Section 1: 10-Q (10-Q)

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2015

Or

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

(Commission File Number) 001-32410

Celanese

CELANESE CORPORATION

(Exact Name of Registrant as Specified in its Charter)

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

(972) 443-4000

(Registrant's telephone number, including area code)

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 ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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 ☑ No ☐

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.

Large accelerated filer ☑

Accelerated filer ☐

Non-accelerated filer ☐·(Do not check if a smaller reporting company)

Smaller reporting company ☐

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

The number of outstanding shares of the registrant's Series A common stock, $0.0001 par value, as of July 13, 2015 was 153,343,205.

CELANESE CORPORATION AND SUBSIDIARIES

Form 10-Q

For the Quarterly Period Ended June 30, 2015

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Item 1. ***Financial Statements***

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In $ millions, except share and per share data)			
Net sales	1,477	1,769	2,927	3,474
Cost of sales	(1,102)	(1,361)	(2,171)	(2,688)
Gross profit	375	408	756	786
Selling, general and administrative expenses	(106)	(119)	(204)	(223)
Amortization of intangible assets	(3)	(5)	(6)	(11)
Research and development expenses	(59)	(24)	(79)	(46)
Other (charges) gains, net	(10)	2	(15)	1
Foreign exchange gain (loss), net	(3)	(1)	—	(2)
Gain (loss) on disposition of businesses and assets, net	(6)	(2)	(7)	(3)
Operating profit (loss)	188	259	445	502
Equity in net earnings (loss) of affiliates	40	101	88	141
Interest expense	(30)	(40)	(57)	(79)
Interest income	1	2	1	2
Dividend income - cost investments	26	29	54	58
Other income (expense), net	2	1	2	1
Earnings (loss) from continuing operations before tax	227	352	533	625
Income tax (provision) benefit	(24)	(94)	(96)	(172)
Earnings (loss) from continuing operations	203	258	437	453
Earnings (loss) from operation of discontinued operations	(3)	(1)	(3)	(1)
Income tax (provision) benefit from discontinued operations	1	1	1	1
Earnings (loss) from discontinued operations	(2)	—	(2)	—
Net earnings (loss)	201	258	435	453
Net (earnings) loss attributable to noncontrolling interests	4	1	6	2
Net earnings (loss) attributable to Celanese Corporation	205	259	441	455
Amounts attributable to Celanese Corporation				
Earnings (loss) from continuing operations	207	259	443	455
Earnings (loss) from discontinued operations	(2)	—	(2)	—
Net earnings (loss)	205	259	441	455
Earnings (loss) per common share - basic				
Continuing operations	1.35	1.66	2.89	2.91
Discontinued operations	(0.01)	—	(0.01)	—
Net earnings (loss) - basic	1.34	1.66	2.88	2.91
Earnings (loss) per common share - diluted				
Continuing operations	1.34	1.66	2.87	2.91
Discontinued operations	(0.01)	—	(0.01)	—
Net earnings (loss) - diluted	1.33	1.66	2.86	2.91
Weighted average shares - basic	153,480,175	155,751,779	153,349,071	156,124,714
Weighted average shares - diluted	153,990,933	156,054,232	153,945,466	156,424,665

See the accompanying notes to the unaudited interim consolidated financial statements.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In $ millions)			
Net earnings (loss)	201	258	435	453
Other comprehensive income (loss), net of tax				
Unrealized gain (loss) on marketable securities	(1)	—	(1)	—
Foreign currency translation	37	(22)	(119)	(17)
Gain (loss) on cash flow hedges	1	(3)	3	(6)
Pension and postretirement benefits	4	(14)	1	(26)
Total other comprehensive income (loss), net of tax	41	(39)	(116)	(49)
Total comprehensive income (loss), net of tax	242	219	319	404
Comprehensive (income) loss attributable to noncontrolling interests	4	1	6	2
Comprehensive income (loss) attributable to Celanese Corporation	246	220	325	406

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATED BALANCE SHEETS

	As of June 30, 2015	As of December 31, 2014
	(In $ millions, except share data)	
ASSETS		
Current Assets		
Cash and cash equivalents (variable interest entity restricted - 2015: $1; 2014: $1)	988	780
Trade receivables - third party and affiliates (net of allowance for doubtful accounts - 2015: $6; 2014: $9)	873	801
Non-trade receivables, net	226	241
Inventories	762	782
Deferred income taxes	15	29
Marketable securities, at fair value	29	32
Other assets	30	33
Total current assets	2,923	2,698
Investments in affiliates	821	876
Property, plant and equipment (net of accumulated depreciation - 2015: $1,930; 2014: $1,816; variable interest entity restricted - 2015: $716; 2014: $535)	3,771	3,733
Deferred income taxes	260	253
Other assets (variable interest entity restricted - 2015: $38; 2014: $24)	372	377
Goodwill	716	749
Intangible assets (net of accumulated amortization - 2015: $533; 2014: $556)	125	132
Total assets	8,988	8,818
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term borrowings and current installments of long-term debt - third party and affiliates	123	137
Trade payables - third party and affiliates	736	757
Other liabilities	298	432
Deferred income taxes	6	7
Income taxes payable	105	5
Total current liabilities	1,268	1,338
Long-term debt	2,552	2,608
Deferred income taxes	127	141
Uncertain tax positions	164	159
Benefit obligations	1,130	1,211
Other liabilities	262	283
Commitments and Contingencies		
Stockholders' Equity		
Preferred stock, $0.01 par value, 100,000,000 shares authorized (2015 and 2014: 0 issued and outstanding)	—	—
Series A common stock, $0.0001 par value, 400,000,000 shares authorized (2015: 166,619,120 issued and 153,343,231 outstanding; 2014: 166,169,335 issued and 152,902,710 outstanding)	—	—
Series B common stock, $0.0001 par value, 100,000,000 shares authorized (2015 and 2014: 0 issued and outstanding)	—	—
Treasury stock, at cost (2015: 13,275,889 shares; 2014: 13,266,625 shares)	(611)	(611)
Additional paid-in capital	120	103
Retained earnings	3,848	3,491
Accumulated other comprehensive income (loss), net	(281)	(165)
Total Celanese Corporation stockholders' equity	3,076	2,818
Noncontrolling interests	409	260
Total equity	3,485	3,078
Total liabilities and equity	8,988	8,818

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENT OF EQUITY

	Six Months Ended June 30, 2015	
	Shares	Amount
	(In $ millions, except share data)	
Series A Common Stock		
Balance as of the beginning of the period	152,902,710	—
Stock option exercises	70,117	—
Purchases of treasury stock	(9,264)	—
Stock awards	379,668	—
Balance as of the end of the period	153,343,231	—
Treasury Stock		
Balance as of the beginning of the period	13,266,625	(611)
Purchases of treasury stock, including related fees	9,264	—
Balance as of the end of the period	13,275,889	(611)
Additional Paid-In Capital		
Balance as of the beginning of the period		103
Stock-based compensation, net of tax		15
Stock option exercises, net of tax		2
Balance as of the end of the period		120
Retained Earnings		
Balance as of the beginning of the period		3,491
Net earnings (loss) attributable to Celanese Corporation		441
Series A common stock dividends		(84)
Balance as of the end of the period		3,848
Accumulated Other Comprehensive Income (Loss), Net		
Balance as of the beginning of the period		(165)
Other comprehensive income (loss), net of tax		(116)
Balance as of the end of the period		(281)
Total Celanese Corporation stockholders' equity		3,076
Noncontrolling Interests		
Balance as of the beginning of the period		260
Net earnings (loss) attributable to noncontrolling interests		(6)
Contributions from noncontrolling interests		155
Balance as of the end of the period		409
Total equity		3,485

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30,	
	2015	2014
	(In $ millions)	
Operating Activities		
Net earnings (loss)	435	453
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities		
Asset impairments	—	—
Depreciation, amortization and accretion	175	151
Pension and postretirement net periodic benefit cost	(24)	(55)
Pension and postretirement contributions	(41)	(62)
Deferred income taxes, net	10	(9)
(Gain) loss on disposition of businesses and assets, net	6	4
Stock-based compensation	25	17
Undistributed earnings in unconsolidated affiliates	29	(28)
Other, net	6	6
Operating cash provided by (used in) discontinued operations	4	(1)
Changes in operating assets and liabilities		
Trade receivables - third party and affiliates, net	(92)	(185)
Inventories	(1)	(15)
Other assets	36	25
Trade payables - third party and affiliates	21	73
Other liabilities	(36)	43
Net cash provided by (used in) operating activities	553	417
Investing Activities		
Capital expenditures on property, plant and equipment	(117)	(130)
Acquisitions, net of cash acquired	(3)	—
Proceeds from sale of businesses and assets, net	—	—
Capital expenditures related to Fairway Methanol LLC	(210)	(143)
Other, net	(24)	(10)
Net cash provided by (used in) investing activities	(354)	(283)
Financing Activities		
Net change in short-term borrowings with maturities of 3 months or less	(2)	1
Proceeds from short-term borrowings	26	25
Repayments of short-term borrowings	(39)	(43)
Proceeds from long-term debt	—	—
Repayments of long-term debt	(12)	(13)
Purchases of treasury stock, including related fees	—	(103)
Stock option exercises	2	3
Series A common stock dividends	(84)	(67)
Contributions from noncontrolling interests	155	148
Other, net	(11)	(1)
Net cash provided by (used in) financing activities	35	(50)
Exchange rate effects on cash and cash equivalents	(26)	(4)
Net increase (decrease) in cash and cash equivalents	208	80
Cash and cash equivalents as of beginning of period	780	984
Cash and cash equivalents as of end of period	988	1,064

See the accompanying notes to the unaudited interim consolidated financial statements.

CELANESE CORPORATION AND SUBSIDIARIES
NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Description of the Company and Basis of Presentation

Description of the Company

Celanese Corporation and its subsidiaries (collectively, the "Company") is a global technology and specialty materials company. The Company's business involves processing chemical raw materials, such as methanol, carbon monoxide and ethylene, and natural products, including wood pulp, into value-added chemicals, thermoplastic polymers and other chemical-based products.

Definitions

In this Quarterly Report on Form 10-Q ("Quarterly Report"), the term "Celanese" refers to Celanese Corporation, a Delaware corporation, and not its subsidiaries. The term "Celanese US" refers to the Company's subsidiary, Celanese US Holdings LLC, a Delaware limited liability company, and not its subsidiaries.

Basis of Presentation

The unaudited interim consolidated financial statements for the three and six months ended June 30, 2015 and 2014 contained in this Quarterly Report were prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") for all periods presented and include the accounts of the Company, its majority owned subsidiaries over which the Company exercises control and, when applicable, variable interest entities in which the Company is the primary beneficiary. The unaudited interim consolidated financial statements and other financial information included in this Quarterly Report, unless otherwise specified, have been presented to separately show the effects of discontinued operations.

In the opinion of management, the accompanying unaudited consolidated balance sheets and related unaudited interim consolidated statements of operations, comprehensive income (loss), cash flows and equity include all adjustments, consisting only of normal recurring items necessary for their fair presentation in conformity with US GAAP. Certain information and footnote disclosures normally included in financial statements prepared in accordance with US GAAP may have been condensed or omitted in accordance with rules and regulations of the Securities and Exchange Commission ("SEC"). These unaudited interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements as of and for the year ended December 31, 2014, filed on February 6, 2015 with the SEC as part of the Company's Annual Report on Form 10-K.

Operating results for the three and six months ended June 30, 2015 are not necessarily indicative of the results to be expected for the entire year.

In the ordinary course of business, the Company enters into contracts and agreements relative to a number of topics, including acquisitions, dispositions, joint ventures, supply agreements, product sales and other arrangements. The Company endeavors to describe those contracts or agreements that are material to its business, results of operations or financial position. The Company may also describe some arrangements that are not material but in which the Company believes investors may have an interest or which may have been included in a Form 8-K filing. Investors should not assume the Company has described all contracts and agreements relative to the Company's business in this Quarterly Report.

For those consolidated ventures in which the Company owns or is exposed to less than 100% of the economics, the outside stockholders' interests are shown as noncontrolling interests.

The Company has reclassified certain prior period amounts to conform to the current period's presentation.

Estimates and Assumptions

The preparation of unaudited interim consolidated financial statements in conformity with 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 unaudited interim consolidated financial statements and the reported amounts of net sales, expenses and allocated charges during the reporting period. Significant estimates pertain to impairments of goodwill, intangible assets and other long-lived assets, purchase price allocations, restructuring costs and other (charges) gains, net, income taxes, pension and other postretirement benefits, asset retirement obligations, environmental liabilities and loss contingencies, among others. Actual results could differ from those estimates.

2. Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* ("ASU 2015-07"). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. This ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Rather, such disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. This ASU is effective retrospectively for fiscal years, and interim periods within those years, beginning after December 15, 2015. Early adoption is permitted. The Company does not expect the impact of adopting this ASU to be material to the Company's financial statements and related disclosures.

In April 2015, the FASB issued ASU 2015-03, *Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs* ("ASU 2015-03"). ASU 2015-03 requires debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying value of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by ASU 2015-03. The amendments in this ASU are effective retrospectively for fiscal years, and interim periods within those years, beginning after December 15, 2015. Early adoption is permitted. The Company does not expect the impact of adopting this ASU to be material to the Company's financial statements and related disclosures.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). ASU 2014-09 supersedes the revenue recognition requirements of FASB Accounting Standards Codification ("ASC") Topic 605, *Revenue Recognition* and most industry-specific guidance throughout the ASC, resulting in the creation of FASB ASC Topic 606, *Revenue from Contracts with Customers*. ASU 2014-09 requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. This ASU provides alternative methods of adoption. On July 9, 2015, the FASB voted to defer the effective date by one year to December 15, 2017 for fiscal years, and interim periods within those years, beginning after that date and permitted early adoption of the standard, but not before the original effective date of December 15, 2016. The Company is currently assessing the potential impact of adopting this ASU on its financial statements and related disclosures.

3. Ventures and Variable Interest Entities

Consolidated Variable Interest Entities

In February 2014, the Company formed a joint venture, Fairway Methanol LLC ("Fairway"), with Mitsui & Co., Ltd., of Tokyo, Japan ("Mitsui"), in which the Company owns 50% of Fairway, for the production of methanol at the Company's 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 the Company's Clear Lake facility. Both Mitsui and the Company will supply their own natural gas to Fairway in exchange for methanol tolling under a cost-plus off-take arrangement. The planned methanol facility will have an annual capacity of 1.3 million tons.

