend payment of $0.075 per share, one quarterly dividend payment of $0.09 per share and two quarterly dividend payments of $0.18 per share. Annual dividends for the year ended December 31, 2012 consist of two quarterly dividend payments of $0.06 and two quarterly dividend payments of $0.075 per share. See Note 16 - Stockholders' Equity in the accompanying consolidated financial statements.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

In this Annual Report on Form 10-K ("Annual Report"), the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The terms the "Company," "we," "our" and "us," refer to Celanese and its subsidiaries on a consolidated basis. The term "Celanese US" refers to the Company’s subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.

The following discussion should be read in conjunction with the accompanying consolidated financial statements and notes to the consolidated financial statements, which are prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Investors are cautioned that the forward-looking statements contained in this section and other parts of this Annual Report involve both risk and uncertainty. Several important factors could cause actual results to differ materially from those anticipated by these statements. Many of these statements are macroeconomic in nature and are, therefore, beyond the control of management. See "Forward-Looking Statements" below.

Forward-Looking Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and other parts of this Annual Report contain certain forward-looking statements and information relating to us that are based on the beliefs of our management as well as assumptions made by, and information currently available to, us. Generally, words such as "believe," "expect," "intend," "estimate," "anticipate," "project," "plan," "may," "can," "could," "might," and "will," and similar expressions, as they relate to us are intended to identify forward-looking statements. These statements reflect our current views with respect to future events, are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. See "Special Note Regarding Forward-Looking Statements" at the beginning of this Annual Report for further discussion.

Item 1A. Risk Factors of this Annual Report also contains a description of certain risk factors that you should consider which could significantly affect our financial results. In addition, the following factors could cause our actual results to differ materially from those results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors include, among other things:

- changes in general economic, business, political and regulatory conditions in the countries or regions in which we operate;
- the length and depth of product and industry business cycles particularly in the automotive, electrical, textiles, electronics and construction industries;
- changes in the price and availability of raw materials, particularly changes in the demand for, supply of, and market prices of ethylene, methanol, natural gas and wood pulp and the prices for electricity and other energy sources;
- the ability to pass increases in raw material prices on to customers or otherwise improve margins through price increases;
- the ability to maintain plant utilization rates and to implement planned capacity additions and expansions;
- the ability to reduce or maintain their current levels of production costs and to improve productivity by implementing technological improvements to existing plants;
- increased price competition and the introduction of competing products by other companies;
- market acceptance of our technology;
- the ability to obtain governmental approvals and to construct facilities on terms and schedules acceptable to the company;
- changes in the degree of intellectual property and other legal protection afforded to our products or technologies, or the theft of such intellectual property;
- compliance and other costs and potential disruption or interruption of production or operations due to accidents, interruptions in sources of raw materials, cyber security incidents, terrorism or political unrest, or other unforeseen events

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or delays in construction or operation of facilities, including as a result of geopolitical conditions, the occurrence of acts of war or terrorist incidents or as a result of weather or natural disasters;
- potential liability for remedial actions and increased costs under existing or future environmental regulations, including those relating to climate change;
- potential liability resulting from pending or future litigation, or from changes in the laws, regulations or policies of governments or other governmental activities in the countries in which we operate;
- changes in currency exchange rates and interest rates;
- our level of indebtedness, which could diminish our ability to raise additional capital to fund operations or limit our ability to react to changes in the economy or the chemicals industry; and
- various other factors, both referenced and not referenced in this Annual Report.

Many of these factors are macroeconomic in nature and are, therefore, beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results, performance or achievements may vary materially from those described in this Annual Report as anticipated, believed, estimated, expected, intended, planned or projected. We neither intend nor assume any obligation to update these forward-looking statements, which speak only as of their dates.

Overview

We are a global technology and specialty materials company. We are one of the world’s largest producers of acetyl products, which are intermediate chemicals, for nearly all major industries, as well as a leading global producer of high performance engineered polymers that are used in a variety of high-value applications. As a recognized innovator in the chemicals industry, we engineer and manufacture a wide variety of products essential to everyday living. Our broad product portfolio serves a diverse set of end-use applications including paints and coatings, textiles, automotive applications, consumer and medical applications, performance industrial applications, filter media, paper and packaging, chemical additives, construction, consumer and industrial adhesives, and food and beverage applications. Our products enjoy leading global positions due to our large global production capacity, operating efficiencies, proprietary production technology and competitive cost structures.

Our large and diverse global customer base primarily consists of major companies in a broad array of industries. We hold geographically balanced global positions and participate in diversified end-use applications. We combine a demonstrated track record of execution, strong performance built on shared principles and objectives, and a clear focus on growth and value creation. Known for operational excellence and execution of our business strategies, we deliver value to customers around the globe with best-in-class technologies and solutions.

In conjunction with our focus on the Celanese brand, the names of our businesses changed to engineered materials (formerly Advanced Engineered Materials), cellulose derivatives (formerly Acetate Products), food ingredients (formerly Nutrinova), emulsion polymers (formerly Emulsions), EVA polymers (formerly EVA Performance Polymers) and intermediate chemistry (formerly Acetyl Intermediates). There has been no change to the names or composition of our business segments.

2013 Highlights

- Our Board of Directors increased our share repurchase authorization to $400 million. As of December 31, 2013, we had $228 million remaining under previous authorizations.
- We received all permits, including a final greenhouse gas permit, from the US Environmental Protection Agency for our methanol unit construction project at our Clear Lake, Texas facility. We began construction on the methanol unit and have plans for the unit to become operational in the second half of 2015.
- We ceased all manufacturing operations at our acetic anhydride facility in Roussillon, France and at our vinyl acetate monomer ("VAM") facility in Tarragona, Spain at the end of 2013. We expect savings from these closures to be in the range of $20 million to $30 million in 2014.
- We announced the expansion of production capacity under our joint venture agreements with Polyplastics Co., Ltd in Malaysia, Korea Engineering Plastics Co., Ltd. in Korea and Saudi Basic Industries Corporation in Saudi Arabia.

- In July 2013, we announced a 100% increase in our quarterly Series A common stock ("Common Stock") cash dividend, increasing the dividend rate from \$0.09 to \$0.18 per share of Common Stock on a quarterly basis and \$0.36 to \$0.72 per share of Common Stock on an annual basis. The new dividend rate began in August 2013. We previously announced a 20% increase in our quarterly Common Stock cash dividend, increasing the dividend rate from \$0.075 to \$0.09 per share of Common Stock on a quarterly basis and \$0.30 to \$0.36 per share of Common Stock on an annual basis. This new dividend rate was effective for May 2013.
- We signed a Memorandum of Understanding ("MOU") with PetroChina Company Limited to advance the development of synthetic fuel ethanol opportunities in China utilizing our proprietary TCX® ethanol process technology.
- We introduced six significant new product platforms from our engineered materials business at K-Fair 2013, the premier global trade fair for the plastics industry, including:
  - Next generation GUR® UHMW-PE with step change in material performance and processing efficiencies
  - Hostaform® XGC Glass Reinforced POM with superior mechanical properties
  - Fortron® ICE PPS with improved productivity and properties
  - Hostaform® PTX POM series for flexible applications
  - Hostaform® LPT POM for molded fuel tanks
  - Hostaform® POM S series expanded to include new XT grades with improved toughness
- We signed an agreement with Mitsui & Co., Ltd., of Tokyo, Japan, to establish a joint venture for the production of methanol at our integrated chemical plant in Clear Lake, Texas. The total investment in the facility is estimated to be \$800 million. Our portion of the investment is estimated to be \$300 million, in addition to previously invested assets at our Clear Lake facility. The planned methanol facility will have an annual capacity of 1.3 million tons.
- We signed a MOU with Pertamina, the state-owned energy company of the Republic of Indonesia, to begin the detailed project planning phase for the development of a fuel ethanol project in Indonesia. The MOU outlines the parties' intentions to establish a joint venture under which we would own a majority share and would license our leading TCX® technology to the joint venture under a separate technology licensing agreement. Under the detailed project planning phase of the MOU, we and Pertamina will select the first production location, initiate project permitting and negotiate coal supply and other industrial partner agreements.
- We received the JEC Innovation Award for the first thermoplastic composite tailplane for a helicopter. The new composite tailplane of the AgustaWestland AW169 helicopter results in 15 percent weight reduction from conventional composites and contributes considerably to fuel savings and lower emissions.
- We introduced a new generation of Thermx® PCT grades that deliver outstanding initial reflectance and reflectance stability under heat and light as required in light-emitting diode ("LED") lighting packages found in display backlight and general lighting.
- We elected Edward G. Galante to our board of directors. Mr. Galante is a former senior vice president of Exxon Mobil Corporation.

2014 Outlook

- We expect earnings growth in 2014 to be primarily driven by Celanese-specific initiatives including improving plant operations, upstream and downstream efficiencies and translating innovation into earnings. We anticipate economies around the world to improve in 2014 and to contribute to base business growth. Europe is expected to move into growth territory, China's export and domestic economies are anticipated to expand and North America should continue to improve. Our initiatives combined with some economic improvement should contribute to growth in 2014.

Results of Operations

Change in accounting policy regarding pension and other postretirement benefits

Effective January 1, 2013, we elected to change our accounting policy for recognizing actuarial gains and losses and changes in the fair value of plan assets for our defined benefit pension plans and other postretirement benefit plans. We now immediately recognize changes in fair value of plan assets and net actuarial gains and losses annually in the fourth quarter of each fiscal year and whenever a plan is determined to qualify for a remeasurement during a fiscal year. The remaining components of net periodic benefit cost are recorded on a quarterly basis. For further discussion, see Note 2 - Summary of Accounting Policies and Note 14 - Benefit Obligations in the accompanying consolidated financial statements.

In connection with the changes in accounting policy for pension and other postretirement benefits and to properly match the actual operational expenses each business segment is incurring, we changed our allocation of net periodic benefit cost. We now allocate only the service cost and amortization of prior service cost components of our pension and postretirement plans to each business segment on a ratable basis. All other components of net periodic benefit cost (interest cost, estimated return on assets and net actuarial gains and losses) are recorded to Other Activities as these components are considered financing activities managed at the corporate level. Financial information for prior periods has been retrospectively adjusted.

Financial Highlights

	Year Ended December 31,		
	2013	2012	2011
	(In $ millions, except percentages)		
Statement of Operations Data			
Net sales	6,510	6,418	6,763
Gross profit	1,365	1,181	1,417
Selling, general and administrative expenses	(311)	(830)	(805)
Other (charges) gains, net	(158)	(14)	(48)
Operating profit (loss)	1,508	175	402
Equity in net earnings of affiliates	180	242	192
Interest expense	(172)	(185)	(221)
Refinancing expense	(1)	(3)	(3)
Dividend income - cost investments	93	85	80
Earnings (loss) from continuing operations before tax	1,609	321	467
Amounts attributable to Celanese Corporation			
Earnings (loss) from continuing operations	1,101	376	426
Earnings (loss) from discontinued operations	—	(4)	1
Net earnings (loss)	1,101	372	427
Other Data			
Depreciation and amortization	305	308	298
Operating margin[1]	23.2 %	2.7 %	5.9 %
Other (charges) gains, net			
Employee termination benefits	(23)	(6)	(22)
Kelsterbach plant relocation	(13)	(7)	(47)
Plumbing actions	—	5	6
Asset impairments	(81)	(8)	(1)
Plant/office closures	(33)	—	—
Commercial disputes	(8)	2	15
Other	—	—	1
Total other (charges) gains, net	(158)	(14)	(48)

[1] Defined as operating profit (loss) divided by net sales.

	As of December 31,	
	2013	2012
	(In $ millions)	
Balance Sheet Data		
Cash and cash equivalents	984	959
Short-term borrowings and current installments of long-term debt - third party and affiliates	177	168
Long-term debt	2,887	2,930
Total debt	3,064	3,098

Selected Data by Business Segment

	Year Ended December 31,			Year Ended December 31,		
	2013	2012	Change	2012	2011	Change
	(In $ millions, except percentages)					
Net Sales						
Advanced Engineered Materials	1,352	1,261	91	1,261	1,298	(37)
Consumer Specialties	1,214	1,186	28	1,186	1,161	25
Industrial Specialties	1,155	1,184	(29)	1,184	1,223	(39)
Acetyl Intermediates	3,241	3,231	10	3,231	3,551	(320)
Other Activities	—	—	—	—	1	(1)
Inter-segment eliminations	(452)	(444)	(8)	(444)	(471)	27
Total	6,510	6,418	92	6,418	6,763	(345)
Other (Charges) Gains, Net						
Advanced Engineered Materials	(13)	(2)	(11)	(2)	(49)	47
Consumer Specialties	—	(4)	4	(4)	(3)	(1)
Industrial Specialties	(4)	—	(4)	—	—	—
Acetyl Intermediates	(141)	—	(141)	—	14	(14)
Other Activities	—	(8)	8	(8)	(10)	2
Total	(158)	(14)	(144)	(14)	(48)	34
Operating Profit (Loss)						
Advanced Engineered Materials	904	95	809	95	79	16
Consumer Specialties	346	251	95	251	229	22
Industrial Specialties	64	86	(22)	86	102	(16)
Acetyl Intermediates	153	269	(116)	269	458	(189)
Other Activities	41	(526)	567	(526)	(466)	(60)
Total	1,508	175	1,333	175	402	(227)
Earnings (Loss) From Continuing Operations Before Tax						
Advanced Engineered Materials	1,053	285	768	285	242	43
Consumer Specialties	441	341	100	341	309	32
Industrial Specialties	64	86	(22)	86	104	(18)
Acetyl Intermediates	158	282	(124)	282	468	(186)
Other Activities	(107)	(673)	566	(673)	(656)	(17)
Total	1,609	321	1,288	321	467	(146)
Depreciation and Amortization						
Advanced Engineered Materials	110	113	(3)	113	100	13
Consumer Specialties	41	45	(4)	45	44	1
Industrial Specialties	52	55	(3)	55	45	10
Acetyl Intermediates	86	80	6	80	96	(16)
Other Activities	16	15	1	15	13	2
Total	305	308	(3)	308	298	10
Operating Margin						
Advanced Engineered Materials	66.9 %	7.5 %		7.5 %	6.1 %	
Consumer Specialties	28.5 %	21.2 %		21.2 %	19.7 %	
Industrial Specialties	5.5 %	7.3 %		7.3 %	8.3 %	
Acetyl Intermediates	4.7 %	8.3 %		8.3 %	12.9 %	
Total	23.2 %	2.7 %		2.7 %	5.9 %	

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Factors Affecting Business Segment Net Sales

The percentage increase (decrease) in net sales attributable to each of the factors indicated for each of our business segments is as follows:

Year Ended December 31, 2013 Compared to Year Ended December 31, 2012

	Volume	Price	Currency	Other	Total
	(In percentages)				
Advanced Engineered Materials	5	1	1	—	7
Consumer Specialties	(4)	6	—	—	2
Industrial Specialties	(1)	(3)	2	—	(2)
Acetyl Intermediates	1	(2)	1	—	—
Total Company	—	—	1	—	1

Year Ended December 31, 2012 Compared to Year Ended December 31, 2011

	Volume	Price	Currency	Other	Total
	(In percentages)				
Advanced Engineered Materials	(2)	2	(3)	—	(3)
Consumer Specialties	(4)	6	—	—	2
Industrial Specialties	3	(3)	(3)	—	(3)
Acetyl Intermediates	—	(7)	(2)	—	(9)
Total Company	—	(3)	(2)	—	(5)

Consolidated Results – Year Ended December 31, 2013 Compared with Year Ended December 31, 2012

Net sales increased $92 million for the year ended December 31, 2013 compared to the same period in 2012 primarily due to higher volumes in our Advanced Engineered Materials segment resulting from increased penetration in automotive applications in the Americas and Asia and targeted growth programs within Asia for our consumer and industrial applications.

Selling, general and administrative expenses decreased $519 million, or 62.5%, for the year ended December 31, 2013 compared to the same period in 2012 primarily due to the impact of pension and other postretirement plan activity of $513 million. Selling, general and administrative expenses as a percentage of sales decreased to 4.8% in 2013 from 12.9% in 2012.

The favorable impact of pension and other postretirement plan activity for the year ended December 31, 2013 compared to the same period in 2012 includes a change in net actuarial gain (loss) recorded to Other Activities of $451 million, a net settlement/ curtailment gain related to actions taken on certain pension plans in the US, the United Kingdom and Canada allocated across the appropriate business segments and Other Activities of $23 million, lower interest cost and expected return on plan assets recorded to Other Activities of $34 million and prior service credit amortization related to a US postretirement health care plan allocated across all business segments and Other Activities of $5 million. See Note 14 - Benefit Obligations in the accompanying consolidated financial statements for further information regarding this activity.

Other (charges) gains, net changed $144 million, or 1,028.6%, for the year ended December 31, 2013 compared to the same period in 2012 primarily due to $141 million of higher expenses in our Acetyl Intermediates segment. In December 2013, we closed our acetic anhydride facility in Roussillon, France and our vinyl acetate monomer ("VAM") facility in Tarragona, Spain. Accordingly, we recorded $20 million of employee termination benefits, $33 million of contract termination costs and $34 million of long-lived asset impairment losses during the three months ended December 31, 2013. We also recorded long-lived asset impairment losses of $46 million related to our Singapore acetic acid production unit during this period. See Note 17 - Other (Charges) Gains, Net in the accompanying consolidated financial statements for further information regarding these charges.

Operating profit increased $1,333 million, or 761.7%, for the year ended December 31, 2013 compared to the same period in 2012 reflective of increased Net sales, decreased Selling, general and administrative expenses and the December 2013 recognition of a gain of $742 million, which represents the deferred proceeds in excess of divested assets as a result of the 2006 settlement agreement with the Frankfurt, Germany Airport ("Fraport") to move our

German polyacetal ("POM") operations. The proceeds are included in our Advanced Engineered Materials segment. See Note 27 - Plant Relocation in the

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accompanying consolidated financial statements for further information. These increases more than offset the negative impact of Other (charges) gains, net. Operating profit as a percentage of sales for the year ended 2013 increased to 23.2% from 2.7% in 2012.

Equity in net earnings of affiliates decreased $62 million for the year ended December 31, 2013 compared to the same period in 2012 primarily due to $19 million of lower earnings from our Ibn Sina affiliate and $18 million of lower earnings in our Polyplastics affiliate both included in our Advanced Engineered Materials segment. During the year ended December 31, 2013, our InfraServ Hoechst affiliate recorded one-time employee termination benefits resulting in a reduction of net earnings of affiliates of $8 million of which $1 million was attributable to our Consumer Specialties segment, $2 million to our Acetyl Intermediates segment and $5 million to Other Activities.

Our effective income tax rate for the year ended December 31, 2013 was 32% compared to (17)% for the year ended December 31, 2012. The effective tax rate for 2012 was favorably impacted by foreign tax credit carryforwards realized in the US and offset by deferred tax charges related to changes in assessment regarding the permanent reinvestment of certain foreign earnings.

Consolidated Results – Year Ended December 31, 2012 Compared with Year Ended December 31, 2011

Net sales decreased $345 million, or 5.1%, for the year ended December 31, 2012 as compared to the same period in 2011 primarily due to lower pricing in our Acetyl Intermediates segment and unfavorable currency impacts across all our segments, except Consumer Specialties, due to the stronger US dollar against the Euro. Although Acetyl Intermediates volumes remained flat compared to the prior year, acetic acid pricing declined compared to 2011 as a result of the unfavorable economic conditions in Europe and Asia. Also in 2011, temporarily elevated industry utilization due to planned and unplanned outages of acetyl products resulted in higher industry pricing.

Selling, general and administrative expenses increased $25 million, or 3.1%, for the year ended December 31, 2012 as compared to the same period in 2011 primarily due to an increase in our actuarial loss on our defined benefit pension plans and other postretirement plans of $54 million as compared to the prior year partially offset by a reduction in business and functional optimization initiatives and other productivity spending.

Other (charges) gains, net changed $34 million, or 70.8%, for the year ended December 31, 2012 as compared to the same period in 2011 primarily due to lower expenses related to the relocation of our German POM operations to the Frankfurt Hoechst Industrial Park in Germany. During the years ended December 31, 2012 and 2011, we recorded $7 million and $47 million of relocation expenses, respectively. Additionally, we recorded $8 million of employee termination benefits during the year ended December 31, 2011 related to the relocation of our German POM plant. No additional employee termination benefits were recorded in 2012. See Note 27 - Plant Relocation in the accompanying consolidated financial statements for further information regarding the POM plant relocation. The German POM operations are included in our Advanced Engineered Materials segment. During the year ended December 31, 2011, we also received consideration of $17 million in connection with the settlement of a claim against a bankrupt supplier. The resolution of this commercial dispute is included in our Acetyl Intermediates segment.

Operating profit decreased $227 million, or 56.5%, for the year ended December 31, 2012 as compared to the same period in 2011 primarily due to lower pricing in our Acetyl Intermediates segment, unfavorable currency impacts and an increase in our actuarial loss on our defined benefit pension plans and other postretirement plans of $83 million as compared to the prior year partially offset by the change in Other (charges) gains, net. Operating profit as a percentage of sales in 2012 decreased to 2.7% from 5.9% in 2011.

Equity in net earnings of affiliates increased $50 million for the year ended December 31, 2012 as compared to the same period in 2011 primarily due to $18 million in higher earnings in our Ibn Sina affiliate and $13 million in our Polyplastics affiliate both included in our Advanced Engineered Materials segment. During the year ended December 31, 2012, a subsidiary of our InfraServ Hoechst affiliate restructured its debt resulting in additional net earnings of affiliates of $22 million of which $3 million was attributable to our Consumer Specialties segment, $6 million to our Acetyl Intermediates segment and $13 million to Other Activities.

Our effective income tax rate for the year ended December 31, 2012 was (17)% compared to 9% for the year ended December 31, 2011. The effective tax rate for 2012 was favorably impacted by foreign tax credit carryforwards realized in the US and offset by deferred tax charges related to changes in assessment regarding permanent reinvestment of certain foreign earnings.

Business Segments – Year Ended December 31, 2013 Compared with Year Ended December 31, 2012

Advanced Engineered Materials

	Year Ended December 31,		
	2013	2012	Change
	(In $ millions, except percentages)		
Net sales	1,352	1,261	91
Net Sales Variance			
Volume	5 %		
Price	1 %		
Currency	1 %		
Other	— %		
Other (charges) gains, net	(13)	(2)	(11)
Operating profit (loss)	904	95	809
Operating margin	66.9 %	7.5 %	
Equity in net earnings (loss) of affiliates	148	190	(42)
Earnings (loss) from continuing operations before tax	1,053	285	768
Depreciation and amortization	110	113	(3)

Our Advanced Engineered Materials segment includes our engineered materials business, which develops, produces and supplies a broad portfolio of high performance specialty polymers for application in automotive, medical and electronics products, as well as other consumer and industrial applications. Together with our strategic affiliates, our engineered materials business is a leading participant in the global specialty polymers industry. The primary products of Advanced Engineered Materials are polyoxymethylene, also commonly known as polyacetal ("POM"), GUR® ultra-high molecular weight polyethylene, polybutylene terephthalate ("PBT"), long-fiber reinforced thermoplastics ("LFT") and liquid crystal polymers ("LCP"). POM, LFT and PBT are used in a broad range of products including automotive components, medical devices, electronics, appliances and industrial applications. GUR® ultra-high molecular weight polyethylene is used in battery separators, conveyor belts, filtration equipment, coatings and medical devices. Primary end uses for LCP are electrical and electronics applications or products. Polyphenylene sulfide ("PPS"), sold under the Fortron® brand, is a key product of Fortron Industries LLC, one of our strategic affiliates. PPS is used in a wide variety of automotive and other applications, especially those requiring heat and/or chemical resistance.

Advanced Engineered Materials' net sales increased $91 million, or 7.2%, for the year ended December 31, 2013 compared to the same period in 2012 primarily due to increased POM and LFT volumes resulting from increased penetration in automotive applications in the Americas and Asia. Volumes in Asia also improved across all product lines due to targeted growth programs in consumer and industrial applications. Higher pricing and product mix, mainly for medical applications, also contributed to the increase in net sales for the year ended December 31, 2013.

Operating profit increased $809 million, or 851.6%, for the year ended December 31, 2013 as compared to the same period in 2012 primarily driven by the recognition of a gain of $742 million, which represents the deferred proceeds in excess of divested assets as a result of the 2006 settlement agreement with Fraport to move our German POM operations. Title to our Kelsterbach, Germany POM facility land and buildings transferred to Fraport during the three months ended December 31, 2013 triggering the gain recognition. Pension and other postretirement benefit plan activity of $25 million primarily related to a curtailment gain in the US and prior service credit amortization contributed to the increase in operating profit. Increased volumes, a shift in product mix to higher margin medical applications and slightly lower raw material costs also contributed to increased operating profit. These changes were partially offset by higher energy costs of $21 million resulting from higher prices and usage and an $11 million negative impact from Other (charges) gains, net for the year ended December 31, 2013 as compared to the same period in 2012. The negative impact of Other (charges) gains, net primarily reflects an increase of $6 million in costs associated with the relocation and expansion of our German POM operations and a 2012 $4 million legal reserve reduction associated with plumbing actions.

Equity in net earnings (loss) of affiliates decreased $42 million for the year ended December 31, 2013 compared to the same period in 2012 primarily due to decreases in earnings from our Ibn Sina and Polyplastics Co., Ltd. strategic affiliates of $19 million and $18 million, respectively. The decrease in Ibn Sina earnings was largely the result of the timing of turnaround activity, lower methyl tertiary-butyl ether ("MTBE") pricing and lower sales volumes. Polyplastics Co., Ltd. earnings decreased due to slightly lower pricing, higher turnaround and sales expenses and restructuring charges related to one of their affiliates.