The Company determined that Fairway is a variable interest entity ("VIE") in which the Company is the primary beneficiary. Under the terms of the joint venture agreements, the Company provides site services and day-to-day operations for the methanol facility. In addition, the joint venture agreements provide that the Company indemnifies Mitsui for environmental obligations that exceed a specified threshold, as well as an equity option between the partners. Accordingly, the Company consolidates the venture and records a noncontrolling interest for the share of the venture owned by Mitsui. Fairway is included in the Company's Acetyl Intermediates segment.

The carrying amount of the assets and liabilities associated with Fairway included in the unaudited consolidated balance sheets are as follows:

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Cash and cash equivalents	1	1
Property, plant and equipment	716	535
Other assets	38	24
Total assets[(1)]	755	560
Trade payables	2	—
Current liabilities[(2)]	24	40
Long-term debt	6	—
Total liabilities	32	40

(1) Assets can only be used to settle the obligations of Fairway.

(2) Amounts owed by Fairway to the Company for reimbursement of expenditures.

Nonconsolidated Variable Interest Entities

The Company holds variable interests in entities that supply certain raw materials and services to the Company. The variable interests primarily relate to cost-plus contractual arrangements with the suppliers and recovery of capital expenditures for certain plant assets plus a rate of return on such assets. Liabilities for such supplier recoveries of capital expenditures have been recorded as capital lease obligations. The entities are not consolidated because the Company is not the primary beneficiary of the entities as it does not have the power to direct the activities of the entities that most significantly impact the entities' economic performance. The Company's maximum exposure to loss as a result of its involvement with these VIEs as of June 30, 2015 relates primarily to the recovery of capital expenditures for certain property, plant and equipment.

The carrying amount of the assets and liabilities associated with the obligations to nonconsolidated VIEs, as well as the maximum exposure to loss relating to these nonconsolidated VIEs are as follows:

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Property, plant and equipment, net	90	96
Trade payables	49	43
Current installments of long-term debt	9	9
Long-term debt	120	125
Total liabilities	178	177
Maximum exposure to loss	315	291

The difference between the total liabilities associated with obligations to unconsolidated VIEs and the maximum exposure to loss primarily represents take-or-pay obligations for services included in the Company's unconditional purchase obligations (Note 16).

4. Marketable Securities, at Fair Value

The Company's nonqualified trusts hold available-for-sale securities for funding requirements of the Company's nonqualified pension plans (Note 9) as follows:

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Amortized cost	29	32
Gross unrealized gain	—	—
Gross unrealized loss	—	—
Fair value	29	32

See Note 15 - Fair Value Measurements for further information regarding the fair value of the Company's marketable securities.

5. Inventories

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Finished goods	559	579
Work-in-process	51	53
Raw materials and supplies	152	150
Total	762	782

6. Current Other Liabilities

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Asset retirement obligations	7	9
Benefit obligations (Note 9)	33	28
Customer rebates	33	53
Derivatives (Note 14)	5	13
Environmental (Note 10)	18	21
Insurance	9	9
Interest	15	19
Restructuring (Note 12)	15	21
Salaries and benefits	79	129
Sales and use tax/foreign withholding tax payable	16	13
Uncertain tax positions (Note 13)	—	59
Other	68	58
Total	298	432

7. Noncurrent Other Liabilities

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Asset retirement obligations	29	28
Deferred proceeds	43	47
Deferred revenue	18	21
Derivatives (Note 14)	—	10
Environmental (Note 10)	61	63
Income taxes payable	12	13
Insurance	52	51
Other	47	50
Total	262	283

8. Debt

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Short-Term Borrowings and Current Installments of Long-Term Debt - Third Party and Affiliates		
Current installments of long-term debt	26	25
Short-term borrowings, including amounts due to affiliates[1]	67	77
Accounts receivable securitization facility[2]	30	35
Total	123	137

(1) The weighted average interest rate was 4.5% and 4.7% as of June 30, 2015 and December 31, 2014, respectively.

(2) The weighted average interest rate was 0.7% as of June 30, 2015 and December 31, 2014.

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Long-Term Debt		
Senior credit facilities - Term C-2 loan due 2016	31	34
Senior credit facilities - Term C-3 loan due 2018	886	906
Senior unsecured notes due 2019, interest rate of 3.250%	336	364
Senior unsecured notes due 2021, interest rate of 5.875%	400	400
Senior unsecured notes due 2022, interest rate of 4.625%	500	500
Pollution control and industrial revenue bonds due at various dates through 2030, interest rates ranging from 5.7% to 6.7%	169	169
Obligations under capital leases due at various dates through 2054	256	260
Subtotal	2,578	2,633
Current installments of long-term debt	(26)	(25)
Total	2,552	2,608

Senior Notes

The Company has outstanding senior unsecured notes issued in public offerings registered under the Securities Act of 1933, as amended, as follows (collectively, the "Senior Notes"):

Senior Notes	Issue Date	Principal	Interest Rate	Interest Pay Dates		Maturity Date
		(In millions)	(In percentages)			
3.250% Notes	September 2014	€300	3.250	April 15	October 15	October 15, 2019
4.625% Notes	November 2012	$500	4.625	March 15	September 15	November 15, 2022
5.875% Notes	May 2011	$400	5.875	June 15	December 15	June 15, 2021

The Senior Notes are senior unsecured obligations of Celanese US and rank equally in right of payment with all other unsubordinated indebtedness of Celanese US. The Senior Notes were issued under indentures (collectively, "Indentures") among Celanese US, Celanese and each of the domestic subsidiaries of Celanese US that guarantee its obligations under its senior secured credit facilities ("Subsidiary Guarantors") and Wells Fargo Bank, National Association, as trustee. The Senior Notes are guaranteed on a senior unsecured basis by Celanese and the Subsidiary Guarantors. The Indentures contain 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; engage in transactions with affiliates; or engage in other businesses. Celanese US may redeem some or all of each of the Senior Notes, prior to their respective maturity dates, at a redemption price of 100% of the principal amount, plus a "make-whole" premium as specified in the applicable indenture, plus accrued and unpaid interest, if any, to the redemption date.

Senior Credit Facilities

In September 2014, Celanese US, Celanese and the Subsidiary Guarantors entered into an amendment agreement with the lenders under Celanese US's existing senior secured credit facilities in order to amend and restate the amended credit agreement dated September 16, 2013 (as amended and restated by the 2014 amendment agreement, the "Amended Credit Agreement"). Under the Amended Credit Agreement, all of the US dollar-denominated Term C-2 term loans and all but €28 million of the Euro-denominated Term C-2 term loans under the 2013 amended credit agreement were converted into, or refinanced by, the Term C-3 loan facility with an extended maturity date of October 2018. The non-extended portions of the Term C-2 loan facility continue to have a maturity date of October 2016. In addition, the maturity date of the Company's revolving credit facility was extended to October 2018 and the facility was increased to $900 million. Accordingly, the Amended Credit Agreement consists of the Term C-2 loan facility, the Term C-3 loan facility and a $900 millionrevolving credit facility.

As of June 30, 2015, the margin for borrowings under the Term C-2 loan facility was 2.0% above the Euro Interbank Offered Rate ("EURIBOR") and the margin for borrowings under the Term C-3 loan facility was 2.25% above LIBOR (for US dollars) and 2.25% above EURIBOR (for Euros), as applicable. As of June 30, 2015, the margin for borrowings under the revolving credit facility was 1.5% above LIBOR. The margin for borrowings under the revolving credit facility is subject to increase or decrease in certain circumstances based on changes in the corporate credit ratings of Celanese or Celanese US.

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, the Company pays quarterly commitment fees on the unused portions of the revolving credit facility of0.25% per annum.

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, the Company's 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, the Company's first lien senior secured leverage ratio must be maintained at or below that threshold while any amounts are outstanding under the revolving credit facility.

The Company's amended first lien senior secured leverage ratios under the revolving credit facility are as follows:

As of June 30, 2015		
Maximum	**Estimate**	**Estimate, If Fully Drawn**
3.90	0.61	1.18

The Amended Credit Agreement 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; 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 $50 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.

The Company is in compliance with all of the covenants related to its debt agreements as of June 30, 2015.

Accounts Receivable Securitization Facility

In August 2013, the Company entered into a US accounts receivable securitization facility pursuant to (i) a Purchase and Sale Agreement ("Sale Agreement") among certain US subsidiaries of the Company (each an "Originator"), Celanese International Corporation ("CIC") and CE Receivables LLC, a wholly-owned, "bankruptcy remote" special purpose subsidiary of an Originator ("Transferor") and (ii) a Receivables Purchase Agreement ("Purchase Agreement"), among CIC, as servicer, the Transferor, various third-party purchasers (collectively, "Purchasers") and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as administrator ("Administrator"). The Purchase Agreement expires in 2016, but may be extended for successive one year terms by agreement of the parties. All of the Transferor's assets have been pledged to the Administrator in support of its obligations under the Purchase Agreement.

The Company's balances available for borrowing are as follows:

	As of June 30, 2015
	(In $ millions)
Revolving Credit Facility	
Borrowings outstanding	—
Letters of credit issued	—
Available for borrowing	900
Accounts Receivable Securitization Facility	
Borrowings outstanding	30 (1)
Letters of credit issued	74
Available for borrowing	16
Total borrowing base	120
Maximum borrowing base	135 (2)

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(1) The Company repaid $15 million of borrowings outstanding during the six months ended June 30, 2015.

(2) Outstanding accounts receivable transferred by the Originators to the Transferor was $173 million.

9. Benefit Obligations

The components of net periodic benefit cost are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2015		2014		2015		2014	
	Pension Benefits	Post-retirement Benefits	Pension Benefits	Post-retirement Benefits	Pension Benefits	Post-retirement Benefits	Pension Benefits	Post-retirement Benefits
	(In $ millions)				(In $ millions)			
Service cost	3	1	3	1	6	1	6	1
Interest cost	36	—	43	—	71	1	85	2
Expected return on plan assets	(53)	—	(54)	—	(105)	—	(108)	—
Recognized actuarial (gain) loss	—	1	—	—	—	1	—	—
Amortization of prior service cost (credit), net	—	—	—	(22) [1]	—	—	—	(41) [1]
Special termination benefit	—	—	—	—	1	—	—	—
Total	(14)	2	(8)	(21)	(27)	3	(17)	(38)

[1] Primarily related to the elimination of eligibility for all current and future US employees to participate in the Company's US postretirement health care plan.

Benefit obligation funding is as follows:

	As of June 30, 2015	Total Expected 2015
	(In $ millions)	
Cash contributions to defined benefit pension plans	27	28
Benefit payments to nonqualified pension plans	11	22
Benefit payments to other postretirement benefit plans	3	17
Cash contributions to German multiemployer defined benefit pension plans[1]	3	6

[1] The Company makes contributions based on specified percentages of employee contributions.

The Company's estimates of its US defined benefit pension plan contributions reflect the provisions of the Pension Protection Act of 2006.

10. Environmental

The Company is subject to environmental laws and regulations worldwide that impose limitations on the discharge of pollutants into the air and water and establish standards for the treatment, storage and disposal of solid and hazardous wastes. The Company believes that it is in substantial compliance with all applicable environmental laws and regulations. The Company is also subject to retained environmental obligations specified in various contractual agreements arising from the divestiture of certain businesses by the Company or one of its predecessor companies.

The components of environmental remediation reserves are as follows:

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Demerger obligations (Note 16)	24	25
Divestiture obligations (Note 16)	19	21
Active sites	20	23
US Superfund sites	14	12
Other environmental remediation reserves	2	3
Total	79	84

Remediation

Due to its industrial history and through retained contractual and legal obligations, the Company has the obligation to remediate specific areas on its own sites as well as on divested, demerger, orphan or US Superfund sites (as defined below). In addition, as part of the demerger agreement between the Company and Hoechst AG ("Hoechst"), a specified portion of the responsibility for environmental liabilities from a number of Hoechst divestitures was transferred to the Company (Note 16). The Company provides for such obligations when the event of loss is probable and reasonably estimable. The Company believes that environmental remediation costs will not have a material adverse effect on the financial position of the Company, but may have a material adverse effect on the results of operations or cash flows in any given period.

US Superfund Sites

In the US, the Company may be subject to substantial claims brought by US federal or state regulatory agencies or private individuals pursuant to statutory authority or common law. In particular, the Company has a potential liability under the US Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, and related state laws (collectively referred to as "Superfund") for investigation and cleanup costs at certain sites. At most of these sites, numerous companies, including the Company, or one of its predecessor companies, have been notified that the US Environmental Protection Agency ("EPA"), state governing bodies or private individuals consider such companies to be potentially responsible parties ("PRP") under Superfund or related laws. The proceedings relating to these sites are in various stages. The cleanup process has not been completed at most sites, and the status of the insurance coverage for some of these proceedings is uncertain. Consequently, the Company cannot accurately determine its ultimate liability for investigation or cleanup costs at these sites.

As events progress at each site for which it has been named a PRP, the Company accrues, as appropriate, a liability for site cleanup. Such liabilities include all costs that are probable and can be reasonably estimated. In establishing these liabilities, the Company considers its shipment of waste to a site, its percentage of total waste shipped to the site, the types of wastes involved, the conclusions of any studies, the magnitude of any remedial actions that may be necessary and the number and viability of other PRPs. Often the Company joins with other PRPs to sign joint defense agreements that settle, among PRPs, each party's percentage allocation of costs at the site. Although the ultimate liability may differ from the estimate, the Company routinely reviews the liabilities and revises the estimate, as appropriate, based on the most current information available.

One such site is the Lower Passaic River Study Area. The Company and 70 other companies are parties to a May 2007 Administrative Order on Consent with the EPA to perform a Remedial Investigation/Feasibility Study ("RI/FS") in the lower 17-mile stretch of the Passaic River in order to identify the levels of contaminants and potential cleanup actions. The parties are still working on the RI/FS with a goal to complete it in 2015. On April 11, 2014, the EPA issued its proposed evaluation of remediation alternatives for the lower 8-mile stretch of the Passaic River. Cost estimates for the various alternatives of the Passaic River range from $365 million to $3.2 billion. The EPA's preferred plan for the lower 8-mile stretch of the Passaic River would involve dredging bank to bank and installing an engineered cap at an estimated cost of $1.7 billion.