Consumer Specialties

	Year Ended December 31,		
	2013	2012	Change
	(In $ millions, except percentages)		
Net sales	1,214	1,186	28
Net Sales Variance			
Volume	(4)%		
Price	6%		
Currency	—%		
Other	—%		
Other (charges) gains, net	—	(4)	4
Operating profit (loss)	346	251	95
Operating margin	28.5%	21.2%	
Equity in net earnings (loss) of affiliates	3	6	(3)
Dividend income - cost investments	92	83	9
Earnings (loss) from continuing operations before tax	441	341	100
Depreciation and amortization	41	45	(4)

Our Consumer Specialties segment includes our cellulose derivatives and food ingredients businesses, which serve consumer-driven applications. Our cellulose derivatives business is a leading global producer and supplier of acetate flake, acetate tow and acetate film, primarily used in filter products applications. Our food ingredients business is a leading international supplier of premium quality ingredients for the food and beverage and pharmaceuticals industries and is one of world's largest producers of food protection ingredients, such as potassium sorbates and sorbic acid. Our food ingredients business produces and sells the Qorus™ sweetener system and Sunett® high intensity sweeteners.

Net sales for Consumer Specialties increased $28 million, or 2.4%, for the year ended December 31, 2013 as compared to the same period in 2012 primarily due to higher pricing in the cellulose derivatives business partially offset by lower volumes in both the cellulose derivatives and food ingredients businesses. Acetate tow pricing increased 8% across all regions while volumes declined due to the cessation of manufacturing of acetate flake and acetate tow at our Spondon, United Kingdom facility in November 2012.

Operating profit increased $95 million, or 37.8%, for the year ended December 31, 2013 as compared with the same period in 2012 primarily due to the increase in acetate tow pricing and a $57 million favorable impact from the cessation of production of acetate flake and acetate tow at our Spondon, Derby, United Kingdom facility in November 2012, including lower energy and plant costs. Pension and other postretirement benefit plan activity of $15 million primarily related to a curtailment gain in the US and prior service credit amortization contributed to the increase in operating profit.

Industrial Specialties

	Year Ended December 31,		
	2013	2012	Change
	(In $ millions, except percentages)		
Net sales	1,155	1,184	(29)
Net Sales Variance			
Volume	(1)%		
Price	(3)%		
Currency	2%		
Other	—%		
Other (charges) gains, net	(4)	—	(4)
Operating profit (loss)	64	86	(22)
Operating margin	5.5%	7.3%	
Earnings (loss) from continuing operations before tax	64	86	(22)
Depreciation and amortization	52	55	(3)

Our Industrial Specialties segment includes our emulsion polymers and EVA polymers businesses. Our emulsion polymers business is a leading global producer of vinyl acetate-based emulsions and develops products and application technologies to improve performance, create value and drive innovation in applications such as paints and coatings, adhesives, construction, glass fiber, textiles and paper. Our emulsion polymers products are sold under globally and regionally recognized brands including EcoVAE®, Mowilith®, Vinamul®, Celvolit®, BriteCoat®, TufCOR® and Avicor®. Our EVA polymers business is a leading North American manufacturer of a full range of specialty ethylene vinyl acetate ("EVA") resins and compounds as well as select grades of low-density polyethylene. Sold under the Ateva® and VitalDose® brands, these products are used in many applications, including flexible packaging films, lamination film products, hot melt adhesives, medical products, automotive, carpeting and photovoltaic cells.

Net sales decreased in Industrial Specialties $29 million, or 2.4%, for the year ended December 31, 2013 compared to the same period in 2012 primarily reflecting lower pricing for both the emulsion polymers and EVA polymers businesses partially offset by favorable currency impacts resulting from a strong Euro and Chinese Renminbi to the US dollar. Lower pricing in our emulsion polymers business was driven by lower raw material costs across all regions, primarily VAM in Europe and Asia and ethylene in North America. Lower pricing across all product lines in our EVA polymers business was driven by lower raw material costs, primarily ethylene, lower demand in Asia and North America as well as strong supply into several end-use applications, including hot melt adhesives and photovoltaic cells.

Operating profit decreased $22 million, or 25.6%, for the year ended December 31, 2013 compared to the same period in 2012 reflecting lower pricing in our EVA polymers businesses and a pension plan settlement loss of $9 million in the United Kingdom partially offset by a curtailment gain in the US and prior service credit amortization.

Acetyl Intermediates

	Year Ended December 31,		
	2013	2012	Change
	(In $ millions, except percentages)		
Net sales	3,241	3,231	10
Net Sales Variance			
Volume	1 %		
Price	(2) %		
Currency	1 %		
Other	— %		
Other (charges) gains, net	(141)	—	(141)
Operating profit (loss)	153	269	(116)
Operating margin	4.7 %	8.3 %	
Equity in net earnings (loss) of affiliates	5	11	(6)
Earnings (loss) from continuing operations before tax	158	282	(124)
Depreciation and amortization	86	80	6

Our Acetyl Intermediates segment includes our intermediate chemistry business, which produces and supplies acetyl products, including acetic acid, VAM, acetic anhydride and acetate esters. These products are generally used as starting materials for colorants, paints, adhesives, coatings and medicines. This business segment also produces organic solvents and intermediates for pharmaceutical, agricultural and chemical products.

Net sales increased $10 million, or 0.3%, for the year ended December 31, 2013 compared to the same period in 2012 reflecting slightly higher volumes due to muted demand, offset by pricing pressure on derivatives, particularly in Europe and Asia.

Operating profit decreased $116 million, or 43.1%, for the year ended December 31, 2013 compared to the same period in 2012 primarily due to the negative impact of Other (charges) gains, net of $141 million. As a result of the closure of our acetic anhydride facility in Roussillon, France and our VAM facility in Tarragona, Spain in December 2013, we recorded $20 million of employee termination benefits, $33 million of contract termination costs and $34 million of long-lived asset impairment losses to fully write-off the related property, plant and equipment. Long-lived asset impairment losses of $46 million were also recorded during the three months ended December 31, 2013 to fully write-off the property, plant and equipment at our Singapore acetic acid production unit.

Partially offsetting the negative impact of Other (charges) gains, net are increases to operating profit for the year ended December 31, 2013 as compared to the same period in 2012 resulting from lower raw material costs, mainly ethylene, and pension and other postretirement benefit plan activity of $14 million primarily related to a curtailment gain in the US and prior service credit amortization.

Other Activities

Other Activities primarily consists of corporate center costs, including financing and administrative activities such as legal, accounting and treasury functions, interest income and expense associated with our financing activities and results of our captive insurance companies. Other Activities also includes the interest cost, expected return on assets and net actuarial gains and losses components of our net periodic benefit cost for our defined benefit pension plans and other post retirement plans, which are not allocated to our business segments.

Operating profit for Other Activities increased $567 million, or 107.8%, for the year ended December 31, 2013 compared to the same period in 2012 primarily due to favorable changes in pension and other postretirement plan activity of $555 million, primarily recorded to Selling, general and administrative expenses and a decrease in Other (charges) gains, net of $8 million. Other (charges) gains, net was lower for the year ended December 31, 2013 primarily due to the absence of $9 million in insurance losses paid compared to the same period in 2012. These charges were offset in our Consumer Specialties segment in 2012.

The favorable impact of pension and other postretirement plan activity for the year ended December 31, 2013 compared to the same period in 2012 includes a change in net actuarial gain (loss) of $496 million, a net settlement/ curtailment gain related to actions taken on certain pension plans in the US, the United Kingdom and Canada of $19 million, lower interest cost and expected return on plan assets recorded to Other Activities of $38 million and prior service credit amortization related to a US postretirement health care plan allocated across all business segments and Other Activities of $2 million. See Note 14 - Benefit Obligations in the accompanying consolidated financial statements for further information regarding this activity.

Business Segment - Year Ended December 31, 2012 Compared with Year Ended December 31, 2011

Advanced Engineered Materials

	Year Ended December 31,					
	2012		2011		Change	
	(In $ millions, except percentages)					
Net sales	1,261		1,298		(37	)
Net Sales Variance						
Volume	(2)	%				
Price	2	%				
Currency	(3)	%				
Other	—	%				
Other (charges) gains, net	(2	)	(49	)	47	
Operating profit (loss)	95		79		16	
Operating margin	7.5	%	6.1	%		
Equity in net earnings (loss) of affiliates	190		161		29	
Earnings (loss) from continuing operations before tax	285		242		43	
Depreciation and amortization	113		100		13	

Advanced Engineered Materials' net sales decreased $37 million, or 2.9%, for the year ended December 31, 2012 compared to the same period in 2011. The decrease in net sales was primarily due to the weak economic conditions in Europe, particularly impacting demand for automotive and industrial applications in this region, partially offset by increased volumes in automotive applications in the Americas. The weak Euro had an unfavorable currency impact on net sales. 2% higher average pricing across most product lines partially offset the lower volumes and unfavorable currency impacts.

Operating profit increased $16 million, or 20.3%, for the year ended December 31, 2012 as compared to the same period in 2011 primarily due to a change in other (charges) gains, net of $47 million primarily associated with the relocation and expansion of our Kelsterbach, Germany POM production operations, which more than offset the higher depreciation of $13 million mainly related to the new POM production facility in Frankfurt Hoechst Industrial Park. Increased pricing resulted in expanded margins, which partially offset lower volumes, unfavorable currency impacts and higher expenses of $28 million, primarily related to plant maintenance, integrating manufacturing operations from recently acquired product lines and investing in our compounding operations in Asia.

For the year ended December 31, 2012, equity in net earnings (loss) of affiliates increased $29 million primarily due to an $18 million increase in earnings in our Ibn Sina affiliate, which provides an economic hedge against raw material costs used in our specialty polymer operations. The increase in Ibn Sina earnings was primarily driven by higher pricing of methanol and methyl tertiary-butyl ether. Operating and financial results of our Polyplastics affiliate for the year ended December 31, 2011 were modestly impacted by the March 2011 natural disasters in Japan and a plant turnaround during the three months ended December 31, 2011. No such events occurred in 2012 with earnings in our Polyplastics affiliate up $13 million over 2011.

Consumer Specialties

	Year Ended December 31,		
	2012	2011	Change
	(In $ millions, except percentages)		
Net sales	1,186	1,161	25
Net Sales Variance			
Volume	(4) %		
Price	6 %		
Currency	— %		
Other	— %		
Other (charges) gains, net	(4)	(3)	(1)
Operating profit (loss)	251	229	22
Operating margin	21.2 %	19.7 %	
Equity in net earnings (loss) of affiliates	6	2	4
Dividend income - cost investments	83	78	5
Earnings (loss) from continuing operations before tax	341	309	32
Depreciation and amortization	45	44	1

Net sales for Consumer Specialties increased $25 million, or 2.2%, for the year ended December 31, 2012 as compared to the same period in 2011 due to 6% higher pricing in our cellulose derivatives business, which more than offset the decline in volumes. Volumes declined in our cellulose derivatives business primarily due to actions taken to accommodate the November 2012 shutdown of our acetate tow and acetate flake manufacturing operations at our Spondon, Derby, United Kingdom site. Net sales for our food ingredients business remained flat over prior year.
Operating profit increased $22 million, or 9.6%, for the year ended December 31, 2012 as compared with the same period in 2011 as higher pricing more than offset lower volumes and $24 million in higher plant maintenance and energy costs. Plant maintenance costs included $10 million of increased spending related to a temporary production outage during the three months ended March 31, 2012.
Other (charges) gains, net changed $1 million for the year ended December 31, 2012 primarily due to insurance recoveries received of $9 million related to an electrical disruption in 2010 at our cellulose derivatives manufacturing facility in Narrows, Virginia offset by $8 million of long-lived asset impairment losses related to the closure of our Spondon, Derby, United Kingdom facility. The insurance recoveries were offset in our captive insurance companies included in Other Activities.

Industrial Specialties

	Year Ended December 31,		
	2012	2011	Change
	(In $ millions, except percentages)		
Net sales	1,184	1,223	(39)
Net Sales Variance			
Volume	3 %		
Price	(3) %		
Currency	(3) %		
Other	— %		
Other (charges) gains, net	—	—	—
Operating profit (loss)	86	102	(16)
Operating margin	7.3 %	8.3 %	
Earnings (loss) from continuing operations before tax	86	104	(18)
Depreciation and amortization	55	45	10

Net sales decreased in our Industrial Specialties segment $39 million, or 3.2%, for the year ended December 31, 2012 compared to the same period in 2011. Volumes increased, reflecting the increased demand in North America and Asia for our emulsion polymer applications, but were not sufficient to offset the impacts of lower pricing and unfavorable currency, mostly due to the stronger dollar against the Euro. Lower pricing was primarily driven by lower raw material costs, a shift in product mix in our emulsion polymers business and soft global demand for photovoltaic applications.

Operating profit decreased $16 million, or 15.7%, for the year ended December 31, 2012 compared to the same period in 2011. The decrease in operating profit is attributed to the 3% lower average pricing, partially offset by higher volumes as well as lower raw material costs of $34 million, primarily related to ethylene and VAM. Depreciation and amortization increased $10 million compared to prior year, primarily due to increased amortization in our emulsion polymers business related to the recent acquisition of finite-lived intangible assets and increased depreciation related to the China vinyl acetate ethylene ("VAE") emulsions capacity expansion.

Acetyl Intermediates

	Year Ended December 31,					
	2012		2011		Change	
	(In $ millions, except percentages)					
Net sales	3,231		3,551		(320	)
Net Sales Variance						
Volume	—	%				
Price	(7)	%				
Currency	(2)	%				
Other	—	%				
Other (charges) gains, net	—		14		(14	)
Operating profit (loss)	269		458		(189	)
Operating margin	8.3	%	12.9	%		
Equity in net earnings (loss) of affiliates	11		5		6	
Earnings (loss) from continuing operations before tax	282		468		(186	)
Depreciation and amortization	80		96		(16	)

Net sales decreased $320 million, or 9.0%, for the year ended December 31, 2012 compared to the same period in 2011 due to lower pricing and unfavorable foreign currency impacts primarily driven by the weakening of the Euro against the US dollar. Volumes overall remained flat, with higher downstream product volumes, primarily VAM and acetic anhydride, offsetting the decline in acetic acid volumes. Acetic acid pricing and demand declined during the year ended December 31, 2012 as a result of the unfavorable economic conditions in Europe and Asia. Also in 2011, temporarily elevated industry utilization due to planned and unplanned outages of acetyl production facilities resulted in higher industry pricing.

Operating profit decreased $189 million, or 41.3%, for the year ended December 31, 2012 compared to the same period in 2011 primarily due to the 7% decrease in sales prices and 2% impact of unfavorable foreign currency on sales. The decrease in operating profit was partially offset by lower raw materials costs of $69 million and lower plant maintenance of $20 million. Other (charges) gains, net changed $14 million for the year ended December 31, 2012. During the year ended December 31, 2011 we received consideration of $17 million in connection with the settlement of a claim against a bankrupt supplier. No such settlement was received in 2012. Depreciation and amortization decreased $16 million primarily due to certain customer-related intangible assets being fully amortized in 2011.

Other Activities

The operating loss for Other Activities increased $60 million, or 12.9%, for the year ended December 31, 2012 compared to the same period in 2011 due to an increase in our actuarial loss on pension and postretirement plans of $83 million and captive insurance losses paid of $9 million during the year ended December 31, 2012 related to an electrical disruption in 2010 at our cellulose derivatives manufacturing facility in Narrows, Virginia. Insurance recovery costs were offset in our Consumer Specialties segment in 2012. These costs were partially offset by lower interest cost and expected return on plan assets recorded to Other Activities of $23 million and a decrease of $18 million in business and functional optimization initiatives, stock-based compensation costs and other productivity spending.

Liquidity and Capital Resources

Our primary source of liquidity is cash generated from operations, available cash and cash equivalents and dividends from our portfolio of strategic investments. In addition, as of December 31, 2013 we have $600 million available for borrowing under our revolving credit facility and $18 million available under our accounts receivable securitization facility to assist, if required, in meeting our working capital needs and other contractual obligations.

While our contractual obligations, commitments and debt service requirements over the next several years are significant, we continue to believe we will have available resources to meet our liquidity requirements, including debt service, in 2014. If our cash flow from operations is insufficient to fund our debt service and other obligations, we may be required to use other means available to us such as increasing our borrowings, reducing or delaying capital expenditures, seeking additional capital or seeking to restructure or refinance our indebtedness. There can be no assurance, however, that we will continue to generate cash flows at or above current levels.

On May 15, 2013, together with Mitsui & Co., Ltd., of Tokyo, Japan ("Mitsui"), we announced that we had signed an agreement to establish a joint venture for the production of methanol at our integrated chemical plant in Clear Lake, Texas. The planned methanol unit will utilize natural gas in the US Gulf Coast region as a feedstock and will benefit from the existing infrastructure at our Clear Lake facility. As a result, the total shared capital and expense investment in the facility is estimated to be $800 million. Our portion of the investment is estimated to be $300 million, in addition to previously invested assets at our Clear Lake facility. The planned methanol unit will have an annual capacity of 1.3 million tons and is expected to be operational in the second half of 2015.

As a result of the National Emission Standard for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters ("Boiler MACT") regulations discussed in Item 1A. Risk Factors, we are required to make significant capital expenditures to comply with stricter emissions requirements for industrial boilers and process heaters at our Narrows, Virginia cellulose derivatives facility. In October 2012, we received approval to proceed with replacing the coal-fired boilers at our Narrows, Virginia site with new, natural gas-fired boilers and construction began during the first half of 2013. We anticipate the project will be completed in mid-2015. Our total investment is estimated at over $150 million.

Total cash outflows for capital expenditures, including the specific projects above, are expected to be in the range of $450 million to $500 million in 2014 due to the construction of the Clear Lake methanol unit and conversion of our coal to gas boilers at our cellulose derivatives plant in Narrows, Virginia. The expected 2014 total cash outflows for capital expenditures includes our portion of the investment in the planned methanol unit at our Clear Lake, Texas plant.

As a result of the Roussillon acetic anhydride facility closure and the Tarragona VAM facility closure, we recorded personnel-related exit costs of $20 million, contract termination costs of $33 million, other facility shutdown costs of $5 million and $34 million of non-cash asset impairments during the three months ended December 31, 2013. The related cash outflows will occur over a one-year period.

On a stand-alone basis, Celanese and its immediate 100% owned subsidiary, Celanese US Holdings LLC ("Celanese US"), have no material assets other than the stock of their subsidiaries and no independent external operations of their own. Accordingly, they generally depend on the cash flow of their subsidiaries and their ability to pay dividends and make other distributions to Celanese and Celanese US in order to meet their obligations, including their obligations under senior credit facilities and senior notes and to pay dividends on Celanese Series A common stock.

Cash Flows

Cash and cash equivalents as of December 31, 2013 were $984 million, an increase of $25 million from December 31, 2012. As of December 31, 2013, $700 million of the $984 million of cash and cash equivalents was held by our foreign subsidiaries. If these funds are needed for our operations in the US, we may be required to accrue and pay US taxes to repatriate these funds. Our intent is to permanently reinvest these funds outside of the US, with the possible exception of funds that have been previously subject to US federal and state taxation. While we may repatriate cash from time to time, our current plans do not demonstrate a need to repatriate cash held by our foreign subsidiaries in a taxable transaction to fund our US operations. Cash and cash equivalents as of December 31, 2012 were $959 million, an increase of $277 million from December 31, 2011.

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• Net Cash Provided by Operating Activities

Cash flow provided by operating activities increased by $40 million for the year ended December 31, 2013 compared to the same period in 2012, with operating cash inflows increasing from $722 million to $762 million. Cash flow provided by operations for the year ended December 31, 2013 increased primarily as a result of stronger earnings performance and a $192 million reduction in pension plan and other postretirement benefit plan contributions made during the year ended December 31, 2013 as compared to the prior year. These favorable impacts were partially offset by lower dividends from our equity investments, higher cash taxes paid and a less favorable change in trade working capital. The $121 million decrease in dividends from our equity investments was primarily due to the absence of a $75 million cash dividend received from our Polyplastics Co., Ltd. strategic affiliate in 2012 as a result of an amendment to our joint venture and other related agreements.

The less favorable impact of trade working capital on cash flow from operations is reflective of increases in trade receivables and inventories offset by increases in trade payables since December 31, 2012. Trade receivables increased due to higher net sales for the three months ended December 31, 2013 compared to the three months ended December 31, 2012. The increase in inventory levels was the result of strategic plant operating decisions and was consistent with the increase in trade payables due to the timing of invoice receipts and cash payments associated with raw material inventory.

Cash flow provided by operating activities increased by $84 million for the year ended December 31, 2012 compared to the same period in 2011. The increase in cash provided by operations was positively impacted by the decrease in trade working capital, which was primarily due to the decrease in trade receivables. Trade receivables decreased primarily due to lower net sales during the three months ended December 31, 2012 compared to the three months ended December 31, 2011. The increase in cash provided by operations was also impacted by lower cash taxes paid of $30 million, lower cash interest paid of $37 million, offset by higher pension plan and other postretirement benefit plan contributions of $79 million made during the year ended December 31, 2012 compared to the prior year.

Trade working capital is calculated as follows:

	As of December 31,		
	2013	2012	2011
	(In $ millions)		
Trade receivables, net	867	827	871
Inventories	804	711	712
Trade payables - third party and affiliates	(799)	(649)	(673)
Trade working capital	872	889	910

• Net Cash Provided by (Used in) Investing Activities

Net cash used in investing activities was $422 million and $500 million for the years ended December 31, 2013 and 2012, respectively. Cash outflows were primarily for capital expenditures of $370 million and $361 million for the years ended December 31, 2013 and 2012, respectively, excluding amounts related to the relocation and expansion of our polyacetal ("POM") production facility in Frankfurt Hoechst Industrial Park, Germany. Capital expenditures for the year ended December 31, 2013 primarily related to capacity expansions, major investments to reduce future operating costs and improve plant reliability and environmental and health and safety initiatives. Capital expenditures relating to the relocation and expansion of our German POM operations amounted to $7 million and $49 million for the years ended December 31, 2013 and 2012, respectively. Acquisitions, net of cash acquired, decreased by $23 million with no acquisitions during the year ended December 31, 2013. In 2012, we acquired certain assets from Ashland Inc.

Net cash used in investing activities was $500 million and $441 million for the years ended December 31, 2012 and 2011, respectively. Cash outflows were primarily for capital expenditures of $361 million and $349 million for the years ended December 31, 2012 and 2011, respectively, excluding amounts related to the relocation and expansion of our German POM operations. Capital expenditures for our German POM plant relocation and expansion were $49 million and $204 million for the years ended December 31, 2012 and 2011, respectively. In addition, during the year ended December 31, 2011, we received proceeds of $158 million from the Frankfurt, Germany Airport related to the relocation of our German POM operations. No such proceeds were received during the year ended December 31, 2012.

Net cash used for acquisitions increased by $15 million during the year ended December 31, 2012 as compared to the same period in 2011. In 2012, we acquired two emulsions product lines, Vinac® and Flexbond®, for $23 million, while in 2011 we spent $8 million on the acquisition of emulsions process technology.

• Net Cash Provided by (Used in) Financing Activities

Net cash used in financing activities increased $375 million from a net cash inflow of $49 million for the year ended December 31, 2012 to a net cash outflow of $326 million for the year ended December 31, 2013. The increase in cash used in financing activities is primarily due to an increase in net repayments on short-term borrowings and long-term debt of $144 million, an increase in stock repurchase transactions of $119 million, a reduction in proceeds from stock option exercises of $53 million and higher Series A common stock dividends of $40 million. During the year ended December 31, 2013, we increased our Series A common stock quarterly cash dividend rate from $0.075 to $0.18 per share.

Net cash used in financing activities decreased $302 million from a net cash outflow of $253 million for the year ended December 31, 2011 to a net cash inflow of $49 million for the year ended December 31, 2012. The decrease in net cash used in financing activities was primarily due to net borrowings of $63 million in 2012 compared to net repayments of $196 million in 2011. Net cash used in financing activities also benefited from higher stock option exercises in 2012 of $62 million compared to $20 million of stock option exercises in 2011. In November 2012, Celanese US completed an offering of $500 million in aggregate principal amount of 4.625% senior unsecured notes due 2022 (the "4.625% Notes"). We used part of the proceeds from the 4.625% Notes to prepay $400 million of our outstanding Term C loan facility. The remaining proceeds, together with cash on hand, were used to make a $100 million contribution to our US pension plan.

In addition, exchange rates had a favorable impact of $11 million and $6 million on cash and cash equivalents for the years ended December 31, 2013 and December 31, 2012, respectively, compared to an unfavorable impact of $2 million for the year ended December 31, 2011.

Debt and Other Obligations

• Senior Notes

In November 2012, Celanese US completed an offering of $500 million in aggregate principal amount of 4.625% senior unsecured notes due 2022 (the "4.625% Notes") in a public offering registered under the Securities Act of 1933, as amended (the "Securities Act"). The 4.625% Notes are guaranteed on a senior unsecured basis by Celanese and each of the domestic subsidiaries of Celanese US that guarantee its obligations under its senior secured credit facilities (the "Subsidiary Guarantors").

The 4.625% Notes were issued under an indenture, dated May 6, 2011, as amended by a second supplemental indenture, dated November 13, 2012 (the "Second Supplemental Indenture"), among Celanese US, Celanese, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee. Celanese US will pay interest on the 4.625% Notes on March 15 and September 15 of each year, which commenced on March 15, 2013. Prior to November 15, 2022, Celanese US may redeem some or all of the 4.625% Notes at a redemption price of 100% of the principal amount, plus a "make-whole" premium as specified in the Second Supplemental Indenture, plus accrued and unpaid interest, if any, to the redemption date. The 4.625% Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US.

In May 2011, Celanese US completed an offering of $400 million in aggregate principal amount of 5.875% senior unsecured notes due 2021 (the "5.875% Notes") in a public offering registered under the Securities Act. The 5.875% Notes are guaranteed on a senior unsecured basis by Celanese and the Subsidiary Guarantors.

The 5.875% Notes were issued under an indenture and a first supplemental indenture, each dated May 6, 2011 (the "First Supplemental Indenture"), among Celanese US, Celanese, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee. Celanese US pays interest on the 5.875% Notes on June 15 and December 15 of each year, which commenced on December 15, 2011. Prior to June 15, 2021, Celanese US may redeem some or all of the 5.875% Notes at a redemption price of 100% of the principal amount, plus a "make-whole" premium as specified in the First Supplemental Indenture, plus accrued and unpaid interest, if any, to the redemption date. The 5.875% Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US.