The parties involved have submitted comments to the EPA challenging the science, scope, necessity and viability of the EPA's proposed plan as the EPA's preferred remedy for the lower 8-mile stretch is inconsistent with the remedy being developed in the RI/FS for the full 17-mile stretch of the river. The EPA will evaluate all the inputs and is expected to issue a final decision concerning the lower 8-mile stretch of the river in 2015. Any subsequent order from the EPA requiring clean-up actions could be judicially challenged.

While the final remedy remains uncertain, the Company has found no evidence that it contributed any of the primary contaminants of concern to the Passaic River. The Company is vigorously defending this matter and currently believes that its ultimate allocable share of the cleanup costs, estimated at substantially less than 1%, will not be material.

11. Stockholders' Equity

Common Stock

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

The Company's Board of Directors approved increases in the Company's 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 2014	39	0.25	1.00	May 2014
April 2015	20	0.30	1.20	May 2015

Treasury Stock

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014	Total From February 2008 Through June 30, 2015
Shares repurchased	— [1]	1,870,297	20,667,195 [2]
Average purchase price per share	$ —	$ 55.13	$ 44.27
Cash paid for repurchased shares (in millions)	$ —	$ 103	$ 915
Aggregate Board of Directors repurchase authorizations (in millions)[3]	$ —	$ 172	$ 1,366

(1) Excludes 9,264 shares withheld from an executive officer to cover statutory minimum withholding requirements for personal income taxes related to the vesting of restricted stock. Restricted stock awards are considered outstanding at the time of issuance. Accordingly, the shares withheld are treated as treasury shares.

(2) Excludes 21,108 shares withheld from an executive officer to cover statutory minimum withholding requirements for personal income taxes related to the vesting of restricted stock. Restricted stock awards are considered outstanding at the time of issuance. Accordingly, the shares withheld are treated as treasury shares.

(3) These authorizations give management discretion in determining the timing and conditions under which shares may be repurchased. This repurchase program began in February 2008 and does not have an expiration date.

The purchase of treasury stock reduces the number of shares outstanding. The repurchased shares may be used by the Company for compensation programs utilizing the Company's stock and other corporate purposes. The Company accounts for treasury stock using the cost method and includes treasury stock as a component of stockholders' equity.

Other Comprehensive Income (Loss), Net

	Three Months Ended June 30,					
	2015			2014		
	Gross Amount	Income Tax (Provision) Benefit	Net Amount	Gross Amount	Income Tax (Provision) Benefit	Net Amount
	(In $ millions)					
Unrealized gain (loss) on marketable securities	—	(1)	(1)	—	—	—
Foreign currency translation	33	4	37	(12)	(10)	(22)
Gain (loss) on cash flow hedges	1	—	1	(3)	—	(3)
Pension and postretirement benefits	—	4	4	(22)	8	(14)
Total	34	7	41	(37)	(2)	(39)

	Six Months Ended June 30,					
	2015			2014		
	Gross Amount	Income Tax (Provision) Benefit	Net Amount	Gross Amount	Income Tax (Provision) Benefit	Net Amount
	(In $ millions)					
Unrealized gain (loss) on marketable securities	—	(1)	(1)	—	—	—
Foreign currency translation	(117)	(2)	(119)	(15)	(2)	(17)
Gain (loss) on cash flow hedges	4	(1)	3	(3)	(3)	(6)
Pension and postretirement benefits	—	1	1	(41)	15	(26)
Total	(113)	(3)	(116)	(59)	10	(49)

Adjustments to Accumulated other comprehensive income (loss), net, are as follows:

	Unrealized Gain (Loss) on Marketable Securities (Note 4)	Foreign Currency Translation	Gain (Loss) on Cash Flow Hedges (Note 14)	Pension and Postretire-ment Benefits (Note 9)	Accumulated Other Comprehensive Income (Loss), Net
	(In $ millions)				
As of December 31, 2014	1	(151)	(4)	(11)	(165)
Other comprehensive income (loss) before reclassifications	—	(117)	(1)	—	(118)
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	5	—	5
Income tax (provision) benefit	(1)	(2)	(1)	1	(3)
As of June 30, 2015	—	(270)	(1)	(10)	(281)

12. Other (Charges) Gains, Net

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In $ millions)			
Employee termination benefits	(10)	(1)	(14)	(3)
Plant/office closures	—	—	—	1
Commercial disputes	—	—	(1)	—
Other	—	3	—	3
Total	(10)	2	(15)	1

2015

During the three and six months ended June 30, 2015, the Company recorded $10 million and $14 million, respectively, of employee termination benefits related to the Company's ongoing efforts to align its businesses around its core value drivers.

During the three months ended June 30, 2015, the Company also recorded $39 million in accelerated depreciation expense related to property, plant and equipment no longer in use at the Company's ethanol technology development unit in Clear Lake, Texas. The Company believes that further development of its ethanol technology can be achieved through the utilization of other existing assets. The accelerated depreciation is included in Research and development expenses in the unaudited interim consolidated statements of operations and is included in the Company's Acetyl Intermediates segment.

2014

During the three months ended June 30, 2014, the Company recorded a $3 million adjustment to its initial estimate for asset retirement obligations related to the closure of its acetic anhydride facility in Roussillon, France and its vinyl acetate monomer ("VAM") facility in Tarragona, Spain. The Roussillon, France acetic anhydride operations and the Tarragona, Spain VAM operations are included in the Company's Acetyl Intermediates segment.

During the six months ended June 30, 2014, the Company recorded $2 million of employee termination benefits related to the closure of its acetic anhydride facility in Roussillon, France and its VAM facility in Tarragona, Spain and $1 million of employee termination benefits related to a business optimization project included in the Company's Advanced Engineered Materials segment.

The changes in the restructuring reserves by business segment are as follows:

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other	Total
	(In $ millions)					
Employee Termination Benefits						
As of December 31, 2014	4	1	1	5	3	14
Additions	4	1	2	1	6	14
Cash payments	(1)	(1)	(1)	(3)	—	(6)
Other changes	(3)	—	—	—	(3)	(6)
Exchange rate changes	(1)	—	—	(1)	—	(2)
As of June 30, 2015	3	1	2	2	6	14
Plant/Office Closures						
As of December 31, 2014	—	—	—	7	—	7
Additions	—	—	—	—	—	—
Cash payments	—	—	—	(5)	—	(5)
Other changes	—	—	—	—	—	—
Exchange rate changes	—	—	—	(1)	—	(1)
As of June 30, 2015	—	—	—	1	—	1
Total	3	1	2	3	6	15

13. Income Taxes

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In percentages)			
Effective income tax rate	11	27	18	28

The lower effective income tax rate for the three and six months ended June 30, 2015 is primarily attributable to a $30 million reduction of prior year tax positions due to audit closures and technical judicial clarifications. The rate was also impacted by changes in jurisdictional earnings, a portion of which related to the implementation of the Company's centralized European operating company.

In February 2015, the Company established a centralized European operating company for the purpose of improving the operational efficiencies and profitability of its European operations and certain global product lines. These activities will directly impact the Company's mix of earnings and product flows and will result in both favorable and unfavorable tax rate impacts in the jurisdictions in which the Company operates.

For the six months ended June 30, 2015, the Company's uncertain tax positions decreased $73 million, primarily due to a $59 milliondecrease in uncertain tax positions resulting from reductions for audit closures and technical judicial clarifications (Note 6) and exchange rate fluctuations of $14 million, partially offset by interest and other changes in uncertain tax positions.

The Company's US tax returns for the years 2009 through 2012 are currently under audit by the US Internal Revenue Service and certain of the Company's subsidiaries are under audit in jurisdictions outside of the US. The Company does not expect any material changes in the unrecognized tax benefits within the next twelve months related to the settlement of one or more of these audits or lapse of applicable statutes of limitations.

14. Derivative Financial Instruments

Interest Rate Swaps

The Company fixes the LIBOR portion of its US dollar denominated variable rate borrowings (Note 8) with interest rate swap derivative arrangements as follows:

As of June 30, 2015			
Notional Value	Effective Date	Expiration Date	Fixed Rate
(In $ millions)			(In percentages)
500	January 2, 2014	January 2, 2016	0.94

As of December 31, 2014			
Notional Value	Effective Date	Expiration Date	Fixed Rate
(In $ millions)			(In percentages)
500	January 2, 2014	January 2, 2016	1.02

Foreign Currency Forwards and Swaps

Gross notional values of the foreign currency forwards and swaps are as follows:

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Total	609	1,336

Cross-currency Swaps

On March 31, 2015, the Company settled its cross-currency swap agreements with notional values of $250 million/€193 million, expiringSeptember 11, 2020, and $225 million/€162 million, expiring April 17, 2019, in exchange for cash of $88 million. The Company recorded a net loss of $1 million, which is included in Other income (expense), net in the unaudited interim consolidated statement of operations. The Company classifies cash flows from derivative instruments designated as cash flow hedges in the same category of the consolidated statement of cash flows as the cash flows from the items being hedged. Accordingly, the settlement of the cross-currency swap agreements is included in Net cash provided by (used in) operating activities in the unaudited interim consolidated statement of cash flows for the six months ended June 30, 2015.

Information regarding changes in the fair value of the Company's derivative and non-derivative instruments is as follows:

	Gain (Loss) Recognized in Other Comprehensive Income (Loss)		Gain (Loss) Recognized in Earnings (Loss)		
	Three Months Ended June 30,				
	2015	2014	2015	2014	Statement of Operations Classification
	(In $ millions)				
Designated as Cash Flow Hedges					
Interest rate swaps	—	(1)	—	(2)	Interest expense
Cross-currency swaps	—	(4)	—	3	Other income (expense), net; Interest expense
Total	—	(5)	—	1	
Designated as Net Investment Hedges					
3.250% Notes	(13)	—	—	—	Foreign currency translation
Term C-2 and Term C-3 loans	(8)	—	—	—	Foreign currency translation
Total	(21)	—	—	—	
Not Designated as Hedges					
Interest rate swaps	—	—	(1)	—	Interest expense
Foreign currency forwards and swaps	—	—	—	(3)	Foreign exchange gain (loss), net; Other income (expense), net
Total	—	—	(1)	(3)	

	Gain (Loss) Recognized in Other Comprehensive Income (Loss)		Gain (Loss) Recognized in Earnings (Loss)		Statement of Operations Classification
	Six Months Ended June 30,				
	2015	2014	2015	2014	
	(In $ millions)				
Designated as Cash Flow Hedges					
Interest rate swaps	—	(1)	—	(2)	Interest expense
Cross-currency swaps	—	(4)	46	3	Other income (expense), net; Interest expense
Total	—	(5)	46	1	
Designated as Net Investment Hedges					
3.250% Notes	28	—	—	—	Foreign currency translation
Term C-2 and Term C-3 loans[1]	—	—	—	—	Foreign currency translation
Total	28	—	—	—	
Not Designated as Hedges					
Interest rate swaps	—	—	(1)	—	Interest expense
Foreign currency forwards and swaps	—	—	(68)	(5)	Foreign exchange gain (loss), net; Other income (expense), net
Total	—	—	(69)	(5)	

[1] During the three months ended March 31, 2015, the Company designated the Euro-based principal amount of its Term C-2 loan and its Term C-3 loan as a net investment hedge of its investment in a wholly-owned international subsidiary whose functional currency is the Euro to mitigate the volatility caused by the changes in foreign currency exchange rates of the Euro with respect to the US dollar.

See Note 15 - Fair Value Measurements for further information regarding the fair value of the Company's derivative instruments.

Certain of the Company's foreign currency forwards and swaps and interest rate swaps permit the Company to net settle all contracts with the counterparty through a single payment in an agreed upon currency in the event of default or early termination of the contract, similar to a master netting arrangement. The Company's interest rate swap agreements are subject to cross collateralization under the Guarantee and Collateral Agreement entered into in conjunction with the Term loan borrowings (Note 8).

Information regarding the gross amounts of the Company's derivative instruments and the amounts offset in the unaudited consolidated balance sheets is as follows:

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Derivative Assets		
Gross amount recognized	3	55
Gross amount offset in the consolidated balance sheets	—	—
Net amount presented in the consolidated balance sheets	3	55
Gross amount not offset in the consolidated balance sheets	1	4
Net amount	2	51

	As of June 30, 2015	As of December 31, 2014
	(In $ millions)	
Derivative Liabilities		
Gross amount recognized	5	23
Gross amount offset in the consolidated balance sheets	—	—
Net amount presented in the consolidated balance sheets	5	23
Gross amount not offset in the consolidated balance sheets	1	4
Net amount	4	19

15. Fair Value Measurements

The Company's financial assets and liabilities are measured at fair value on a recurring basis as follows:

Marketable Securities. Where possible, the Company utilizes quoted prices in active markets to measure available-for-sale equity securities, including mutual funds. Such items are classified as Level 1 in the fair value measurement hierarchy. Mutual funds are valued at the net asset value per share or unit multiplied by the number of shares or units held as of the measurement date.

Derivatives. Derivative financial instruments, including interest rate swaps, cross-currency swaps and foreign currency forwards and swaps, are valued in the market using discounted cash flow techniques. These techniques incorporate Level 1 and Level 2 fair value measurement inputs such as interest rates and foreign currency exchange rates. These market inputs are utilized in the discounted cash flow calculation considering the instrument's term, notional amount, discount rate and credit risk. Significant inputs to the derivative valuation for interest rate swaps, cross-currency swaps and foreign currency forwards and swaps are observable in the active markets and are classified as Level 2 in the fair value measurement hierarchy.