In September 2010, Celanese US completed the private placement of $600 million in aggregate principal amount of 6.625% senior unsecured notes due 2018 (the "6.625% Notes" and, together with the 4.625% Notes and the 5.875% Notes, collectively the "Senior Notes") under an indenture dated September 24, 2010 (the "Indenture") among Celanese US, Celanese, the Subsidiary Guarantors and Wells Fargo Bank, National Association, as trustee. In April 2011, Celanese US registered the 6.625% Notes under the Securities Act. Celanese US pays interest on the 6.625% Notes on April 15 and October 15 of each year, which commenced on April 15, 2011. The 6.625% Notes are redeemable, in whole or in part, at any time on or after

October 15, 2014 at the redemption prices specified in the Indenture. Prior to October 15, 2014, Celanese US may redeem some or all of the 6.625% Notes at a redemption price of 100% of the principal amount, plus a "make-whole" premium as specified in the Indenture, plus accrued and unpaid interest, if any, to the redemption date. The 6.625% Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US. The 6.625% Notes are guaranteed on a senior unsecured basis by Celanese and the Subsidiary Guarantors.

The Indenture, the First Supplemental Indenture and the Second Supplemental Indenture contain covenants, including, but not limited to, restrictions on our ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; engage in transactions with affiliates; or engage in other businesses.

•Senior Credit Facilities

In September 2010, Celanese US, Celanese, and certain of the domestic subsidiaries of Celanese US entered into an amendment agreement with the lenders under Celanese US's existing senior secured credit facilities in order to amend and restate the corresponding Credit Agreement, dated April 2, 2007 (as previously amended, the "Existing Credit Agreement", and as amended and restated by the 2010 amendment agreement, the "2010 Amended Credit Agreement"). The 2010 Amended Credit Agreement consisted of the Term C loan facility due 2016, the Term B loan facility due 2014, a $600 million revolving credit facility terminating in 2015 and a $228 million credit-linked revolving facility terminating in 2014.

In May 2011, Celanese US prepaid its outstanding Term B loan facility under the 2010 Amended Credit Agreement set to mature in 2014 with an aggregate principal amount of $516 million using proceeds from the 5.875% Notes and cash on hand.

As a result of the Term B loan payoff by the issuance of the 5.875% Notes, we accelerated amortization of deferred financing costs of $3 million, which is recorded as Refinancing expense in the accompanying consolidated statements of operations. In addition, we recorded deferred financing costs of $8 million, which are being amortized over the term of the 5.875% Notes.

In November 2012, Celanese US prepaid $400 million of its outstanding Term C loan facility under the 2010 Amended Credit Agreement set to mature in 2016 using proceeds from the 4.625% Notes.

As a result of the Term C loan paydown using proceeds from the issuance of the 4.625% Notes, $3 million has been recorded as Refinancing expense in the accompanying consolidated statements of operations, which includes accelerated amortization of deferred financing costs and other refinancing expenses. In addition, we recorded deferred financing costs of $8 million, which are being amortized over the term of the 4.625% Notes.

In anticipation of our change in pension accounting policy, in January 2013, we entered into a non-material amendment to the 2010 Amended Credit Agreement with the effect that certain computations for covenant compliance purposes will be evaluated as if the change in pension accounting policy had not occurred. The amendment also modified the 2010 Amended Credit Agreement in other, non-material respects.

On April 25, 2013, Celanese US reduced the Total Credit Linked Commitment (as defined in the 2010 Amended Credit Agreement) for the credit-linked revolving facility terminating on April 2, 2014 to $200 million, and on September 10, 2013 to $81 million.

On August 14, 2013, we entered into a non-material amendment to the 2010 Amended Credit Agreement to facilitate certain of the transactions contemplated by our intentions to establish a joint venture for methanol production in Clear Lake, Texas and to make other non-material amendments.

On September 16, 2013, Celanese US, Celanese, and certain of the domestic subsidiaries of Celanese US entered into an amendment agreement with the lenders under Celanese US's existing senior secured credit facilities in order to amend and restate the corresponding 2010 Amended Credit Agreement (as amended and restated by the 2013 amendment agreement, the "Amended Credit Agreement"). The Amended Credit Agreement provides for a reduction in the interest rates payable in connection with certain borrowings and consists of the Term C-2 loan facility due 2016, the $600 million revolving credit facility terminating in 2015 and the $81 million credit-linked revolving facility terminating in 2014.

As a result of the Amended Credit Agreement, $1 million has been recorded as Refinancing expense in the consolidated statements of operations, which includes accelerated amortization of deferred financing costs and other refinancing expenses. In addition, we recorded deferred financing costs of $2 million, which are being amortized over the term of the Term C-2 loan facility. As of December 31, 2013 deferred financing costs of $27 million are included in noncurrent Other assets on the consolidated balance sheet.

In December 2013, Celanese US reduced the Total Credit Linked Commitment (as defined in the Amended Credit Agreement) for the credit-linked revolving facility terminating on April 2, 2014 to $23 million.

As of December 31, 2013, the margin for borrowings under the Term C-2 loan facility was 2.0% above LIBOR (for US dollars) and 2.0% above the Euro Interbank Offered Rate ("EURIBOR") (for Euros), as applicable. As of December 31, 2013, the margin for borrowings under the revolving credit facility was 2.5% above LIBOR. The margin for borrowings under the revolving credit facility is subject to increase or decrease in certain circumstances based on changes in our corporate credit ratings. Borrowings under the credit-linked revolving facility bear interest at a variable interest rate based on LIBOR, plus a margin, which varies based on our net leverage ratio.

Our estimated net leverage ratio and margin are as follows:

	As of December 31, 2013		
	Estimated Total Net Leverage Ratio	Estimated Margin	
Credit-linked revolving facility	1.54	1.50	%

Our margin on the credit-linked revolving facility may increase or decrease 0.25% based on the following:

Total Net Leverage Ratio	Margin over LIBOR or EURIBOR
< = 2.25	1.50 %
> 2.25	1.75 %

Term loan borrowings under the Amended Credit Agreement are subject to amortization at 1% of the initial principal amount per annum, payable quarterly. In addition, we pay quarterly commitment fees on the unused portions of the revolving credit facility and credit-linked revolving facility of 0.25% and 1.50% per annum, respectively.

The Amended Credit Agreement is guaranteed by Celanese and certain domestic subsidiaries of Celanese US and is secured by a lien on substantially all assets of Celanese US and such guarantors, subject to certain agreed exceptions (including for certain real property and certain shares of foreign subsidiaries), pursuant to the Guarantee and Collateral Agreement, dated April 2, 2007.

As a condition to borrowing funds or requesting letters of credit be issued under the revolving credit facility, our first lien senior secured leverage ratio (as calculated as of the last day of the most recent fiscal quarter for which financial statements have been delivered under the revolving facility) cannot exceed the threshold as specified below. Further, our first lien senior secured leverage ratio must be maintained at or below that threshold while any amounts are outstanding under the revolving credit facility.

Our first lien senior secured leverage ratios under the revolving credit facility are as follows:

As of December 31, 2013		
Maximum	Estimate	Estimate, if Fully Drawn
3.90	0.88	1.38

The Amended Credit Agreement contains covenants including, but not limited to, restrictions on our ability to incur indebtedness; grant liens on assets; merge, consolidate, or sell assets; pay dividends or make other restricted payments; make investments; prepay or modify certain indebtedness; engage in transactions with affiliates; enter into sale-leaseback transactions or hedge transactions; or engage in other businesses; as well as a covenant requiring maintenance of a maximum first lien senior secured leverage ratio.

The Amended Credit Agreement also maintains a number of events of default, including a cross default to other debt of Celanese, Celanese US, or their subsidiaries, including the Senior Notes, in an aggregate amount equal to more than $40 million and the occurrence of a change of control. Failure to comply with these covenants, or the occurrence of any other event of default, could result in acceleration of the borrowings and other financial obligations under the Amended Credit Agreement.

We are in compliance with all of the covenants related to our debt agreements as of December 31, 2013.

- Accounts Receivable Securitization Facility

On August 28, 2013, we entered into a $135 million US accounts receivable securitization facility pursuant to (i) a Purchase and Sale Agreement (the "Sale Agreement") among certain of our US subsidiaries (each an "Originator"), Celanese International Corporation ("CIC") and CE Receivables LLC, a newly formed, wholly-owned, "bankruptcy remote" special purpose subsidiary of an Originator (the "Transferor") and (ii) a Receivables Purchase Agreement (the "Purchase Agreement"), among CIC, as servicer, the Transferor, various third-party purchasers (collectively, the "Purchasers") and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as administrator (the "Administrator").

Under the Sale Agreement, each Originator will sell or contribute, on an ongoing basis, substantially all of its accounts receivable to the Transferor. Under the Purchase Agreement, the Transferor may obtain up to $135 million (in the form of cash and/or letters of credit for our benefit) from the Purchasers through the sale of undivided interests in certain US accounts receivable. The borrowing base of the accounts receivable securitization facility is subject to downward adjustment based on the evaluation of eligible accounts receivables pursuant to the Purchase Agreement. As of December 31, 2013, the borrowing base was $129 million.

The Purchase Agreement expires in 2016, but may be extended for successive one year terms by agreement of the parties. We account for the securitization facility as secured borrowings, and the accounts receivables sold pursuant to the facility are included in the consolidated balance sheet as Trade receivables - third party and affiliates. Borrowings under this facility are classified as short-term borrowings in the consolidated balance sheet. Once sold to the Transferor, the accounts receivable are legally separate and distinct from our other assets and are not available to our creditors should we become insolvent. All of the Transferor's assets have been pledged to the Administrator in support of its obligations under the Purchase Agreement.

On September 10, 2013, Celanese US prepaid $100 million of borrowings outstanding under the credit-linked revolving facility set to mature in 2014 using funds drawn under the accounts receivable securitization facility. During the three months ended December 31, 2013, Celanese US prepaid $50 million of borrowings outstanding under the accounts receivable securitization facility set to mature on August 28, 2016 using cash on hand.

As of December 31, 2013, the outstanding amount of accounts receivable transferred by the Originators to the Transferor was $199 million.

Balances available for borrowing are as follows:

	As of December 31, 2013
	(In $ millions)
Revolving Credit Facility	
Borrowings outstanding	—
Letters of credit issued	—
Available for borrowing	600
Credit-Linked Revolving Facility	
Borrowings outstanding	—
Letters of credit issued	23
Available for borrowing	—
Accounts Receivable Securitization Facility	
Borrowings outstanding	50
Letters of credit issued	61
Available for borrowing	18

Share Capital

Our Board of Directors follows a policy of declaring, subject to legally available funds, a quarterly cash dividend on each share of our Series A common stock, par value $0.0001 per share ("Common Stock") unless the Board of Directors, in its sole discretion, determines otherwise. The amount available to pay cash dividends is restricted by our Amended Credit Agreement and the Senior Notes.

Our Board of Directors approved increases in our Common Stock cash dividend rates as follows:

	Increase	Quarterly Common Stock Cash Dividend	Annual Common Stock Cash Dividend	Effective Date
	(In percentages)	(In $ per share)		
April 2011	20	0.060	0.24	August 2011
April 2012	25	0.075	0.30	August 2012
April 2013	20	0.090	0.36	May 2013
July 2013	100	0.180	0.72	August 2013

On February 6, 2014, we declared a quarterly cash dividend of $0.18 per share on our Common Stock amounting to $28 million. The cash dividend is for the period from November 1, 2013 to January 31, 2014 and will be paid on February 28, 2014 to holders of record as of February 17, 2014.

Based on the increases in the Common Stock quarterly dividend rate during 2013 and the number of outstanding shares as of December 31, 2013, cash dividends to be paid in 2014 are expected to be at least 30% higher than those paid in 2013.

Our Board of Directors authorized the repurchase of our Common Stock as follows:

	Authorized Amount
	(In $ millions)
February 2008	400
October 2008	100
April 2011	129
October 2012	264
As of December 31, 2013	893

On February 6, 2014, our Board of Directors approved an increase in our share repurchase authorization of our Common Stock to $400 million. As of December 31, 2013, we had $228 million remaining under previous authorizations.

These authorizations give management discretion in determining the timing and conditions under which shares may be repurchased. This repurchase program does not have an expiration date.

The share repurchase activity pursuant to this authorization is as follows:

	Year Ended December 31,			Total From February 2008 Through December 31, 2013
	2013	2012	2011	
Shares repurchased	3,186,180 [1]	1,059,719 [1]	652,016	16,328,707 [2]
Average purchase price per share	$51.38	$42.44	$46.99	$40.72
Amount spent on repurchased shares (in millions)	$164	$45	$31	$665

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(1) The years ended December 31, 2013 and 2012 exclude 6,021 shares and 5,823 shares, respectively, withheld from an executive officer to cover statutory minimum withholding requirements for personal income taxes related to the vesting of restricted stock awards. Restricted stock awards are considered outstanding at the time of issuance and therefore, the shares withheld are treated as treasury shares.

(2) Excludes 11,844 shares withheld from an executive officer to cover statutory minimum withholding requirements for personal income taxes related to the vesting of restricted stock awards.

The purchase of treasury stock reduces the number of shares outstanding and the repurchased shares may be used by us for compensation programs utilizing our stock and other corporate purposes. We account for treasury stock using the cost method and include treasury stock as a component of stockholders' equity.

On October 23, 2013, our Board of Directors approved the retirement of 18,250,900 shares of treasury stock. The retired shares are now included in our pool of authorized but unissued shares.

Contractual Debt and Cash Obligations

The following table sets forth our fixed contractual debt and cash obligations as of December 31, 2013.

	Total		Payments due by period Less Than 1 Year	Years 2 & 3	Years 4 & 5	After 5 Years	
	(In $ millions)						
Fixed Contractual Debt Obligations							
Senior notes	1,500		—	—	600	900	
Term C-2 loan facility	978		10	968	—	—	
Interest payments on debt and other obligations	1,088	(1)	161	306	248	373	
Capital lease obligations	264		14	33	42	175	
Other debt	322	(2)	153	—	—	169	
Total	4,152		338	1,307	890	1,617	
Operating leases	410		63	103	55	189	
Uncertain tax positions, including interest and penalties	264		64	—	—	200	(3)
Unconditional purchase obligations	3,724	(4)	757	1,054	611	1,302	
Pension and other postretirement funding obligations	597	(5)	101	238	95	163	
Environmental and asset retirement obligations	148		59	31	15	43	
Total	9,295		1,382	2,733	1,666	3,514	

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(1) We have outstanding interest rate swap agreements with notional values of $1.1 billion and $0.5 billion that expire on January 2, 2014 and January 2, 2016, respectively, that have the economic effect of modifying the variable rate obligations associated with our US term loans into fixed interest obligations. The impact of these interest rate swaps was factored into the calculation of the future interest payments on long-term debt. Future interest expense is calculated using the rate in effect on December 31, 2013.

(2) Other debt is primarily made up of fixed rate pollution control and industrial revenue bonds, short-term borrowings from affiliated companies, our accounts receivable securitization facility and other bank obligations.

(3) Due to uncertainties in the timing of the effective settlement of tax positions with the respective taxing authorities, we are unable to determine the timing of payments related to our uncertain tax obligations, including interest and penalties. These amounts are therefore reflected in "After 5 Years".

(4) Unconditional purchase obligations primarily represent the take-or-pay provisions included in certain long-term purchase agreements. We do not expect to incur material losses under these arrangements. These amounts also include other purchase obligations such as maintenance and service agreements, energy and utility agreements, consulting contracts, software agreements and other miscellaneous agreements and contracts, obtained via a survey of the Company.

(5) Excludes expected payments from nonqualified trusts related to nonqualified pension plans of $205 million.

Contractual Guarantees and Commitments

As of December 31, 2013, we have current standby letters of credit of $84 million and bank guarantees of $16 million outstanding, which are irrevocable obligations of an issuing bank that ensure payment to third parties in the event that certain subsidiaries fail to perform in accordance with specified contractual obligations. The likelihood is remote that material payments will be required under these agreements. In addition, the senior notes issued by Celanese US are guaranteed by Celanese and certain domestic subsidiaries of Celanese US. See Note 13 - Debt in the accompanying consolidated financial statements for a description of this guarantee and the guarantees under our senior credit facility.

See Note 23 - Commitments and Contingencies in the accompanying consolidated financial statements for a discussion of commitments and contingencies related to legal and regulatory proceedings.

Off-Balance Sheet Arrangements

We have not entered into any material off-balance sheet arrangements.

Market Risks

Please see Item 7A. Quantitative and Qualitative Disclosure about Market Risk of this Form 10-K for additional information about our Market Risks.

Critical Accounting Policies and Estimates

Our consolidated financial statements are based on the selection and application of significant accounting policies. The preparation of consolidated financial statements in conformity with US Generally Accepted Accounting Principles ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues, expenses and allocated charges during the reporting period. Actual results could differ from those estimates. However, we are not currently aware of any reasonably likely events or circumstances that would result in materially different results.

We believe the following accounting policies and estimates are critical to understanding the financial reporting risks present in the current economic environment. These matters, and the judgments and uncertainties affecting them, are also essential to understanding our reported and future operating results. See Note 2 - Summary of Accounting Policies in the accompanying consolidated financial statements for further discussion of our significant accounting policies.

- Recoverability of Long-Lived Assets

Recoverability of Goodwill and Indefinite-Lived Assets

We assess goodwill for impairment at the reporting unit level. Our reporting units are either our operating business segments or one level below our operating business segments for which discrete financial information is available and for which operating results are regularly reviewed by business segment management and the chief operating decision maker. Our operating business segments have been designated as our reporting units and include our engineered materials, cellulose derivatives, food ingredients, emulsion polymers, EVA polymers and intermediate chemistry businesses. We assess the recoverability of the carrying amount of our goodwill and other indefinite-lived intangible assets annually during the third quarter of our fiscal year using June 30 balances or whenever events or changes in circumstances indicate that the carrying amount of the asset may not be fully recoverable. When assessing the recoverability of goodwill and other indefinite-lived intangible assets, we may first assess qualitative factors in determining whether it is more likely than not that the fair value of a reporting unit or other indefinite-lived intangible asset is less than its carrying amount. After assessing qualitative factors, if we determine that it is not more likely than not that the fair value of a reporting unit or other indefinite-lived intangible asset is less than its carrying amount, then performing a quantitative assessment is not required. If an initial qualitative assessment indicates that it is more likely than not the carrying amount exceeds the fair value of a reporting unit or other indefinite-lived intangible asset, a quantitative analysis will be performed. We may also elect to bypass the qualitative assessment and proceed directly to a quantitative analysis depending on the facts and circumstances.

In performing a quantitative analysis, recoverability of goodwill is measured using a discounted cash flow model incorporating discount rates commensurate with the risks involved for each reporting unit. Use of a discounted cash flow model is common practice in assessing impairment in the absence of available transactional market evidence to determine the fair value. The key assumptions used in the discounted cash flow valuation model include discount rates, growth rates, tax rates, cash flow projections and terminal value rates. Discount rates, growth rates and cash flow projections are the most sensitive and susceptible to change as they require significant management judgment. Discount rates are determined by using a weighted average cost of capital ("WACC"). The WACC considers market and industry data as well as company-specific risk factors for each reporting unit in determining the appropriate discount rate to be used. The discount rate utilized for each reporting unit is indicative of the return an investor would expect to receive for investing in such a business. Operational management, considering industry and company-specific historical and projected data, develops growth rates and cash flow projections for each reporting unit. Terminal value rate determination follows common methodology of capturing the present value of perpetual cash flow estimates beyond the last projected period assuming a constant WACC and low long-term growth rates. If the calculated fair value is less than the current carrying amount, impairment of the reporting unit may exist. If the recoverability test indicates potential impairment, we calculate an implied fair value of goodwill for the reporting unit. The implied fair value of goodwill is determined in a manner similar to how goodwill is calculated in a business combination. If the implied fair value of goodwill exceeds the carrying amount of goodwill assigned to the reporting unit, there is no impairment. If the carrying amount of goodwill assigned to a reporting unit exceeds the implied fair value of the goodwill, an impairment loss is recorded to write down the carrying amount. An impairment loss cannot exceed the carrying amount of goodwill assigned to a reporting unit but may indicate certain long-lived and amortizable intangible assets associated with the reporting unit may require additional impairment testing.

Management tests other indefinite-lived intangible assets utilizing the relief from royalty method to determine the estimated fair value for each indefinite-lived intangible asset. The relief from royalty method estimates our theoretical royalty savings from ownership of the intangible asset. Key assumptions used in this model include discount rates, royalty rates, growth rates, tax rates, sales projections and terminal value rates. Discount rates, royalty rates, growth rates and sales projections are the assumptions most sensitive and susceptible to change as they require significant management judgment. Discount rates used are similar to the rates estimated by the WACC considering any differences in company-specific risk factors. Royalty rates are established by management and are periodically substantiated by third-party valuation consultants. Operational management, considering industry and company-specific historical and projected data, develops growth rates and sales projections associated with each indefinite-lived intangible asset. Terminal value rate determination follows common methodology of capturing the present value of perpetual sales estimates beyond the last projected period assuming a constant WACC and low long-term growth rates.

In connection with our annual indefinite-lived intangible assets impairment assessment, we recorded an impairment loss of $1 million in Other (charges) gains, net during the nine months ended September 30, 2013 to write-off the total net book value of a trademark included in the Industrial Specialties segment. Other than this trademark, the estimated fair value for each of our other indefinite-lived intangible assets exceeded the carrying amount of the underlying asset by a substantial margin.

For all significant goodwill, the estimated fair value of the asset exceeded the carrying amount of the asset by a substantial margin at the date of the most recent impairment test.

No events or changes in circumstances occurred during the three months ended December 31, 2013 that would indicate that the carrying amount of the assets may not be fully recoverable. Accordingly, no additional impairment analysis was performed during that period.

Recoverability of Long-Lived and Amortizable Intangible Assets

We assess the recoverability of long-lived and amortizable intangible assets whenever events or circumstances indicate that the carrying amount of the asset may not be recoverable. Examples of a change in events or circumstances include, but are not limited to, a decrease in the market price of the asset, a history of cash flow losses related to the use of the asset or a significant adverse change in the extent or manner in which an asset is being used. To assess the recoverability of long-lived and amortizable intangible assets we compare the carrying amount of the asset or group of assets to the future net undiscounted cash flows expected to be generated by the asset or asset group. Long-lived and amortizable intangible assets are tested for recognition and measurement of an impairment loss at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. If such assets are considered impaired, the impairment recognized is measured as the amount by which the carrying amount of the asset exceeds the fair value of the asset.

The development of future net undiscounted cash flow projections require management projections related to sales and profitability trends and the remaining useful life of the asset. Projections of sales and profitability trends are the assumptions most sensitive and susceptible to change as they require significant management judgment. These projections are consistent with projections we use to manage our operations internally. When impairment is indicated, a discounted cash flow valuation model similar to that used to value goodwill at the reporting unit level, incorporating discount rates commensurate with risks associated with each asset, is used to determine the fair value of the asset to measure potential impairment. We believe the assumptions used are reflective of what a market participant would have used in calculating fair value.

Valuation methodologies utilized to evaluate goodwill and indefinite-lived intangible, amortizable intangible and long-lived assets for impairment were consistent with prior periods. We periodically engage third-party valuation consultants to assist us with this process. Specific assumptions discussed above are updated at the date of each test to consider current industry and company-specific risk factors from the perspective of a market participant. The current business environment is subject to evolving market conditions and requires significant management judgment to interpret the potential impact to our assumptions. To the extent that changes in the current business environment result in adjusted management projections, impairment losses may occur in future periods.

• Income Taxes

We regularly review our deferred tax assets for recoverability and establish a valuation allowance if needed based on historical taxable income, projected future taxable income, applicable tax planning strategies, and the expected timing of the reversals of existing temporary differences. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized. In forming our judgment regarding the recoverability of deferred tax assets related to deductible temporary differences and tax attribute carryforwards, we give weight to positive and negative evidence based on the extent to which the forms of evidence can be objectively verified. We attach the most weight to historical earnings due to its verifiable nature. Weight is attached to tax planning strategies if the strategies are prudent and feasible and implementable without significant obstacles. Less weight is attached to forecasted future earnings due to its subjective nature, and expected timing of reversal of taxable temporary differences is given little weight unless the reversal of taxable and deductible temporary differences coincide. Valuation allowances are established primarily on net operating loss carryforwards and other deferred tax assets in the US, Luxembourg, France, Spain, China, the United Kingdom and Canada. We have appropriately reflected increases and decreases in our valuation allowance based on the overall weight of positive versus negative evidence on a jurisdiction by jurisdiction basis.

We record accruals for income taxes and associated interest that may become payable in future years as a result of audits by tax authorities. We recognize tax benefits when it is more likely than not (likelihood of greater than 50%), based on technical merits, that the position will be sustained upon examination. Tax positions that meet the more-likely-than-not threshold are measured using a probability weighted approach as the largest amount of tax benefit that is greater than 50% likely of being realized upon settlement. Whether the more-likely-than-not recognition threshold is met for a tax position is a matter of judgment based on the individual facts and circumstances of that position evaluated in light of all available evidence.

The recoverability of deferred tax assets and the recognition and measurement of uncertain tax positions are subject to various assumptions and management judgment. If actual results differ from the estimates made by management in establishing or maintaining valuation allowances against deferred tax assets, the resulting change in the valuation allowance would generally impact earnings or Other comprehensive income depending on the nature of the respective deferred tax asset. In addition, the positions taken with regard to tax contingencies may be subject to audit and review by tax authorities, which may result in future taxes, interest and penalties.

• Benefit Obligations

We have pension and other postretirement benefit plans covering substantially all employees who meet eligibility requirements. During 2013, we settled certain of our defined benefit pension plan obligations in the United Kingdom and Canada. Additionally, pension benefits offered to all US non-union participants in our US qualified defined benefit pension plan have been frozen and the plan was closed to new participants effective December 31, 2013.

With respect to our US qualified defined benefit pension plan, minimum funding requirements are determined by the Pension Protection Act of 2006. Various assumptions are used in the calculation of the actuarial valuation of the employee benefit plans. These assumptions include the discount rate, compensation levels, expected long-term rates of return on plan assets and trends in health care costs. In addition to the above mentioned assumptions, actuarial consultants use factors such as withdrawal and mortality rates to estimate the projected benefit obligation. The actuarial assumptions used may differ materially from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants. These differences may result in a significant impact to the amount of net periodic benefit cost recorded in future periods.