	Fair Value Measurement			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total	Balance Sheet Classification
	(In $ millions)			
As of June 30, 2015				
Mutual funds	29	—	29	Marketable securities, at fair value
Derivatives Not Designated as Hedges				
Foreign currency forwards and swaps	—	3	3	Current Other assets
Total assets	29	3	32	
Designated as Net Investment Hedges				
3.250% Notes[1]	—	—	—	Long-term Debt
Term C-2 and Term C-3 loans[1]	—	—	—	Long-term Debt
Derivatives Not Designated as Hedges				
Interest rate swaps	—	(2)	(2)	Current Other liabilities
Foreign currency forwards and swaps	—	(3)	(3)	Current Other liabilities
Total liabilities	—	(5)	(5)	
As of December 31, 2014				
Mutual funds	32	—	32	Marketable securities, at fair value
Derivatives Designated as Cash Flow Hedges				
Cross-currency swaps	—	9	9	Current Other assets
Cross-currency swaps	—	43	43	Noncurrent Other assets
Derivatives Not Designated as Hedges				
Foreign currency forwards and swaps	—	3	3	Current Other assets
Total assets	32	55	87	
Derivatives Designated as Cash Flow Hedges				
Cross-currency swaps	—	(2)	(2)	Current Other liabilities
Cross-currency swaps	—	(10)	(10)	Noncurrent Other liabilities
Designated as a Net Investment Hedge				
3.250% Notes[1]	—	—	—	Long-term Debt
Derivatives Not Designated as Hedges				
Interest rate swaps	—	(4)	(4)	Current Other liabilities
Foreign currency forwards and swaps	—	(7)	(7)	Current Other liabilities
Total liabilities	—	(23)	(23)	

(1) Included in the unaudited consolidated balance sheets at carrying amount.

Carrying values and fair values of financial instruments that are not carried at fair value are as follows:

		Fair Value Measurement		
	Carrying Amount	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
	(In $ millions)			
As of June 30, 2015				
Cost investments	147	—	—	—
Insurance contracts in nonqualified trusts	52	52	—	52
Long-term debt, including current installments of long-term debt	2,578	2,364	256	2,620
As of December 31, 2014				
Cost investments	145	—	—	—
Insurance contracts in nonqualified trusts	56	56	—	56
Long-term debt, including current installments of long-term debt	2,633	2,398	260	2,658

In general, the cost investments included in the table above are not publicly traded and their fair values are not readily determinable; however, the Company believes the carrying values approximate or are less than the fair values. Insurance contracts in nonqualified trusts consist of long-term fixed income securities, which are valued using independent vendor pricing models with observable inputs in the active market and therefore represent a Level 2 fair value measurement. The fair value of long-term debt is based on valuations from third-party banks and market quotations and is classified as Level 2 in the fair value measurement hierarchy. The fair value of obligations under capital leases, which are included in long-term debt, is based on lease payments and discount rates, which are not observable in the market and therefore represents a Level 3 fair value measurement.

As of June 30, 2015 and December 31, 2014, the fair values of cash and cash equivalents, receivables, trade payables, short-term borrowings and the current installments of long-term debt approximate carrying values due to the short-term nature of these instruments. These items have been excluded from the table with the exception of the current installments of long-term debt.

16. Commitments and Contingencies

The Company is involved in legal and regulatory proceedings, lawsuits, claims and investigations incidental to the normal conduct of 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, claims of legacy stockholders, past waste disposal practices and release of chemicals into the environment. The Company is actively defending those matters where the Company is named as a defendant. Due to the inherent subjectivity of assessments and unpredictability of outcomes of legal proceedings, the Company's litigation accruals and estimates of possible loss or range of possible loss ("Possible Loss") may not represent the ultimate loss to the Company from legal proceedings.

Guarantees

The Company has agreed to guarantee or indemnify third parties for environmental and other liabilities pursuant to a variety of agreements, including asset and business divestiture agreements, leases, settlement agreements and various agreements with affiliated companies. Although many of these obligations contain monetary and/or time limitations, others do not provide such limitations.

As indemnification obligations often depend on the occurrence of unpredictable future events, the future costs associated with them cannot be determined at this time.

The Company has accrued for all probable and reasonably estimable losses associated with all known matters or claims that have been brought to its attention. These known obligations include the following:

- ***Demerger Obligations***

In connection with the Hoechst demerger, the Company agreed to indemnify Hoechst, and its legal successors, for various liabilities under the demerger agreement, including for environmental liabilities associated with contamination arising either from environmental damage in general ("Category A") or under 19 divestiture agreements entered into by Hoechst prior to the demerger ("Category B") (Note 10).

The Company's obligation to indemnify Hoechst, and its legal successors, is capped under Category B at €250 million. If and to the extent the environmental damage should exceed €750 million in aggregate, the Company's obligation to indemnify Hoechst and its legal successors applies, but is then limited to 33.33% of the remediation cost without further limitations. Cumulative payments under the divestiture agreements as of June 30, 2015 are $69 million. Most of the divestiture agreements have become time barred and/or any notified environmental damage claims have been partially settled.

The Company has also undertaken in the demerger agreement to indemnify Hoechst and its legal successors for (i) 33.33% of any and all Category A liabilities that result from Hoechst being held as the responsible party pursuant to public law or current or future environmental law or by third parties pursuant to private or public law related to contamination and (ii) liabilities that Hoechst is required to discharge, including tax liabilities, which are associated with businesses that were included in the demerger but were not demerged due to legal restrictions on the transfers of such items. These indemnities do not provide for any monetary or time limitations. The Company has not been requested by Hoechst to make any payments in connection with this indemnification. Accordingly, the Company has not made any payments to Hoechst and its legal successors.

Based on the Company's evaluation of currently available information, including the lack of requests for indemnification, the Company cannot estimate the Possible Loss for the remaining demerger obligations, if any, in excess of amounts accrued.

- ***Divestiture Obligations***

The Company and its predecessor companies agreed to indemnify third-party purchasers of former businesses and assets for various pre-closing conditions, as well as for breaches of representations, warranties and covenants. Such liabilities also include environmental liability, product liability, antitrust and other liabilities. These indemnifications and guarantees represent standard contractual terms associated with typical divestiture agreements and, other than environmental liabilities, the Company does not believe that they expose the Company to any significant risk (Note 10).

The Company has divested numerous businesses, investments and facilities through agreements containing indemnifications or guarantees to the purchasers. Many of the obligations contain monetary and/or time limitations, which extend through 2037. The aggregate amount of outstanding indemnifications and guarantees provided for under these agreements is $209 million as of June 30, 2015. Other agreements do not provide for any monetary or time limitations.

Based on the Company's evaluation of currently available information, including the number of requests for indemnification or other payment received by the Company, the Company cannot estimate the Possible Loss for the remaining divestiture obligations, if any, in excess of amounts accrued.

Purchase Obligations

In the normal course of business, the Company enters into various purchase commitments for goods and services. The Company maintains a number of "take-or-pay" contracts for purchases of raw materials, utilities and other services. Certain of the contracts contain a contract termination buy-out provision that allows for the Company to exit the contracts for amounts less than the remaining take-or-pay obligations. The Company does not expect to incur any material losses under take-or-pay contractual arrangements. Additionally, the Company has other outstanding commitments representing maintenance and service agreements, energy and utility agreements, consulting contracts and software agreements. As of June 30, 2015, the Company had unconditional purchase obligations of $2.9 billion, which extend through 2036.

17. Segment Information

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Eliminations	Consolidated
	(In $ millions)						
	Three Months Ended June 30, 2015						
Net sales	346	249	287	707 [1]	—	(112)	1,477
Other (charges) gains, net (Note 12)	(3)	(1)	(1)	(1)	(4)	—	(10)
Operating profit (loss)	67	77	28	54	(38)	—	188
Equity in net earnings (loss) of affiliates	31	1	—	1	7	—	40
Depreciation and amortization	24	12	9	57 [3]	3	—	105
Capital expenditures	16	11	13	112	1	—	153 [2]
	Three Months Ended June 30, 2014						
Net sales	389	289	333	901 [1]	—	(143)	1,769
Other (charges) gains, net (Note 12)	(1)	—	—	2	1	—	2
Operating profit (loss)	56	80	24	142	(43)	—	259
Equity in net earnings (loss) of affiliates	45	7	—	14	35	—	101
Depreciation and amortization	27	10	12	19	4	—	72
Capital expenditures	11	22	6	90	2	—	131 [2]

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(1) Net sales for Acetyl Intermediates includes intersegment sales of $112 million and $143 million for the three months ended June 30, 2015 and 2014, respectively.

(2) Includes a decrease in accrued capital expenditures of $12 million and an increase of $6 million for the three months ended June 30, 2015 and 2014, respectively.

(3) See Note 12 - Other (Charges) Gains, Net for further information.

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Eliminations	Consolidated
	(In $ millions)						
	Six Months Ended June 30, 2015						
Net sales	689	476	569	1,420 [1]	—	(227)	2,927
Other (charges) gains, net (Note 12)	(4)	(1)	(2)	(2)	(6)	—	(15)
Operating profit (loss)	126	139	57	185	(62)	—	445
Equity in net earnings (loss) of affiliates	74	1	—	2	11	—	88
Depreciation and amortization	49	23	19	76 [3]	5	—	172
Capital expenditures	33	37	19	208	2	—	299 [2]
	As of June 30, 2015						
Goodwill and intangible assets, net	344	253	51	193	—	—	841
Total assets	2,443	1,485	832	2,594	1,634	—	8,988
	Six Months Ended June 30, 2014						
Net sales	762	591	645	1,742 [1]	—	(266)	3,474
Other (charges) gains, net (Note 12)	(1)	—	—	2	—	—	1
Operating profit (loss)	113	179	44	239	(73)	—	502
Equity in net earnings (loss) of affiliates	78	8	—	15	40	—	141
Depreciation and amortization	53	21	26	40	7	—	147
Capital expenditures	20	50	10	166	3	—	249 [2]
	As of December 31, 2014						
Goodwill and intangible assets, net	358	261	54	208	—	—	881
Total assets	2,484	1,491	823	2,495	1,525	—	8,818

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(1) Net sales for Acetyl Intermediates includes intersegment sales of $227 million and $266 million for the six months ended June 30, 2015 and 2014, respectively.

(2) Includes a decrease in accrued capital expenditures of $28 million and $24 million for the six months ended June 30, 2015 and 2014, respectively.

(3) See Note 12 - Other (Charges) Gains, Net for further information.

18. Earnings (Loss) Per Share

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In $ millions, except share data)			
Amounts attributable to Celanese Corporation				
Earnings (loss) from continuing operations	207	259	443	455
Earnings (loss) from discontinued operations	(2)	—	(2)	—
Net earnings (loss)	205	259	441	455
Weighted average shares - basic	153,480,175	155,751,779	153,349,071	156,124,714
Incremental shares attributable to equity awards	510,758	302,453	596,395	299,951
Weighted average shares - diluted	153,990,933	156,054,232	153,945,466	156,424,665

During the three and six months ended June 30, 2015, 0 and 644 equity award shares, respectively, were not included in the computation of diluted net earnings per share as their effect would have been antidilutive. During the same periods in 2014, there were no anti-dilutive equity awards excluded from the computation of diluted net earnings per share.

19. Consolidating Guarantor Financial Information

The Senior Notes were issued by Celanese US ("Issuer") and are guaranteed by Celanese Corporation ("Parent Guarantor") and the Subsidiary Guarantors (Note 8). The Issuer and Subsidiary Guarantors are 100% owned subsidiaries of the Parent Guarantor. The Parent Guarantor and Subsidiary Guarantors have guaranteed the Notes fully and unconditionally and jointly and severally.

For cash management purposes, the Company transfers cash between the Parent Guarantor, Issuer, Subsidiary Guarantors and non-guarantors through intercompany financing arrangements, contributions or declaration of dividends between the respective parent and its subsidiaries. The transfer of cash under these activities facilitates the ability of the recipient to make specified third-party payments for principal and interest on the Company's outstanding debt, Common Stock dividends and Common Stock repurchases. The unaudited interim consolidating statements of cash flows for the six months ended June 30, 2015 and 2014 present such intercompany financing activities, contributions and dividends consistent with how such activity would be presented in a stand-alone statement of cash flows.

The Company has not presented separate financial information and other disclosures for each of its Subsidiary Guarantors because it believes such financial information and other disclosures would not provide investors with any additional information that would be material in evaluating the sufficiency of the guarantees.

The unaudited interim consolidating financial statements for the Parent Guarantor, the Issuer, the Subsidiary Guarantors and the non-guarantors are as follows:

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENT OF OPERATIONS

	Three Months Ended June 30, 2015					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net sales	—	—	674	1,174	(371)	1,477
Cost of sales	—	—	(474)	(1,011)	383	(1,102)
Gross profit	—	—	200	163	12	375
Selling, general and administrative expenses	—	—	(29)	(77)	—	(106)
Amortization of intangible assets	—	—	(2)	(1)	—	(3)
Research and development expenses	—	—	(49)	(10)	—	(59)
Other (charges) gains, net	—	—	—	(10)	—	(10)
Foreign exchange gain (loss), net	—	—	—	(3)	—	(3)
Gain (loss) on disposition of businesses and assets, net	—	—	(1)	(5)	—	(6)
Operating profit (loss)	—	—	119	57	12	188
Equity in net earnings (loss) of affiliates	206	244	114	35	(559)	40
Interest expense	—	(41)	(8)	(8)	27	(30)
Interest income	—	5	20	3	(27)	1
Dividend income - cost investments	—	—	—	26	—	26
Other income (expense), net	—	—	1	1	—	2
Earnings (loss) from continuing operations before tax	206	208	246	114	(547)	227
Income tax (provision) benefit	(1)	(2)	(29)	9	(1)	(24)
Earnings (loss) from continuing operations	205	206	217	123	(548)	203
Earnings (loss) from operation of discontinued operations	—	—	(3)	—	—	(3)
Income tax (provision) benefit from discontinued operations	—	—	1	—	—	1
Earnings (loss) from discontinued operations	—	—	(2)	—	—	(2)
Net earnings (loss)	205	206	215	123	(548)	201
Net (earnings) loss attributable to noncontrolling interests	—	—	—	4	—	4
Net earnings (loss) attributable to Celanese Corporation	205	206	215	127	(548)	205