The amounts recognized in the consolidated financial statements related to pension and other postretirement benefits are determined on an actuarial basis. A significant assumption used in determining our net periodic benefit cost is the expected long-term rate of return on plan assets. As of December 31, 2013, we assumed an expected long-term rate of return on plan assets of 8.5% for the US defined benefit pension plans, which represent approximately 88% and 86% of our fair value of pension plan assets and projected benefit obligation, respectively. On average, the actual return on the US qualified defined pension plans' assets over the long-term (20 years) has exceeded 8.5%.

Another estimate that affects our pension and other postretirement net periodic benefit cost is the discount rate used in the annual actuarial valuations of pension and other postretirement benefit plan obligations. At the end of each year, we determine the appropriate discount rate used to determine the present value of future cash flows currently expected to be required to settle the pension and other postretirement benefit obligations. The discount rate is generally based on the yield on high-quality corporate fixed-income securities. As of December 31, 2013, we increased the discount rate to 4.7% from 3.8% as of December 31, 2012 for the US plans.

Other postretirement benefit plans provide medical and life insurance benefits to retirees who meet minimum age and service requirements. The key determinants of the accumulated postretirement benefit obligation ("APBO") are the discount rate and the health care cost trend rate. The health care cost trend rate has a significant effect on the reported amounts of APBO and related expense.

On November 5, 2013, we announced we would eliminate eligibility for all US non-union individuals to our US postretirement health care plan and terminate this plan for all US non-union participants effective December 31, 2014.

Pension assumptions are reviewed annually on a plan and country-specific basis by third-party actuaries and senior management. Such assumptions are adjusted as appropriate to reflect changes in market rates and outlook. Actuarial gains and losses generated by changes in actuarial assumptions are recognized in net periodic benefit cost annually in the fourth quarter of each fiscal year and whenever a plan is required to be remeasured.

We determine the long-term expected rate of return on plan assets by considering the current target asset allocation, as well as the historical and expected rates of return on various asset categories in which the plans are invested. A single long-term expected rate of return on plan assets is then calculated for each plan as the weighted average of the target asset allocation and the long-term expected rate of return assumptions for each asset category within each plan. Differences between actual rates of return of plan assets and the long-term expected rate of return on plan assets are recognized in net periodic benefit cost annually in the fourth quarter of each fiscal year and whenever a plan is required to be remeasured.

The estimated change in pension and postretirement net periodic benefit cost that would occur in 2014 from a change in the indicated assumptions are as follows:

	Change in Rate		Impact on Net Periodic Benefit Cost (In $ millions)	
US Pension Benefits				
Decrease in the discount rate	0.50	%	(8	)
Decrease in the long-term expected rate of return on plan assets[(1)]	0.50	%	12	
US Postretirement Benefits				
Decrease in the discount rate	0.50	%	—	
Increase in the annual health care cost trend rates	1.00	%	—	
Non-US Pension Benefits				
Decrease in the discount rate	0.50	%	—	
Decrease in the long-term expected rate of return on plan assets	0.50	%	2	
Non-US Postretirement Benefits				
Decrease in the discount rate	0.50	%	—	
Increase in the annual health care cost trend rates	1.00	%	—	

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(1) Excludes nonqualified pension plans.

• Accounting for Commitments and Contingencies

We are subject to a number of legal and regulatory proceedings, lawsuits, claims, and investigations, incidental to the normal conduct of our past and current business, relating to and including product liability, intellectual property, land disputes, commercial contracts, employment, antitrust, workers' compensation, chemical exposure, asbestos exposure, prior acquisitions and divestitures, past waste disposal practices and release of chemicals into the environment, which are handled and defended in the ordinary course of business. We routinely assess the likelihood of any adverse judgments or outcomes to these matters as well as ranges of probable and reasonably estimable losses. Reasonable estimates involve judgments made by us after considering a broad range of information including: notifications, demands, settlements, which have been received from a regulatory authority or private party, estimates performed by independent consultants and outside counsel, available facts, identification of other potentially responsible parties and their ability to contribute, as well as prior experience. With respect to environmental remediation liabilities, it is our policy to accrue through fifteen years, unless we have government orders or other agreements that extend beyond fifteen years. A determination of the amount of loss contingency required, if any, is assessed in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC")

Topic 450, Contingencies, and recorded if probable and estimable after careful analysis of each individual matter. The required reserves may change in the future due to new developments in each matter and as additional information becomes available.

Recent Accounting Pronouncements

See Note 3 - Accounting Pronouncements in the accompanying consolidated financial statements for a discussion of recent accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market Risks

Our financial market risk consists principally of exposure to currency exchange rates, interest rates and commodity prices. Exchange rate and interest rate risks are managed with a variety of techniques, including use of derivatives. We have in place policies of hedging against changes in currency exchange rates, interest rates and commodity prices as described below. Contracts to hedge exposures are primarily accounted for under FASB ASC Topic 815, Derivatives and Hedging ("FASB ASC Topic 815").

See Note 21 - Derivative Financial Instruments in the accompanying consolidated financial statements for further discussion of our market risk management and the related impact on our financial position and results of operations.

Interest Rate Risk Management

We use interest rate swap agreements to manage the interest rate risk of our total debt portfolio and related overall cost of borrowing. To reduce the interest rate risk inherent in our variable rate borrowings, we utilize interest rate swap agreements to convert a portion of our variable rate borrowings to a fixed rate obligation. A portion of these interest rate swap agreements are designated as cash flow hedges.

Our US-dollar interest rate swap derivative arrangements are as follows:

As of December 31, 2013				
Notional Value	Effective Date	Expiration Date	Fixed Rate[1]	
(In $ millions)				
1,100	January 2, 2012	January 2, 2014	1.71	%
500	January 2, 2014	January 2, 2016	1.02	%

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(1) Fixes the LIBOR portion of our US-dollar denominated variable rate borrowings. See Note 13 - Debt in the accompanying consolidated financial statements for further information.

Upon issuance of the 4.625% Notes and $400 million paydown of the Term C loan facility in November 2012, we dedesignated as cash flow hedges a notional value of $395 million of the $1.1 billion notional value US-dollar interest rate swap agreements expiring January 2, 2014, and a loss of $6 million was reclassified out of Accumulated other comprehensive income (loss), net, into Interest expense in the accompanying consolidated statements of operations during the three months ended December 31, 2012. Future mark-to-market adjustments on these dedesignated interest rate swap agreements were recorded in Interest expense through their expiration on January 2, 2014. See Note 13 - Debt in the accompanying consolidated financial statements for further information.

As of December 31, 2013, we had $790 million, €192 million and CNY470 million of variable rate debt and outstanding US-dollar interest rate swap agreements with a notional value of $1.1 billion that expire January 2, 2014 and additional US-dollar interest rate swap agreements with a notional value of $500 million that are in effect January 2, 2014 and expire January 2, 2016. These interest rate swap agreements have the economic effect of modifying the US-dollar variable rate obligations into fixed interest obligations. Accordingly, a 1% increase in interest rates would increase annual interest expense by $6 million.

Foreign Exchange Risk Management

The primary business objective of this hedging program is to maintain an approximately balanced position in foreign currencies so that exchange gains and losses resulting from exchange rate changes, net of related tax effects, are minimized. It is our policy to minimize currency exposures and to conduct operations either within functional currencies or using the protection of hedge strategies. Accordingly, we enter into foreign currency forwards and swaps to minimize our exposure to foreign currency fluctuations. From time to time we may also hedge our currency exposure related to forecasted transactions. Forward contracts are not designated as hedges under FASB ASC Topic 815.

The following table indicates the total US dollar equivalents of net foreign exchange exposure related to (short) long foreign exchange forward contracts outstanding by currency. All of the contracts included in the table below will have approximately offsetting effects from actual underlying payables, receivables, intercompany loans or other assets or liabilities subject to foreign exchange remeasurement.

	2014 Maturity
	(In $ millions)
Currency	
Brazilian real	(12)
British pound sterling	(60)
Canadian dollar	46
Chinese renminbi	(106)
Euro	(228)
Hungarian forint	9
Japanese yen	(3)
Mexican peso	2
Singapore dollar	43
Swedish krona	(6)
Other	—
Total	(315)

Additionally, a portion of our assets, liabilities, revenues and expenses are denominated in currencies other than the US dollar. Fluctuations in the value of these currencies against the US dollar can have a direct and material impact on the business and financial results. For example, a decline in the value of the Euro versus the US dollar results in a decline in the US dollar value of our sales and earnings denominated in Euros due to translation effects. Likewise, an increase in the value of the Euro versus the US dollar would result in an opposite effect.

Commodity Risk Management

We have exposure to the prices of commodities in our procurement of certain raw materials. We manage our exposure to commodity risk primarily through the use of long-term supply agreements, multi-year purchasing and sales agreements and forward purchase agreements. We regularly assess our practice of purchasing a portion of our commodity requirements under forward purchase agreements and other raw material hedging instruments in accordance with changes in market conditions. Forward purchases and swap contracts for raw materials are principally settled through actual delivery of the physical commodity. For qualifying contracts, we have elected to apply the normal purchases and normal sales exception of FASB ASC Topic 815 based on the probability at the inception and throughout the term of the contract that we would not settle net and the transaction would settle by physical delivery of the commodity. As such, realized gains and losses on these contracts are included in the cost of the commodity upon the settlement of the contract.

Item 8. Financial Statements and Supplementary Data

Our consolidated financial statements and supplementary data are included in Item 15. Exhibits and Financial Statement Schedules of this Annual Report on Form 10-K.

Quarterly Financial Information

For a discussion of material events affecting performance in each quarter, see Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations. All amounts in the table below have been retroactively adjusted for the effects of discontinued operations and the change in accounting policy for defined benefit pension plans and other postretirement benefit plans described below.

Change in accounting policy regarding pension and other postretirement benefits

Effective January 1, 2013, we elected to change our policy for recognizing actuarial gains and losses and changes in the fair value of plan assets for our defined benefit pension plans and other postretirement benefit plans. We now immediately recognize in operating results net actuarial gains and losses and the change in fair value of plan assets annually in the fourth quarter of each fiscal year and whenever a plan is required to be remeasured. The remaining components of our net periodic benefit cost are recorded on a quarterly basis. For further discussion, see Note 2 - Summary of Accounting Policies and Note 14 - Benefit Obligations in the accompanying consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended			
	March 31, 2013	June 30, 2013	September 30, 2013	December 31, 2013
	(Unaudited)			
	(In $ millions, except per share data)			
Net sales	1,605	1,653	1,636	1,616
Gross profit	333	319	346	367
Other (charges) gains, net	(4)	(3)	(4)	(147) (1)
Operating profit (loss)	184	169	211	944
Earnings (loss) from continuing operations before tax	218	208	228	955
Amounts attributable to Celanese Corporation				
Earnings (loss) from continuing operations	141	133	171	656
Earnings (loss) from discontinued operations	1	—	1	(2)
Net earnings (loss)	142	133	172	654
Net earnings (loss) per share — basic	0.89	0.83	1.09	4.16
Net earnings (loss) per share — diluted	0.89	0.83	1.08	4.15

	Three Months Ended			
	March 31, 2012	June 30, 2012	September 30, 2012	December 31, 2012
	(Unaudited)			
	(In $ millions, except per share data)			
Net sales	1,633	1,675	1,609	1,501
Gross profit	274	335	328	244
Other (charges) gains, net	—	(3)	2	(13)
Operating profit (loss)	111	178	176	(290)
Earnings (loss) from continuing operations before tax	120	278	186	(263)
Amounts attributable to Celanese Corporation				
Earnings (loss) from continuing operations	193	221	129	(167)
Earnings (loss) from discontinued operations	—	—	(2)	(2)
Net earnings (loss)	193	221	127	(169)
Net earnings (loss) per share — basic	1.23	1.40	0.80	(1.06)
Net earnings (loss) per share — diluted	1.21	1.38	0.79	(1.06)

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(1) Includes $20 million of employee termination benefits, $33 million of contract termination costs and $34 million of long-lived asset impairment losses to fully write-off the related property, plant and equipment related to the closure of the our acetic anhydride facility in Roussillon, France and our vinyl acetate monomer ("VAM") facility in Tarragona, Spain in December 2013. Also includes long-lived asset impairment losses of $46 million to fully write-off the property, plant and equipment at our Singapore acetic acid production unit.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure
None.
Item 9A. Controls and Procedures
Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of the end of the period covered by this Annual Report. Based on that evaluation, as of December 31, 2013, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective.
Changes in Internal Control Over Financial Reporting
During the three months ended December 31, 2013, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.
Report of Management on Internal Control Over Financial Reporting
Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our consolidated financial statements; providing reasonable assurance that receipts and expenditures of company assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our consolidated financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our consolidated financial statements would be prevented or detected.
Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control — Integrated Framework (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company’s internal control over financial reporting was effective as of December 31, 2013. The Company's independent registered public accounting firm, KPMG LLP, has issued an audit report on the effectiveness of the Company's internal control over financial reporting. Their report follows.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Celanese Corporation:

We have audited Celanese Corporation and subsidiaries' (the "Company") internal control over financial reporting as of December 31, 2013, based on criteria established in Internal Control — Integrated Framework (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2013, based on criteria established in Internal Control — Integrated Framework (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of the Company as of December 31, 2013 and 2012, and the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the years in the three-year period ended December 31, 2013, and our report dated February 7, 2014 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Dallas, Texas
February 7, 2014

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Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item 10 is incorporated herein by reference from the sections captioned "Proposal 1: Election of Directors," "Corporate Governance" and "Stock Ownership Information - Section 16(a) Beneficial Ownership Reporting Compliance" of the Company's definitive proxy statement for the 2014 annual meeting of stockholders to be filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "2014 Proxy Statement"). Information about executive officers of the Company is contained in Part I of this Annual Report.