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENT OF OPERATIONS

	Three Months Ended June 30, 2014					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net sales	—	—	679	1,357	(267)	1,769
Cost of sales	—	—	(501)	(1,149)	289	(1,361)
Gross profit	—	—	178	208	22	408
Selling, general and administrative expenses	—	—	(18)	(101)	—	(119)
Amortization of intangible assets	—	—	(2)	(3)	—	(5)
Research and development expenses	—	—	(13)	(11)	—	(24)
Other (charges) gains, net	—	—	—	2	—	2
Foreign exchange gain (loss), net	—	—	—	(1)	—	(1)
Gain (loss) on disposition of businesses and assets, net	—	—	(2)	—	—	(2)
Operating profit (loss)	—	—	143	94	22	259
Equity in net earnings (loss) of affiliates	259	282	48	89	(577)	101
Interest expense	—	(49)	(6)	(21)	36	(40)
Interest income	—	17	18	3	(36)	2
Dividend income - cost investments	—	—	—	29	—	29
Other income (expense), net	—	—	1	—	—	1
Earnings (loss) from continuing operations before tax	259	250	204	194	(555)	352
Income tax (provision) benefit	—	9	(52)	(46)	(5)	(94)
Earnings (loss) from continuing operations	259	259	152	148	(560)	258
Earnings (loss) from operation of discontinued operations	—	—	(1)	—	—	(1)
Income tax (provision) benefit from discontinued operations	—	—	1	—	—	1
Earnings (loss) from discontinued operations	—	—	—	—	—	—
Net earnings (loss)	259	259	152	148	(560)	258
Net (earnings) loss attributable to noncontrolling interests	—	—	—	1	—	1
Net earnings (loss) attributable to Celanese Corporation	259	259	152	149	(560)	259

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENT OF OPERATIONS

	Six Months Ended June 30, 2015					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net sales	—	—	1,332	2,307	(712)	2,927
Cost of sales	—	—	(905)	(1,995)	729	(2,171)
Gross profit	—	—	427	312	17	756
Selling, general and administrative expenses	—	—	(53)	(151)	—	(204)
Amortization of intangible assets	—	—	(3)	(3)	—	(6)
Research and development expenses	—	—	(59)	(20)	—	(79)
Other (charges) gains, net	—	—	(3)	(12)	—	(15)
Foreign exchange gain (loss), net	—	—	—	—	—	—
Gain (loss) on disposition of businesses and assets, net	—	—	(3)	(4)	—	(7)
Operating profit (loss)	—	—	306	122	17	445
Equity in net earnings (loss) of affiliates	441	523	206	75	(1,157)	88
Interest expense	—	(84)	(13)	(20)	60	(57)
Interest income	—	13	39	9	(60)	1
Dividend income - cost investments	—	—	—	54	—	54
Other income (expense), net	—	—	1	1	—	2
Earnings (loss) from continuing operations before tax	441	452	539	241	(1,140)	533
Income tax (provision) benefit	—	(11)	(82)	(1)	(2)	(96)
Earnings (loss) from continuing operations	441	441	457	240	(1,142)	437
Earnings (loss) from operation of discontinued operations	—	—	(3)	—	—	(3)
Income tax (provision) benefit from discontinued operations	—	—	1	—	—	1
Earnings (loss) from discontinued operations	—	—	(2)	—	—	(2)
Net earnings (loss)	441	441	455	240	(1,142)	435
Net (earnings) loss attributable to noncontrolling interests	—	—	—	6	—	6
Net earnings (loss) attributable to Celanese Corporation	441	441	455	246	(1,142)	441

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENT OF OPERATIONS

	Six Months Ended June 30, 2014					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net sales	—	—	1,386	2,657	(569)	3,474
Cost of sales	—	—	(962)	(2,300)	574	(2,688)
Gross profit	—	—	424	357	5	786
Selling, general and administrative expenses	—	—	(27)	(196)	—	(223)
Amortization of intangible assets	—	—	(4)	(7)	—	(11)
Research and development expenses	—	—	(26)	(20)	—	(46)
Other (charges) gains, net	—	—	—	1	—	1
Foreign exchange gain (loss), net	—	—	—	(2)	—	(2)
Gain (loss) on disposition of businesses and assets, net	—	—	(5)	2	—	(3)
Operating profit (loss)	—	—	362	135	5	502
Equity in net earnings (loss) of affiliates	454	510	78	125	(1,026)	141
Interest expense	—	(95)	(12)	(40)	68	(79)
Interest income	—	31	35	4	(68)	2
Dividend income - cost investments	—	—	—	58	—	58
Other income (expense), net	—	—	4	(3)	—	1
Earnings (loss) from continuing operations before tax	454	446	467	279	(1,021)	625
Income tax (provision) benefit	1	8	(122)	(57)	(2)	(172)
Earnings (loss) from continuing operations	455	454	345	222	(1,023)	453
Earnings (loss) from operation of discontinued operations	—	—	(1)	—	—	(1)
Income tax (provision) benefit from discontinued operations	—	—	1	—	—	1
Earnings (loss) from discontinued operations	—	—	—	—	—	—
Net earnings (loss)	455	454	345	222	(1,023)	453
Net (earnings) loss attributable to noncontrolling interests	—	—	—	2	—	2
Net earnings (loss) attributable to Celanese Corporation	455	454	345	224	(1,023)	455

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Three Months Ended June 30, 2015					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net earnings (loss)	205	206	215	123	(548)	201
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	(1)	(1)	(1)	(1)	3	(1)
Foreign currency translation	37	37	56	74	(167)	37
Gain (loss) on cash flow hedges	1	1	1	1	(3)	1
Pension and postretirement benefits	4	4	3	4	(11)	4
Total other comprehensive income (loss), net of tax	41	41	59	78	(178)	41
Total comprehensive income (loss), net of tax	246	247	274	201	(726)	242
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	4	—	4
Comprehensive income (loss) attributable to Celanese Corporation	246	247	274	205	(726)	246

	Three Months Ended June 30, 2014					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net earnings (loss)	259	259	152	148	(560)	258
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	(22)	(22)	(9)	2	29	(22)
Gain (loss) on cash flow hedges	(3)	(3)	—	(3)	6	(3)
Pension and postretirement benefits	(14)	(14)	(14)	—	28	(14)
Total other comprehensive income (loss), net of tax	(39)	(39)	(23)	(1)	63	(39)
Total comprehensive income (loss), net of tax	220	220	129	147	(497)	219
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	1	—	1
Comprehensive income (loss) attributable to Celanese Corporation	220	220	129	148	(497)	220

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Six Months Ended June 30, 2015					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net earnings (loss)	441	441	455	240	(1,142)	435
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	(1)	(1)	(1)	(1)	3	(1)
Foreign currency translation	(119)	(119)	(114)	(137)	370	(119)
Gain (loss) on cash flow hedges	3	3	6	3	(12)	3
Pension and postretirement benefits	1	1	—	4	(5)	1
Total other comprehensive income (loss), net of tax	(116)	(116)	(109)	(131)	356	(116)
Total comprehensive income (loss), net of tax	325	325	346	109	(786)	319
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	6	—	6
Comprehensive income (loss) attributable to Celanese Corporation	325	325	346	115	(786)	325

	Six Months Ended June 30, 2014					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net earnings (loss)	455	454	345	222	(1,023)	453
Other comprehensive income (loss), net of tax						
Unrealized gain (loss) on marketable securities	—	—	—	—	—	—
Foreign currency translation	(17)	(17)	7	(14)	24	(17)
Gain (loss) on cash flow hedges	(6)	(6)	—	(3)	9	(6)
Pension and postretirement benefits	(26)	(26)	(26)	—	52	(26)
Total other comprehensive income (loss), net of tax	(49)	(49)	(19)	(17)	85	(49)
Total comprehensive income (loss), net of tax	406	405	326	205	(938)	404
Comprehensive (income) loss attributable to noncontrolling interests	—	—	—	2	—	2
Comprehensive income (loss) attributable to Celanese Corporation	406	405	326	207	(938)	406

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATING BALANCE SHEET

	As of June 30, 2015					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
ASSETS						
Current Assets						
Cash and cash equivalents	1	—	115	872	—	988
Trade receivables - third party and affiliates	—	—	182	888	(197)	873
Non-trade receivables, net	36	974	2,270	382	(3,436)	226
Inventories, net	—	—	250	595	(83)	762
Deferred income taxes	—	—	26	11	(22)	15
Marketable securities, at fair value	—	—	29	—	—	29
Other assets	—	—	17	23	(10)	30
Total current assets	37	974	2,889	2,771	(3,748)	2,923
Investments in affiliates	3,041	6,216	4,199	721	(13,356)	821
Property, plant and equipment, net	—	—	1,022	2,749	—	3,771
Deferred income taxes	—	16	237	9	(2)	260
Other assets	—	102	154	395	(279)	372
Goodwill	—	—	314	402	—	716
Intangible assets, net	—	—	74	51	—	125
Total assets	3,078	7,308	8,889	7,098	(17,385)	8,988
LIABILITIES AND EQUITY						
Current Liabilities						
Short-term borrowings and current installments of long-term debt - third party and affiliates	—	1,972	700	249	(2,798)	123
Trade payables - third party and affiliates	—	—	354	579	(197)	736
Other liabilities	2	18	165	274	(161)	298
Deferred income taxes	—	22	—	6	(22)	6
Income taxes payable	—	—	542	71	(508)	105
Total current liabilities	2	2,012	1,761	1,179	(3,686)	1,268
Noncurrent Liabilities						
Long-term debt	—	2,234	373	204	(259)	2,552
Deferred income taxes	—	14	—	115	(2)	127
Uncertain tax positions	—	7	29	128	—	164
Benefit obligations	—	—	863	267	—	1,130
Other liabilities	—	—	119	170	(27)	262
Total noncurrent liabilities	—	2,255	1,384	884	(288)	4,235
Total Celanese Corporation stockholders' equity	3,076	3,041	5,744	4,626	(13,411)	3,076
Noncontrolling interests	—	—	—	409	—	409
Total equity	3,076	3,041	5,744	5,035	(13,411)	3,485
Total liabilities and equity	3,078	7,308	8,889	7,098	(17,385)	8,988

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED CONSOLIDATING BALANCE SHEET

	As of December 31, 2014					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
ASSETS						
Current Assets						
Cash and cash equivalents	—	—	110	670	—	780
Trade receivables - third party and affiliates	—	—	184	821	(204)	801
Non-trade receivables, net	35	477	2,265	407	(2,943)	241
Inventories, net	—	—	268	613	(99)	782
Deferred income taxes	—	—	39	12	(22)	29
Marketable securities, at fair value	—	—	32	—	—	32
Other assets	—	6	12	34	(19)	33
Total current assets	35	483	2,910	2,557	(3,287)	2,698
Investments in affiliates	2,784	5,889	4,349	613	(12,759)	876
Property, plant and equipment, net	—	—	1,029	2,704	—	3,733
Deferred income taxes	—	16	211	26	—	253
Other assets	—	674	146	400	(843)	377
Goodwill	—	—	314	435	—	749
Intangible assets, net	—	—	73	59	—	132
Total assets	2,819	7,062	9,032	6,794	(16,889)	8,818
LIABILITIES AND EQUITY						
Current Liabilities						
Short-term borrowings and current installments of long-term debt - third party and affiliates	—	1,894	184	290	(2,231)	137
Trade payables - third party and affiliates	—	—	413	548	(204)	757
Other liabilities	1	34	225	402	(230)	432
Deferred income taxes	—	22	—	7	(22)	7
Income taxes payable	—	—	484	45	(524)	5
Total current liabilities	1	1,950	1,306	1,292	(3,211)	1,338
Noncurrent Liabilities						
Long-term debt	—	2,269	900	208	(769)	2,608
Deferred income taxes	—	—	—	141	—	141
Uncertain tax positions	—	6	16	137	—	159
Benefit obligations	—	—	923	288	—	1,211
Other liabilities	—	53	121	192	(83)	283
Total noncurrent liabilities	—	2,328	1,960	966	(852)	4,402
Total Celanese Corporation stockholders' equity	2,818	2,784	5,766	4,276	(12,826)	2,818
Noncontrolling interests	—	—	—	260	—	260
Total equity	2,818	2,784	5,766	4,536	(12,826)	3,078
Total liabilities and equity	2,819	7,062	9,032	6,794	(16,889)	8,818

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENT OF CASH FLOWS

	Six Months Ended June 30, 2015					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net cash provided by (used in) operating activities	83	45	285	306	(166)	553
Investing Activities						
Capital expenditures on property, plant and equipment	—	—	(74)	(43)	—	(117)
Acquisitions, net of cash acquired	—	—	(3)	—	—	(3)
Proceeds from sale of businesses and assets, net	—	—	—	—	—	—
Capital expenditures related to Fairway Methanol LLC	—	—	(9)	(201)	—	(210)
Return of capital from subsidiary	—	—	—	—	—	—
Contributions to subsidiary	—	—	(60)	—	60	—
Intercompany loan receipts (disbursements)	—	3	(25)	(15)	37	—
Other, net	—	—	(12)	(12)	—	(24)
Net cash provided by (used in) investing activities	—	3	(183)	(271)	97	(354)
Financing Activities						
Net change in short-term borrowings with maturities of 3 months or less	—	25	(1)	(1)	(25)	(2)
Proceeds from short-term borrowings	—	—	—	26	—	26
Repayments of short-term borrowings	—	—	—	(39)	—	(39)
Proceeds from long-term debt	—	15	—	—	(15)	—
Repayments of long-term debt	—	(5)	(3)	(7)	3	(12)
Purchases of treasury stock, including related fees	—	—	—	—	—	—
Dividends to parent	—	(83)	(83)	—	166	—
Contributions from parent	—	—	—	60	(60)	—
Stock option exercises	2	—	—	—	—	2
Series A common stock dividends	(84)	—	—	—	—	(84)
Return of capital to parent	—	—	—	—	—	—
Contributions from noncontrolling interests	—	—	—	155	—	155
Other, net	—	—	(10)	(1)	—	(11)
Net cash provided by (used in) financing activities	(82)	(48)	(97)	193	69	35
Exchange rate effects on cash and cash equivalents	—	—	—	(26)	—	(26)
Net increase (decrease) in cash and cash equivalents	1	—	5	202	—	208
Cash and cash equivalents as of beginning of period	—	—	110	670	—	780
Cash and cash equivalents as of end of period	1	—	115	872	—	988

CELANESE CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONSOLIDATING STATEMENT OF CASH FLOWS

	Six Months Ended June 30, 2014					
	Parent Guarantor	Issuer	Subsidiary Guarantors	Non-Guarantors	Eliminations	Consolidated
	(In $ millions)					
Net cash provided by (used in) operating activities	169	109	333	142	(336)	417
Investing Activities						
Capital expenditures on property, plant and equipment	—	—	(100)	(30)	—	(130)
Acquisitions, net of cash acquired	—	—	—	—	—	—
Proceeds from sale of businesses and assets, net	—	—	—	—	—	—
Capital expenditures related to Fairway Methanol LLC	—	—	(34)	(109)	—	(143)
Return of capital from subsidiary	—	—	51	—	(51)	—
Contributions to subsidiary	—	—	(97)	—	97	—
Intercompany loan receipts (disbursements)	—	3	(61)	—	58	—
Other, net	—	—	(6)	(4)	—	(10)
Net cash provided by (used in) investing activities	—	3	(247)	(143)	104	(283)
Financing Activities						
Net change in short-term borrowings with maturities of 3 months or less	—	61	10	(9)	(61)	1
Proceeds from short-term borrowings	—	—	—	25	—	25
Repayments of short-term borrowings	—	—	—	(43)	—	(43)
Proceeds from long-term debt	—	—	—	—	—	—
Repayments of long-term debt	—	(5)	(3)	(8)	3	(13)
Purchases of treasury stock, including related fees	(103)	—	—	—	—	(103)
Dividends to parent	—	(168)	(168)	—	336	—
Contributions from parent	—	—	—	97	(97)	—
Stock option exercises	3	—	—	—	—	3
Series A common stock dividends	(67)	—	—	—	—	(67)
Return of capital to parent	—	—	—	(51)	51	—
Contributions from noncontrolling interests	—	—	—	148	—	148
Other, net	—	—	(1)	—	—	(1)
Net cash provided by (used in) financing activities	(167)	(112)	(162)	159	232	(50)
Exchange rate effects on cash and cash equivalents	—	—	—	(4)	—	(4)
Net increase (decrease) in cash and cash equivalents	2	—	(76)	154	—	80
Cash and cash equivalents as of beginning of period	—	—	284	700	—	984
Cash and cash equivalents as of end of period	2	—	208	854	—	1,064

Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

In this Quarterly Report on Form 10-Q ("Quarterly 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 Celanese Corporation and Subsidiaries consolidated financial statements as of and for the year ended December 31, 2014 filed on February 6, 2015 with the Securities and Exchange Commission ("SEC") as part of the Company's Annual Reporting on Form 10-K ("2014 Form 10-K") and the unaudited interim consolidated financial statements and notes to the unaudited interim 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 Quarterly 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 and at the beginning of our 2014 Form 10-K.

Forward-Looking Statements

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") and other parts of this Quarterly 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 and beliefs with respect to future events at the time that the statements are made, are not historical facts or guarantees of future performance and involve risks and uncertainties that are difficult to predict and many of which are outside of our control. Further, certain forward-looking statements are based upon assumptions as to future events that may not prove to be accurate. All forward-looking statements made in this Quarterly Report are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed in this Quarterly 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.

See *Part I - Item 1A. Risk Factors* of our 2014 Form 10-K and subsequent periodic filings we make with the SEC for 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, wood pulp and fuel oil 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 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 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 Quarterly 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 Quarterly 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, filtration applications, 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.

Results of Operations

Financial Highlights

	Three Months Ended June 30,			Six Months Ended June 30,		
	2015	2014	Change	2015	2014	Change
	(unaudited) (In $ millions, except percentages)					
Statement of Operations Data						
Net sales	1,477	1,769	(292)	2,927	3,474	(547)
Gross profit	375	408	(33)	756	786	(30)
Selling, general and administrative ("SG&A") expenses	(106)	(119)	13	(204)	(223)	19
Other (charges) gains, net	(10)	2	(12)	(15)	1	(16)
Operating profit (loss)	188	259	(71)	445	502	(57)
Equity in net earnings of affiliates	40	101	(61)	88	141	(53)
Interest expense	(30)	(40)	10	(57)	(79)	22
Dividend income - cost investments	26	29	(3)	54	58	(4)
Earnings (loss) from continuing operations before tax	227	352	(125)	533	625	(92)
Earnings (loss) from continuing operations	203	258	(55)	437	453	(16)
Earnings (loss) from discontinued operations	(2)	—	(2)	(2)	—	(2)
Net earnings (loss)	201	258	(57)	435	453	(18)
Net earnings (loss) attributable to Celanese Corporation	205	259	(54)	441	455	(14)
Other Data						
Depreciation and amortization	105	72	33	172	147	25
SG&A expenses as a percentage of Net sales	7.2%	6.7%		7.0%	6.4%	
Operating margin[1]	12.7%	14.6%		15.2%	14.5%	
Other (charges) gains, net						
Employee termination benefits	(10)	(1)	(9)	(14)	(3)	(11)
Plant/office closures	—	—	—	—	1	(1)
Commercial disputes	—	—	—	(1)	—	(1)
Other	—	3	(3)	—	3	(3)
Total Other (charges) gains, net	(10)	2	(12)	(15)	1	(16)

[1] Defined as Operating profit (loss) divided by Net sales.

	As of June 30, 2015	As of December 31, 2014
	(unaudited) (In $ millions)	
Balance Sheet Data		
Cash and cash equivalents	988	780
Short-term borrowings and current installments of long-term debt - third party and affiliates	123	137
Long-term debt	2,552	2,608
Total debt	2,675	2,745

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:

Three Months Ended June 30, 2015 Compared to Three Months Ended June 30, 2014

	Volume	Price	Currency	Other	Total
			(unaudited)		
			(In percentages)		
Advanced Engineered Materials	(1)	(1)	(9)	—	(11)
Consumer Specialties	(10)	(3)	(1)	—	(14)
Industrial Specialties	(1)	(4)	(9)	—	(14)
Acetyl Intermediates	(4)	(10)	(8)	—	(22)
Total Company	(4)	(7)	(8)	2	(17)

Six Months Ended June 30, 2015 Compared to Six Months Ended June 30, 2014

	Volume	Price	Currency	Other	Total
			(unaudited)		
			(In percentages)		
Advanced Engineered Materials	(1)	(1)	(8)	—	(10)
Consumer Specialties	(16)	(3)	(1)	—	(20)
Industrial Specialties	(2)	(1)	(9)	—	(12)
Acetyl Intermediates	(3)	(9)	(7)	—	(19)
Total Company	(5)	(5)	(7)	1	(16)

Pension and Postretirement Benefit Plan Costs

The increase (decrease) in pension and other postretirement plan net periodic benefit cost for each of our business segments is as follows:

Three Months Ended June 30, 2015 Compared to Three Months Ended June 30, 2014

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Total
			(unaudited)			
			(In $ millions)			
Service cost	—	—	—	—	—	—
Interest cost and expected return on plan assets	—	—	—	—	(6)	(6)
Recognized actuarial (gain) loss	—	—	—	—	1	1
Amortization of prior service cost (credit), net[1]	8	4	2	4	4	22
Special termination benefit	—	—	—	—	—	—
Total	8	4	2	4	(1)	17

[1] Primarily relates to the elimination of eligibility for all current and future US employees to participate in our US postretirement health care plan.

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Total
	(unaudited)					
	(In $ millions)					
Cost of sales	4	3	1	2	—	10
SG&A expenses	3	1	1	1	(1)	5
Research and development expenses	1	—	—	1	—	2
Total	8	4	2	4	(1)	17

Six Months Ended June 30, 2015 Compared to Six Months Ended June 30, 2014

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Total
	(unaudited)					
	(In $ millions)					
Service cost	—	—	—	—	—	—
Interest cost and expected return on plan assets	—	—	—	—	(12)	(12)
Recognized actuarial (gain) loss	—	—	—	—	1	1
Amortization of prior service cost (credit), net[(1)]	14	8	4	8	7	41
Special termination benefit	—	—	—	—	1	1
Total	14	8	4	8	(3)	31

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(1) Primarily relates to the elimination of eligibility for all current and future US employees to participate in our US postretirement health care plan.

	Advanced Engineered Materials	Consumer Specialties	Industrial Specialties	Acetyl Intermediates	Other Activities	Total
	(unaudited)					
	(In $ millions)					
Cost of sales	8	7	3	4	(1)	21
SG&A expenses	4	1	1	2	(2)	6
Research and development expenses	2	—	—	2	—	4
Total	14	8	4	8	(3)	31

See Note 9 - Benefit Obligations in the accompanying unaudited interim consolidated financial statements for further information.

Consolidated Results

Three Months Ended June 30, 2015 Compared with Three Months Ended June 30, 2014

Net sales decreased $292 million, or 16.5%, for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- unfavorable currency impacts across all our business segments resulting from a strong US dollar relative to the Euro;
- lower pricing in our Acetyl Intermediates segment for vinyl acetate monomer ("VAM") as a result of industry outages in the prior year which did not recur in the current year, resulting in more normalized pricing, as well as lower volume for ethanol and acetic anhydride;
- lower acetate tow volume in our Consumer Specialties segment driven by customer destocking; and
- lower acetate tow pricing in our Consumer Specialties segment driven by reduced industry utilization.

Operating profit decreased $71 million, or 27.4%, for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a decrease in Net sales, as well as an increase in depreciation and amortization expense in our Acetyl Intermediates segment as a result of $39 million in accelerated depreciation expense related to property, plant and equipment no longer in use at our ethanol technology development unit in Clear Lake, Texas, beginning in June 2015. See Note 12 - Other (Charges) Gains, Net in the accompanying unaudited interim consolidated financial statements for further information;

partially offset by:

- lower raw material costs in our Acetyl Intermediates segment, primarily for ethylene.

As a percentage of Net sales, SG&A expenses increased from 6.7% to 7.2% for the three months ended June 30, 2015 compared to the same period in 2014, primarily due to lower Net sales.

Equity in net earnings (loss) of affiliates decreased $61 million for the three months ended June 30, 2015 compared to the same period in2014 primarily due to:

- a $48 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year. Our equity investment in InfraServ GmbH & Co. Hoechst KG is primarily owned by an entity included in our Other Activities segment, while our Consumer Specialties and Acetyl Intermediates segments also each hold an ownership percentage; and
- a decrease in equity investment earnings of $16 million from our National Methanol Company ("Ibn Sina") strategic affiliate as a result of lower pricing for methyl tertiary-butyl ether ("MTBE") and methanol.

Our effective income tax rate for the three months ended June 30, 2015 was 11% compared to 27% for the same period in 2014. The lower effective income tax rate for the three months ended June 30, 2015 is primarily due to:

- a $30 million reduction of prior year tax positions due to audit closures and technical judicial clarifications; and
- changes in jurisdictional earnings, a portion of which related to the implementation of our centralized European operating company.

Our effective income tax rate is affected by recurring items, such as tax rates in foreign jurisdictions and the relative amounts and mix of income and loss in those jurisdictions to which they relate, as well as discrete items and non-deductible expenses that may occur in any given year, but are not consistent from year to year.

We recently established a centralized European operating company in the Netherlands for the purpose of improving the operational efficiencies and profitability of our European operations and certain global product lines and to centralize leadership and management functions in a single location. A key objective of our European operating company is to align our business operations, identify cost savings and further streamline our operations. We successfully implemented the model for the majority of our global cellulose derivatives business in February 2015 and expect to incorporate portions of our other businesses into the model throughout the remainder of the year. We expect increased strategic focus to result in certain operational savings and improved margins, which will directly impact our mix of earnings and product flows and result in both favorable and unfavorable tax rate impacts in the jurisdictions in which we operate.

See Note 13 - Income Taxes in the accompanying unaudited interim consolidated financial statements for further information.

Six Months Ended June 30, 2015 Compared with Six Months Ended June 30, 2014

Net sales decreased $547 million, or 15.7%, for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- unfavorable currency impacts across all our business segments resulting from a strong US dollar relative to the Euro;
- lower pricing in our Acetyl Intermediates segment for VAM and acetic acid, as well as solvents and derivatives;
- lower acetate tow volume in our Consumer Specialties segment driven by customer destocking; and
- lower acetate tow pricing in our Consumer Specialties segment driven by reduced industry utilization.

Operating profit decreased $57 million, or 11.4%, for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a decrease in Net sales, as well as an increase in depreciation and amortization expense in our Acetyl Intermediates segment as a result of $39 million in accelerated depreciation expense related to property, plant and equipment no longer in use at our ethanol technology development unit in Clear Lake, Texas, beginning in June 2015;

partially offset by:

- lower energy and raw material costs in our Acetyl Intermediates segment, primarily for ethylene.

As a percentage of Net sales, SG&A expenses increased from 6.4% to 7.0% for the six months ended June 30, 2015 compared to the same period in 2014, primarily due to lower Net sales.

Equity in net earnings (loss) of affiliates decreased $53 million for the six months ended June 30, 2015 compared to the same period in2014 primarily due to:

- a $48 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year.

Our effective income tax rate for the six months ended June 30, 2015 was 18% compared to 28% for the same period in 2014. The lower effective income tax rate for the six months ended June 30, 2015 is primarily due to:

- a $30 million reduction of prior year tax positions due to audit closures and technical judicial clarifications; and
- changes in jurisdictional earnings, a portion of which related to the implementation of our centralized European operating company.

Assuming no material changes to tax rules and regulations or cash repatriation plans, we expect to realize operational savings in connection with the establishment of our centralized European operating company, which will directly impact the mix of our earnings and may result in favorable income tax impacts in subsequent years. Our effective tax rate will vary based on the jurisdictions in which income is actually generated and remains subject to potential volatility from changing tax legislation in the US and other tax jurisdictions. We continue to assess our business model and its impact in various jurisdictions.

Business Segments

Advanced Engineered Materials

	Three Months Ended June 30,				Six Months Ended June 30,			
	2015	2014	Change	% Change	2015	2014	Change	% Change
	(unaudited)							
	(In $ millions, except percentages)							
Net sales	346	389	(43)	(11.1)%	689	762	(73)	(9.6)%
Net Sales Variance								
Volume	(1)%				(1)%			
Price	(1)%				(1)%			
Currency	(9)%				(8)%			
Other	— %				— %			
Other (charges) gains, net	(3)	(1)	(2)	200.0 %	(4)	(1)	(3)	300.0 %
Operating profit (loss)	67	56	11	19.6 %	126	113	13	11.5 %
Operating margin	19.4 %	14.4%			18.3 %	14.8%		
Equity in net earnings (loss) of affiliates	31	45	(14)	(31.1)%	74	78	(4)	(5.1)%
Depreciation and amortization	24	27	(3)	(11.1)%	49	53	(4)	(7.5)%

Our Advanced Engineered Materials segment includes our engineered materials business and certain strategic affiliates. Our engineered materials business develops, produces and supplies a broad portfolio of high performance specialty polymers for automotive and medical applications, as well as industrial products and consumer electronics. Together with our strategic affiliates, our engineered materials business is a leading participant in the global specialty polymers industry.