Codes of Ethics

The Company has adopted a Business Conduct Policy for directors, officers and employees along with a Financial Code of Ethics for its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. These codes are available on the corporate governance portal of the Company's investor relations website at http://www.celanese.com. The Company intends to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to and waivers from these codes by posting such information on the same website.

Item 11. Executive Compensation

The information required by this Item 11 is incorporated herein by reference from the sections captioned "Compensation Discussion and Analysis," "Risk Assessment of Compensation Practices," "Compensation Tables," "Potential Payments Upon Termination or Change In Control," "Compensation Committee Interlocks and Insider Participation" and "Compensation Committee Report" of the 2014 Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters
The information with respect to beneficial ownership required by this Item 12 is incorporated herein by reference from the section captioned "Stock Ownership Information - Principal Stockholders and Beneficial Owners" of the 2014 Proxy Statement.
Equity Compensation Plans
Securities Authorized for Issuance Under Equity Compensation Plans
The following information is provided as of December 31, 2013 with respect to equity compensation plans:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights		Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a))	
	(a)		(b)	(c)	
Equity compensation plans approved by security holders	2,115,194	(1)	$30.85	23,862,977	(2)
Equity compensation plans not approved by security holders[3]	212,373	(4)	$28.01	—	
Total	2,327,567	(5)		23,862,977	

(1) Includes 1,737,550 restricted stock units ("RSUs") granted under the Celanese Corporation 2009 Global Incentive Plan, as amended and restated April 19, 2012 (the "2009 Plan"), including shares that may be issued pursuant to outstanding performance-based RSUs, assuming currently estimated maximum potential performance; actual shares may vary, depending on actual performance. Upon vesting, a share of the Company's Series A common stock is issued for each restricted stock unit. Column (b) does not take these awards into account because they do not have an exercise price.

(2) Includes shares available for future issuance under the Celanese Corporation 2009 Employee Stock Purchase Plan approved by stockholders on April 23, 2009 (the "ESPP"). As of December 31, 2013, an aggregate of 14,000,000 shares of our Series A common stock were available for future issuance under the ESPP. No shares have been offered for purchase under the ESPP as of December 31, 2013.

(3) The shares to be issued under plans not approved by stockholders relate to the Celanese Corporation 2004 Stock Incentive Plan (the "2004 Plan"), which is our former broad-based stock incentive plan for executive officers, key employees and directors. No further awards were made pursuant to the 2004 Plan upon stockholder approval of the 2009 Plan in April 2009. The 2004 Plan and the 2009 Plan are described in more detail in Note 19 - Management Compensation Plans in the accompanying consolidated financial statements. Additionally, there are 32,576 shares of phantom stock for compensation for director services deferred by certain of our non-employee directors under the 2008 Deferred Compensation Plan, which are not reflected in column (a). Each share of phantom stock represents the right to receive one share of Series A common stock.

(4) Includes no outstanding RSUs granted under the 2004 Plan.

(5) If the performance-based RSUs included in this total vest at the target performance level (as opposed to the superior performance level), the aggregate awards outstanding at December 31, 2013 would be 1,542,687. This is comprised of 567,935 stock options, 203,233 time-based RSUs granted to employees, 22,082 restricted stock awards granted to our Chief Executive Officer, 16,153 time-based RSUs granted to non-employee directors and 733,284 performance-based RSUs assuming target performance.

Item 13. Certain Relationships and Related Transactions, and Director Independence
The information required by this Item 13 is incorporated herein by reference from the section captioned "Certain Relationships and Related Person Transactions" and "Corporate Governance — Director Independence" of the 2014 Proxy Statement.

Item 14. Principal Accounting Fees and Services
The information required by this Item 14 is incorporated herein by reference from the section captioned "Proposal 3: Ratification of Independent Registered Public Accounting Firm" of the 2014 Proxy Statement.

PART IV

Item 15. Exhibits, Financial Statement Schedules

1. Financial Statements. The report of our independent registered public accounting firm and our consolidated financial statements are listed below and begin on page 74 of this Annual Report on Form 10-K.

2. Financial Statement Schedules.
The financial statement schedules required by this item, if any, are included as Exhibits to this Annual Report on Form 10-K.

3. Exhibit List.
See Index to Exhibits following our consolidated financial statements contained in this Annual Report on Form 10-K.

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/ MARK C. ROHR
Name:	Mark C. Rohr
Title:	Chairman of the Board of Directors and Chief Executive Officer
Date:	February 7, 2014

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Steven M. Sterin and Christopher W. Jensen, and each of them, his or her true and lawful attorney-in-fact and agent, each of whom may act without joinder of the other, each with full power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, to do any and all things and execute any and all instruments that any such attorney-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934 and any rules, regulations and requirements of the US Securities and Exchange Commission in connection with the Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and any and all amendments hereto, as fully for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that any such said attorney-in-fact, acting alone, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ MARK C. ROHR Mark C. Rohr	Director, Chairman of the Board of Directors and Chief Executive Officer (Principal Executive Officer)	February 7, 2014
/s/ STEVEN M. STERIN Steven M. Sterin	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 7, 2014
/s/ CHRISTOPHER W. JENSEN Christopher W. Jensen	Senior Vice President, Finance (Principal Accounting Officer)	February 7, 2014
/s/ JAMES E. BARLETT James E. Barlett	Director	February 7, 2014
/s/ EDWARD G. GALANTE Edward G. Galante	Director	February 7, 2014
/s/ DAVID F. HOFFMEISTER David F. Hoffmeister	Director	February 7, 2014
/s/ JAY V. IHLENFELD Jay V. Ihlenfeld	Director	February 7, 2014

/s/ MARTIN G. MCGUINN Martin G. McGuinn	Director	February 7, 2014

Signature	Title	Date
/s/ DANIEL S. SANDERS Daniel S. Sanders	Director	February 7, 2014
/s/ FARAH M. WALTERS Farah M. Walters	Director	February 7, 2014
/s/ JOHN K. WULFF John K. Wulff	Director	February 7, 2014

CELANESE CORPORATION AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Celanese Corporation:

We have audited the accompanying consolidated balance sheets of Celanese Corporation and subsidiaries (the "Company") as of December 31, 2013 and 2012, and the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the years in the three-year period ended December 31, 2013. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2013 and 2012, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2013, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2 to the consolidated financial statements, the Company has elected to change its method of accounting for pension and other postretirement benefit obligations in 2013. This method has been applied retrospectively to all periods presented.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2013, based on criteria established in Internal Control — Integrated Framework (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 7, 2014 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG LLP

Dallas, Texas
February 7, 2014

CELANESE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2013	2012	2011
	(In $ millions, except share and per share data)		
Net sales	6,510	6,418	6,763
Cost of sales	(5,145)	(5,237)	(5,346)
Gross profit	1,365	1,181	1,417
Selling, general and administrative expenses	(311)	(830)	(805)
Amortization of intangible assets	(32)	(51)	(62)
Research and development expenses	(85)	(104)	(98)
Other (charges) gains, net	(158)	(14)	(48)
Foreign exchange gain (loss), net	(6)	(4)	—
Gain (loss) on disposition of businesses and assets, net	735	(3)	(2)
Operating profit (loss)	1,508	175	402
Equity in net earnings (loss) of affiliates	180	242	192
Interest expense	(172)	(185)	(221)
Refinancing expense	(1)	(3)	(3)
Interest income	1	2	3
Dividend income - cost investments	93	85	80
Other income (expense), net	—	5	14
Earnings (loss) from continuing operations before tax	1,609	321	467
Income tax (provision) benefit	(508)	55	(41)
Earnings (loss) from continuing operations	1,101	376	426
Earnings (loss) from operation of discontinued operations	—	(6)	2
Gain (loss) on disposition of discontinued operations	—	—	—
Income tax (provision) benefit from discontinued operations	—	2	(1)
Earnings (loss) from discontinued operations	—	(4)	1
Net earnings (loss)	1,101	372	427
Net (earnings) loss attributable to noncontrolling interests	—	—	—
Net earnings (loss) attributable to Celanese Corporation	1,101	372	427
Amounts attributable to Celanese Corporation			
Earnings (loss) from continuing operations	1,101	376	426
Earnings (loss) from discontinued operations	—	(4)	1
Net earnings (loss)	1,101	372	427
Earnings (loss) per common share - basic			
Continuing operations	6.93	2.37	2.72
Discontinued operations	—	(0.02)	0.01
Net earnings (loss) - basic	6.93	2.35	2.73
Earnings (loss) per common share - diluted			
Continuing operations	6.91	2.35	2.68
Discontinued operations	—	(0.02)	0.01
Net earnings (loss) - diluted	6.91	2.33	2.69
Weighted average shares - basic	158,801,150	158,359,914	156,226,526
Weighted average shares - diluted	159,334,219	159,830,786	158,970,283

See the accompanying notes to the consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year Ended December 31,		
	2013	2012	2011
	(In $ millions)		
Net earnings (loss)	1,101	372	427
Other comprehensive income (loss), net of tax			
Unrealized gain (loss) on marketable securities	1	—	—
Foreign currency translation	20	5	(27)
Gain (loss) on interest rate swaps	6	7	27
Pension and postretirement benefits	58	(11)	—
Total other comprehensive income (loss), net of tax	85	1	—
Total comprehensive income (loss), net of tax	1,186	373	427
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—
Comprehensive income (loss) attributable to Celanese Corporation	1,186	373	427

See the accompanying notes to the consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of December 31,	
	2013	2012
	(In $ millions, except share data)	
ASSETS		
Current Assets		
Cash and cash equivalents	984	959
Trade receivables - third party and affiliates (net of allowance for doubtful accounts - 2013: $9; 2012: $9)	867	827
Non-trade receivables, net	343	209
Inventories	804	711
Deferred income taxes	115	49
Marketable securities, at fair value	41	53
Other assets	28	31
Total current assets	3,182	2,839
Investments in affiliates	841	800
Property, plant and equipment (net of accumulated depreciation - 2013: $1,672; 2012: $1,506)	3,425	3,350
Deferred income taxes	289	606
Other assets	341	463
Goodwill	798	777
Intangible assets, net	142	165
Total assets	9,018	9,000
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term borrowings and current installments of long-term debt - third party and affiliates	177	168
Trade payables - third party and affiliates	799	649
Other liabilities	541	475
Deferred income taxes	10	25
Income taxes payable	18	38
Total current liabilities	1,545	1,355
Long-term debt	2,887	2,930
Deferred income taxes	225	50
Uncertain tax positions	200	181
Benefit obligations	1,175	1,602
Other liabilities	287	1,152
Commitments and Contingencies		
Stockholders' Equity		
Preferred stock, $0.01 par value, 100,000,000 shares authorized (2013 and 2012: 0 issued and outstanding)	—	—
Series A common stock, $0.0001 par value, 400,000,000 shares authorized (2013: 165,867,965 issued and 156,939,828 outstanding; 2012: 183,629,237 issued and 159,642,401 outstanding)	—	—
Series B common stock, $0.0001 par value, 100,000,000 shares authorized (2013 and 2012: 0 issued and outstanding)	—	—
Treasury stock, at cost (2013: 8,928,137 shares; 2012: 23,986,836 shares)	(361)	(905)

Additional paid-in capital	53	731
Retained earnings	3,011	1,993
Accumulated other comprehensive income (loss), net	(4)	(89)
Total Celanese Corporation stockholders' equity	2,699	1,730
Noncontrolling interests	—	—
Total equity	2,699	1,730
Total liabilities and equity	9,018	9,000

See the accompanying notes to the consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY

	Year Ended December 31,					
	2013		2012		2011	
	Shares	Amount	Shares	Amount	Shares	Amount
	(In $ millions, except share data)					
Series A Common Stock						
Balance as of the beginning of the period	159,642,401	—	156,463,811	—	155,759,293	—
Stock option exercises	283,682	—	3,751,825	—	842,342	—
Purchases of treasury stock	(3,192,201)	—	(1,065,542)	—	(652,016)	—
Stock awards	205,946	—	492,307	—	514,192	—
Balance as of the end of the period	156,939,828	—	159,642,401	—	156,463,811	—
Treasury Stock						
Balance as of the beginning of the period	23,986,836	(905)	22,921,294	(860)	22,269,278	(829)
Purchases of treasury stock, including related fees	3,192,201	(164)	1,065,542	(45)	652,016	(31)
Retirement of treasury stock	(18,250,900)	708	—	—	—	—
Balance as of the end of the period	8,928,137	(361)	23,986,836	(905)	22,921,294	(860)
Additional Paid-In Capital						
Balance as of the beginning of the period		731		627		574
Retirement of treasury stock		(708)		—		—
Stock-based compensation, net of tax		19		12		17
Stock option exercises, net of tax		11		92		36
Balance as of the end of the period		53		731		627
Retained Earnings						