Three Months Ended June 30, 2015 Compared with Three Months Ended June 30, 2014

Net sales decreased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- an unfavorable currency impact resulting from a strong US dollar relative to the Euro; and
- slightly lower pricing due to product mix.

Operating profit increased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower raw material costs, primarily for ethylene, polypropylene and methanol, which more than offset the decrease in Net sales and an increase of $8 million in net periodic benefit cost.

Equity in net earnings (loss) of affiliates decreased for the three months ended June 30, 2015 compared to the same period in 2014primarily due to:

- a decrease in equity investment earnings of $16 million from our Ibn Sina strategic affiliate as a result of lower pricing for MTBE and methanol.

Six Months Ended June 30, 2015 Compared with Six Months Ended June 30, 2014

Net sales decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- an unfavorable currency impact resulting from a strong US dollar relative to the Euro; and
- slightly lower pricing due to product mix.

Operating profit increased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower energy and raw material costs, primarily for ethylene, polypropylene and methanol, which more than offset the decrease in Net sales and an increase of $14 million in net periodic benefit cost.

Equity in net earnings (loss) of affiliates decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a decrease in equity investment earnings of $13 million from our Ibn Sina strategic affiliate as a result of lower pricing for MTBE and methanol;

partially offset by:

- an increase in equity investment earnings from our Polyplastics Co., Ltd. and Korea Engineering Plastics Co., Ltd., strategic affiliates of $5 million and $5 million, respectively, as a result of lower raw material and energy costs.

Consumer Specialties

	Three Months Ended June 30,				Six Months Ended June 30,			
	2015	**2014**	**Change**	**% Change**	**2015**	**2014**	**Change**	**% Change**
	(unaudited) (In $ millions, except percentages)							
Net sales	249	289	(40)	(13.8)%	476	591	(115)	(19.5)%
Net Sales Variance								
Volume	(10)%				(16)%			
Price	(3)%				(3)%			
Currency	(1)%				(1)%			
Other	— %				— %			
Other (charges) gains, net	(1)	—	(1)	100.0 %	(1)	—	(1)	100.0 %
Operating profit (loss)	77	80	(3)	(3.8)%	139	179	(40)	(22.3)%
Operating margin	30.9 %	27.7%			29.2 %	30.3%		
Equity in net earnings (loss) of affiliates	1	7	(6)	(85.7)%	1	8	(7)	(87.5)%
Dividend income - cost investments	26	28	(2)	(7.1)%	54	57	(3)	(5.3)%
Depreciation and amortization	12	10	2	20.0 %	23	21	2	9.5 %

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 film and acetate tow, primarily used in filtration applications. Our food ingredients business is a leading international supplier of premium quality ingredients for the food and beverage and pharmaceuticals industries.

Three Months Ended June 30, 2015 Compared with Three Months Ended June 30, 2014

Net sales decreased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower acetate tow volume driven by customer destocking; and
- lower acetate tow pricing driven by reduced industry utilization.

Operating profit decreased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a decrease in Net sales, partially offset by lower raw material and natural gas costs.

Equity in net earnings (loss) of affiliates decreased for the three months ended June 30, 2015 compared to the same period in 2014primarily due to:

- a $6 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year. Our equity investment in InfraServ GmbH & Co. Hoechst KG is primarily owned by an entity included in our Other Activities segment, while our Consumer Specialties and Acetyl Intermediates segments also each hold an ownership percentage.

On April 22, 2015, we announced our intention to consult with employee representatives on a potential 50% capacity reduction at our acetate tow plant in Lanaken, Belgium. The consultation process is expected to continue into the third quarter. No significant employee termination benefits or impairment related charges were incurred during the three months ended June 30, 2015.

Six Months Ended June 30, 2015 Compared with Six Months Ended June 30, 2014

Net sales decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower acetate tow volume driven by customer destocking; and
- lower acetate tow pricing driven by reduced industry utilization.

Operating profit decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a decrease in Net sales, partially offset by lower raw material and natural gas costs.

Equity in net earnings (loss) of affiliates decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a $6 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year.

Industrial Specialties

	Three Months Ended June 30,				Six Months Ended June 30,			
	2015	2014	Change	% Change	2015	2014	Change	% Change
	(unaudited)							
	(In $ millions, except percentages)							
Net sales	287	333	(46)	(13.8)%	569	645	(76)	(11.8)%
Net Sales Variance								
Volume	(1)%				(2)%			
Price	(4)%				(1)%			
Currency	(9)%				(9)%			
Other	—%				—%			
Other (charges) gains, net	(1)	—	(1)	100.0 %	(2)	—	(2)	100.0 %
Operating profit (loss)	28	24	4	16.7 %	57	44	13	29.5 %
Operating margin	9.8 %	7.2%			10.0 %	6.8%		
Depreciation and amortization	9	12	(3)	(25.0)%	19	26	(7)	(26.9)%

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 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. EVA polymers products are used in many applications, including flexible packaging films, lamination film products, hot melt adhesives, medical tubing, automotive parts and carpeting.

Three Months Ended June 30, 2015 Compared with Three Months Ended June 30, 2014

Net sales decreased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- an unfavorable currency impact on our emulsion polymers business resulting from a strong US dollar relative to the Euro; and
- lower pricing in our emulsions polymers business due to lower raw material costs for VAM in Europe, Asia and North America.

Operating profit increased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower raw material costs, specifically VAM in Europe, which more than offset the decrease in Net sales.

Six Months Ended June 30, 2015 Compared with Six Months Ended June 30, 2014

Net sales decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- an unfavorable currency impact on our emulsion polymers business resulting from a strong US dollar relative to the Euro; and
- lower volume in our emulsion polymers business, primarily in North America for textiles and paper.

Operating profit increased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower raw material costs, specifically VAM in Europe, which more than offset the decrease in Net sales.

Acetyl Intermediates

	Three Months Ended June 30,				Six Months Ended June 30,			
	2015	2014	Change	% Change	2015	2014	Change	% Change
				(unaudited)				
				(In $ millions, except percentages)				
Net sales	707	901	(194)	(21.5)%	1,420	1,742	(322)	(18.5)%
Net Sales Variance								
Volume	(4)%				(3)%			
Price	(10)%				(9)%			
Currency	(8)%				(7)%			
Other	— %				— %			
Other (charges) gains, net	(1)	2	(3)	(150.0)%	(2)	2	(4)	(200.0)%
Operating profit (loss)	54	142	(88)	(62.0)%	185	239	(54)	(22.6)%
Operating margin	7.6 %	15.8%			13.0 %	13.7%		
Equity in net earnings (loss) of affiliates	1	14	(13)	(92.9)%	2	15	(13)	(86.7)%
Depreciation and amortization	57	19	38	200.0 %	76	40	36	90.0 %

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.

Three Months Ended June 30, 2015 Compared with Three Months Ended June 30, 2014

Net sales decreased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- an unfavorable currency impact resulting from a strong US dollar relative to the Euro;
- lower pricing, primarily for VAM due to industry outages in the prior year which did not recur in the current year, resulting in more normalized pricing; and
- lower volume for ethanol and acetic anhydride, primarily due to a planned turnaround in China.

Operating profit decreased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a decrease in Net sales, as well as an increase in depreciation and amortization expense as a result of $39 million in accelerated depreciation expense related to property, plant and equipment no longer in use at our ethanol technology development unit in Clear Lake, Texas, beginning in June 2015. See Note 12 - Other (Charges) Gains, Net in the accompanying unaudited interim consolidated financial statements for further information;

partially offset by:

- lower raw material costs, primarily for ethylene.

Equity in net earnings (loss) of affiliates decreased for the three months ended June 30, 2015 compared to the same period in 2014primarily due to:

- a $13 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year. Our equity investment in InfraServ GmbH & Co. Hoechst KG is primarily owned by an entity included in our Other Activities segment, while our Consumer Specialties and Acetyl Intermediates segments also each hold an ownership percentage.

Six Months Ended June 30, 2015 Compared with Six Months Ended June 30, 2014

Net sales decreased during the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- an unfavorable currency impact resulting from a strong US dollar relative to the Euro;
- lower pricing and volume, primarily for VAM, representing approximately half of the decrease in pricing and volume, due to industry outages in the prior year which did not recur in the current year;
- lower pricing for acetic acid, as well as solvents and derivatives, primarily due to lower raw material costs; and
- lower volume for acetic anhydride, primarily due to a planned turnaround in China.

Operating profit decreased during the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a decrease in Net sales, as well as an increase in depreciation and amortization expense as a result of $39 million in accelerated depreciation expense related to property, plant and equipment no longer in use at our ethanol technology development unit in Clear Lake, Texas, beginning in June 2015;

partially offset by:

- lower energy and raw material costs, primarily for ethylene.

Equity in net earnings (loss) of affiliates decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a $13 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year.

Other Activities

	Three Months Ended June 30,				Six Months Ended June 30,			
	2015	2014	Change	% Change	2015	2014	Change	% Change
	(unaudited)							
	(In $ millions, except percentages)							
Other (charges) gains, net	(4)	1	(5)	(500.0)%	(6)	—	(6)	100.0 %
Operating profit (loss)	(38)	(43)	5	(11.6)%	(62)	(73)	11	(15.1)%
Equity in net earnings (loss) of affiliates	7	35	(28)	(80.0)%	11	40	(29)	(72.5)%
Depreciation and amortization	3	4	(1)	(25.0)%	5	7	(2)	(28.6)%

Other Activities primarily consists of corporate center costs, including administrative activities such as finance, information technology and human resource 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 postretirement plans, which are not allocated to our business segments.

Three Months Ended June 30, 2015 Compared with Three Months Ended June 30, 2014

Operating loss decreased for the three months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower functional spending of $10 million;

partially offset by:

- higher project spending related to our European operating company.

Equity in net earnings (loss) of affiliates decreased for the three months ended June 30, 2015 compared to the same period in 2014primarily due to:

- a $29 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year. Our equity investment in InfraServ GmbH & Co. Hoechst KG is primarily owned by an entity included in our Other Activities segment, while our Consumer Specialties and Acetyl Intermediates segments also each hold an ownership percentage.

Six Months Ended June 30, 2015 Compared with Six Months Ended June 30, 2014

Operating loss decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- lower functional spending and incentive compensation costs of $20 million;

partially offset by:

- higher project spending related to our European operating company.

Equity in net earnings (loss) of affiliates decreased for the six months ended June 30, 2015 compared to the same period in 2014 primarily due to:

- a $29 million gain resulting from restructuring the debt of a subsidiary of InfraServ GmbH & Co. Hoechst KG during the three months ended June 30, 2014, which did not recur in the current year.

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 June 30, 2015, we have $900 million available for borrowing under our revolving credit facility and $16 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, for the next twelve months. 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.

In February 2014, we formed a joint venture, Fairway Methanol LLC ("Fairway"), with Mitsui & Co., Ltd., of Tokyo, Japan ("Mitsui"), in which we own 50% of Fairway, 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 in the range of $875 million to $900 million, including $95 million of installed infrastructure. Our portion of the investment is estimated to be in the range of $350 million to $375 million, excluding the $95 million of 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 fourth quarter of 2015.

Total cash outflows for capital expenditures, including our portion of the Fairway project, are expected to be in the range of $350 millionto $400 million in 2015 primarily due to our portion of the investment in the construction of the Clear Lake methanol unit and additional investments in growth opportunities in our Advanced Engineered Materials and Industrial Specialties segments.

On a stand-alone basis, Celanese and its immediate 100% owned subsidiary, 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 Series A Common Stock ("Common Stock").

Cash Flows

Cash and cash equivalents increased $208 million to $988 million as of June 30, 2015 compared to December 31, 2014. As of June 30, 2015, $870 million of the $988 million of cash and cash equivalents was held by our foreign subsidiaries. If these funds are needed for our operations in the US, we will access such funds in a tax efficient manner to satisfy cash flow needs. Currently, there are no contemplated cash distributions that will result in incremental US taxes payable in excess of applicable foreign tax credits related to such undistributed earnings. As a result, we have not provided any deferred income taxes on the portion of undistributed foreign earnings determined not to be permanently reinvested in foreign operations.

- ***Net Cash Provided by (Used in) Operating Activities***

Net cash provided by operating activities increased $136 million to $553 million for the six months ended June 30, 2015 compared to$417 million for the same period in 2014. Net cash provided by operations for the six months ended June 30, 2015 increased primarily as a result of:

- a reduction of $76 million in cash taxes paid; and
- a $55 million decrease in trade working capital, primarily due to the impact of a decline in Net sales on trade receivables.

Trade working capital is calculated as follows:

	As of June 30, 2015	As of December 31, 2014	As of June 30, 2014	As of December 31, 2013
	(unaudited)			
	(In $ millions)			
Trade receivables, net	873	801	1,045	867
Inventories	762	782	816	804
Trade payables - third party and affiliates	(736)	(757)	(839)	(799)
Trade working capital	899	826	1,022	872

- ***Net Cash Provided by (Used in) Investing Activities***

Net cash used in investing activities increased $71 million to $354 million for the six months ended June 30, 2015 compared to $283 million for the same period in 2014, primarily due to:

- capital expenditures relating to Fairway of $210 million, $67 million higher than in the same period in 2014.

- ***Net Cash Provided by (Used in) Financing Activities***

Net cash provided by financing activities increased $85 million from a net cash outflow of $50 million for the six months ended June 30, 2014 to a net cash inflow of $35 million for the six months ended June 30, 2015. The increase in net cash provided by financing activities was primarily due to:

- a decrease in stock repurchase transactions of $103 million;

partially offset by:

- higher Common Stock dividends of $17 million due to a 39% and 20% increase in quarterly cash dividends beginning May 2014 and May 2015, respectively.

In addition, exchange rates had an unfavorable impact of $26 million on cash and cash equivalents for the six months ended June 30, 2015compared to $4 million for the same period in 2014.

Debt and Other Obligations

There have been no material changes to our debt or other obligations described in our 2014 Form 10-K other than those disclosed in Note 8 - Debt in the accompanying unaudited interim consolidated financial statements.

Share Capital

There have been no material changes to our share capital described in our 2014 Form 10-K other than those disclosed in Note 11 - Stockholders' Equity in the accompanying unaudited interim consolidated financial statements.

Contractual Obligations

Except as otherwise described in this report, there have been no material revisions outside the ordinary course of business to our contractual obligations as described in our 2014 Form 10-K.

Off-Balance Sheet Arrangements

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

Critical Accounting Policies and Estimates

Our unaudited interim consolidated financial statements are based on the selection and application of significant accounting policies. The preparation of unaudited interim consolidated financial statements in conformity with 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 unaudited interim consolidated financial statements and the reported amounts of net sales, 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 describe our significant accounting policies in Note 2 - Summary of Accounting Policies, of the Notes to the Consolidated Financial Statements included in our 2014 Form 10-K. We discuss our critical accounting policies and estimates in the MD&A of our 2014 Form 10-K.

Recent Accounting Pronouncements

See Note 2 - Recent Accounting Pronouncements in the accompanying unaudited interim consolidated financial statements included in this Quarterly Report on Form 10-Q for information regarding recent accounting pronouncements.

Item 3. *Quantitative and Qualitative Disclosures about Market Risk*

Market risk for our Company has not changed materially from the foreign exchange, interest rate and commodity risks disclosed in Item 7A. Quantitative and Qualitative Disclosures about Market Risk in our 2014 Form 10-K. See also Note 14 - Derivative Financial Instruments, in the accompanying unaudited interim consolidated financial statements for further discussion of our market risk management and the related impact on our financial position and results of operations.

Item 4. *Controls and Procedures*

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including the Chief Executive Officer and Interim Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this report. Based on that evaluation, as of June 30, 2015, the Chief Executive Officer and Interim Chief Financial Officer have concluded that our disclosure controls and procedures are effective.

Changes in Internal Control Over Financial Reporting

During the period covered by this report, 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.

PART II — OTHER INFORMATION

Item 1. *Legal Proceedings*

We are involved in a number of legal and regulatory proceedings, lawsuits and claims incidental to the normal conduct of our business, relating to such matters as product liability, land disputes, contracts, antitrust, intellectual property, workers' compensation, chemical exposure, asbestos exposure, trade compliance, prior acquisitions and divestitures, claims of legacy stockholders, 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. Due to the inherent subjectivity of assessments and unpredictability of outcomes of legal proceedings, the Company's litigation accruals and estimates of possible loss or range of possible loss may not represent the ultimate loss to the Company from legal proceedings. See Note 10 - Environmental and Note 16 - Commitments and Contingencies in the accompanying unaudited interim consolidated financial statements for a discussion of material environmental matters and material commitments and contingencies related to legal and regulatory proceedings. There have been no significant developments in the "Legal Proceedings" described in our 2014 Form 10-K other than those disclosed in Note 10 - Environmental and Note 16 - Commitments and Contingencies in the accompanying unaudited interim consolidated financial statements.

Item 1A. *Risk Factors*

There have been no material changes to the risk factors under Part I, Item 1A of our 2014 Form 10-K.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

Repurchases of our Common Stock during the three months ended June 30, 2015 are as follows:

	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)]
			(unaudited)	
April 1-30, 2015	11,646	$ 57.62	—	$ 451,000,000
May 1-31, 2015	—	$ —	—	$ 451,000,000
June 1-30, 2015	23	$ 57.30	—	$ 451,000,000
Total	11,669		—	

(1) Includes 11,646 and 23 for April and June 2015, 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 awards and restricted stock units.

(2) Our Board of Directors authorized the repurchase of $1.4 billion of our Common Stock since February 2008.

See Note 11 - Stockholders' Equity in the accompanying unaudited interim consolidated financial statements for further information.

Item 3. *Defaults Upon Senior Securities*

None.

Item 4. *Mine Safety Disclosures*

None.

Item 5. *Other Information*

None.

Item 6. *Exhibits*

Exhibit Number	Description
3.1	Second Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Annual Report on Form 10-K filed with the SEC on February 11, 2011).
3.2	Third Amended and Restated By-laws, amended effective July 23, 2014 (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K filed with the SEC on July 28, 2014).
10.1*†	Offer Letter, dated May 4, 2015, between Celanese Corporation and Patrick D. Quarles.
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith

† Indicates a management contract or compensatory plan or arrangement

SIGNATURES

Pursuant to the requirements 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
Mark C. Rohr
Chairman of the Board of Directors and
Chief Executive Officer

Date: July 17, 2015

By: /s/ CHRISTOPHER W. JENSEN
Christopher W. Jensen
Senior Vice President, Finance and
Interim Chief Financial Officer

Date: July 17, 2015

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Section 2: EX-10.1 (EXHIBIT 10.1)

Exhibit 10.1

Celanese

Confidential

May 4, 2015

Mr. Patrick D. Quarles

Dear Pat,

On behalf of Celanese, I am pleased to offer you the role of Executive Vice President and President - Acetyls Chain of Celanese Corporation. This position includes additional responsibilities for our Global Integrated Supply Chain. Your position will be based in Dallas, TX.

Base Salary
Your base salary will be $600,000 per year and will be payable on a bi-weekly basis in accordance with the Company's normal payroll practice. Your base pay will be reviewed annually by the Compensation and Management Development Committee (the "Compensation Committee") of the Board of Directors.

Annual Bonus
You will be eligible to participate in the Company's annual bonus plan. Our bonus plan uses both a number of financial and non-financial measures and your personal performance to determine your actual bonus payout each year. Your 2015 annual bonus opportunity at target will be 80% of your base salary (the "Target", or $480,000), with a "Superior" opportunity for business performance of up to 160% of your base salary. A personal performance modifier also currently allows for an additional adjustment between 0% and 150% of your planned bonus payout to reflect your individual performance relative to your annual objectives. Accordingly, the absolute maximum payout for the annual bonus will be 240% of your base salary. For 2015, you will be eligible for a full year's bonus (irrespective of your start date), based on actual Company and individual performance.

Sign-on Bonus
You will receive a one-time Sign-on Bonus cash payment in the amount of $100,000 less applicable deductions, which is payable through our normal payroll process within thirty (30) days of your start date. This amount will assist you in covering any initial transition expenses before your permanent relocation. Should you voluntarily end your employment with Celanese for any reason within two (2) years of your start date, Celanese reserves the right to seek full repayment of the Sign-on Bonus.

Initial Equity Award
Celanese believes that an executive's interests should be aligned with shareholder interests, in part through equity ownership in the Company. As a result, you will receive an equity award as part of your initial offer package. Your initial equity award will consist of the following:

Time-vesting Restricted Stock Units (Time-vesting RSUs): You will receive an award of Time-vesting RSUs with a grant date fair value equal to approximately $3,000,000 that will vest one-third each year for three years beginning on the grant date. Once vested, the after-tax portion of these shares will be required to be held until the EVP stock ownership guideline has been met, as described later in this document.

The Compensation Committee has approved this award, subject to your acceptance of this letter, with the grant date defined as your actual start date.

Long-Term Incentive Awards
Celanese currently delivers Long-Term Incentive (LTI) compensation to senior executives through annual grants of equity awards. Annual LTI awards are planned to occur in the first quarter of each calendar year. The aggregate grant date value and mix of awards are based on a combination of salary level, individual contribution and performance, market levels of long-term incentive compensation and other factors. Each year, the Compensation Committee evaluates the level of awards and

the mix among various stock-based vehicles. Going forward, you will be eligible for an LTI award consistent with your position at the Company.

Your initial annual LTI target for your role will be $1,200,000. You will receive an annual grant in 2015 at this target amount, with the grant date being your actual start date.

The complete terms of your initial equity award and annual LTI award will be included in two separate award agreements sent to you after the grant date. All equity awards will be subject to stock ownership requirements applicable to the particular award and your position. You will be required to sign appropriate award agreements and the Celanese LTI Claw-back agreement in order to receive these awards.

Change-in-Control Agreement; Severance

You will be eligible to receive change-in-control benefits as described in the Change-in-Control agreement that will be issued to you upon hire. Generally the cash provision is equal to two (2) times the sum of your then current annualized base salary; and the higher of your Target Bonus in effect on the last day of the Fiscal Year that ended immediately prior to the year in which the Termination Date occurs, or the average of the cash bonuses paid by the Company to you for the three Fiscal Years preceding the Termination Date. Your long-term incentive awards are governed by the terms and conditions of the applicable individual award agreements.

Your change-in-control agreement will include a "best-net" provision that states the Company will cut back change-in-control payments to the safe harbor limit only if you would receive a greater after-tax benefit than if the excise tax were paid by you on any excess parachute payment**.** In addition, you will not be entitled to any tax gross-up.

You will be eligible for separation benefits under the Celanese Executive Severance Benefit Plan in the event of a termination, not for cause, unrelated to a change-in-control. Your benefits will be as provided in the Plan except that the multiple of base salary and bonus will be 1.5.

Stock Ownership Guidelines

In order to align our executives' interests with those of our shareholders, Celanese expects senior leaders to maintain equity ownership in the Company commensurate with their position. You will be subject to stock ownership guidelines applicable to your position as in effect from time to time. The current EVP stock ownership guideline is equal to a value of three (3) times your annual base salary and you will have five (5) years to meet the guideline. In computing compliance with our stock ownership guidelines, a portion of the value of any unvested Restricted Stock Unit awards (time- or performance-vested) granted to you as well as 100% of any Celanese stock that you beneficially own in your various Company and individual accounts will be included.

Employee Benefits

During your employment, you will be entitled to participate in the Company's employee benefit plans as in effect from time to time, on the same basis as those benefits that are generally made available to other employees of the Company. We offer medical and dental coverage, group life insurance and a retirement savings plan that includes Company contributions of up to 11% of base salary (comprised of 401(k) matching contributions of 100% on the first 6% of the employee's contributions plus a 5% Company retirement contribution), subject to IRS code restrictions. For Executives, we have a Supplemental Non-Qualified Savings Plan that allows for Company contributions on eligible pay that exceeds the IRS limits.

Additionally, you will be eligible to participate in the Celanese Annual Executive Physical Program including an annual physical with the Baylor Personal Edge program.

Relocation Assistance

Celanese will assist in your relocation to the Dallas area under the provisions of our relocation policy for new employees in effect at that time. Generally, this policy provides for temporary living, the shipment of household goods, home sale and purchase assistance (for homeowners) and a lump-sum payment to assist with various miscellaneous expenses associated with your relocation. The home sale and purchase assistance can be utilized for up to one (1) year after you relocate to the Dallas area. Details of our relocation policy will be provided to you under separate cover.

Should you voluntarily end your employment with Celanese for any reason within one (1) year of your start date, Celanese will seek full repayment of any relocation assistance provided to you.

Vacation
You will be entitled to four (4) weeks annual vacation. Vacation availability for the first year of employment will be prorated based on your anticipated start date, in accordance with the Company's vacation policy.

Restrictive Covenant Agreement (RCA)
As a condition of your employment, you will be required to execute a Restrictive Covenant Agreement (the "RCA") with the Company regarding protection and non-disclosure of confidential information and non–competition, non-solicitation and no hire. A copy of the RCA will be provided to you under separate cover.

Terms & Conditions of Employment
This offer letter constitutes the full terms and conditions of your employment with the Company. It supersedes any other oral or written promises that may have been made to you.

Background Check & Drug Screen
This offer of employment is contingent upon the satisfactory completion of a background check and pre-employment examination including tests for substance abuse. If not satisfactorily completed, the offer will be rescinded. Arrangements for the Hair Drug screen will be coordinated through Concentra Medical Services (the required paperwork and instructions are enclosed). This should be completed no later than two (2) weeks before your start date.

Employment Verification
As required by law, we will need to verify and document your identity and eligibility for employment in the United States. You can find a complete list of acceptable documents at http://www.uscis.gov/files/form/i-9.pdf. Please bring appropriate documentation on your start date. **Do not complete the form in advance; you must complete it on your first day of employment.**

Pat, we are very enthusiastic about you joining our team and your contributions to Celanese. If these provisions are agreeable to you, please sign the enclosed copy of this letter and return it to me.

Sincerely,

/s/ Mark Rohr

Mark Rohr
Chief Executive Officer, Celanese

Acknowledgment of Offer:
(Please check one)

☑·I accept the above described offer of employment with Celanese and understand that my employment status will be considered at-will and may be terminated at any time for any reason. Upon acceptance of this offer, I agree to keep the terms and conditions of this agreement confidential.

☐·I decline your offer of employment.

Signature: /s/ Patrick D. Quarles Date: 18 May 15
Patrick D. Quarles

Anticipated Start Date: June 1, 2015

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Section 3: EX-31.1 (EXHIBIT 31.1)

Exhibit 31.1

CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mark C. Rohr, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Celanese Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MARK C. ROHR

Mark C. Rohr
Chairman of the Board of Directors and
Chief Executive Officer
July 17, 2015

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Section 4: EX-31.2 (EXHIBIT 31.2)

Exhibit 31.2

CERTIFICATION
PURSUANT TO 17 CFR 240.13a-14
PROMULGATED UNDER
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher W. Jensen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Celanese Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

(c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CHRISTOPHER W. JENSEN

Christopher W. Jensen
Senior Vice President, Finance and
Interim Chief Financial Officer
July 17, 2015

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Section 5: EX-32.1 (EXHIBIT 32.1)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Celanese Corporation (the "Company") on Form 10-Q for the period ending June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mark C. Rohr, Chairman of the Board of Directors and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MARK C. ROHR

Mark C. Rohr
Chairman of the Board of Directors and
Chief Executive Officer
July 17, 2015

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Section 6: EX-32.2 (EXHIBIT 32.2)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Celanese Corporation (the "Company") on Form 10-Q for the period ending June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher W. Jensen, Senior Vice President, Finance and Interim Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ CHRISTOPHER W. JENSEN

Christopher W. Jensen
Senior Vice President, Finance and
Interim Chief Financial Officer
July 17, 2015