

CELANESE CORP

FORM 8-K (Current report filing)

Filed 10/22/12 for the Period Ending 10/22/12

Address	222 W. LAS COLINAS BLVD., SUITE 900N IRVING, TX, 75039-5421
Telephone	972-443-4000
CIK	0001306830
Symbol	CE
SIC Code	2820 - Plastic Material, Synthetic Resin/Rubber, Cellulos (No Glass)
Industry	Commodity Chemicals
Sector	Basic Materials
Fiscal Year	12/31

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

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **October 22, 2012**

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

DELAWARE

001-32410

98-0420726

(State or other jurisdiction
of incorporation)

(Commission File
Number)

(IRS Employer
Identification No.)

222 West Las Colinas Blvd. Suite 900N, Irving, TX 75039
(Address of Principal Executive Offices) (Zip Code)

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

(Former name or former address, if changed since last report):

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On October 22, 2012, Celanese Corporation (the “Company”) issued a press release reporting the financial results for its third quarter 2012 . A copy of the press release is attached to this Current Report on Form 8-K (“Current Report”) as Exhibit 99.1 and is incorporated herein solely for purposes of this Item 2.02 disclosure.

Item 7.01 Regulation FD Disclosure

On October 23, 2012 , Mark C. Rohr, Chairman and Chief Executive Officer of the Company, and Steven M. Sterin, Senior Vice President and Chief Financial Officer of the Company, will make a presentation to investors and analysts via a webcast hosted by the Company at 10:00 a.m. ET (9:00 a.m. CT). The webcast, prepared remarks from Mark Rohr and Steven Sterin and a slide presentation may be accessed on our website at www.celanese.com under Investor Events & Presentations. A copy of the slide presentation and a copy of the prepared remarks posted for the webcast are attached to this Current Report as Exhibit 99.2 and Exhibit 99.3, respectively, and are incorporated herein solely for purposes of this Item 7.01 disclosure.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit</u> <u>Number</u>	<u>Descriptions</u>
99.1	Press Release dated October 22, 2012*
99.2	Slide Presentation dated October 22, 2012*
99.3	Prepared Remarks from M. Rohr and S. Sterin dated October 22, 2012*

*In connection with the disclosure set forth in Item 2.02 and Item 7.01, the information in this Current Report, including the exhibits attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section. The information in this Current Report, including the exhibits, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing. This Current Report will not be deemed an admission as to the materiality of any information in this Current Report that is required to be disclosed solely by Regulation FD.

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 hereunto duly authorized.

CELANESE CORPORATION

By: /s/ James R. Peacock III
Name: James R. Peacock III
Title: Vice President, Deputy General Counsel and Assistant Corporate Secretary

Date: October 22, 2012

Exhibit Index

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Celanese Corporation
 222 West Las Colinas Blvd.
 Suite 900N
 Irving, Texas 75039

Celanese Corporation Reports Third Quarter 2012 Results

Dallas, October 22, 2012: Celanese Corporation (NYSE: CE), a global technology and specialty materials company, today reported third quarter 2012 adjusted earnings per share of \$0.93 . This compares with \$1.27 in the prior year period. Increased volumes and expanded operating margins in the company's portfolio of businesses focused on customer-oriented solutions, which includes Advanced Engineered Materials, and Consumer and Industrial Specialties, were offset by lower margins in Acetyl Intermediates due to continued soft demand and lower pricing across acetyl products and derivatives. Diluted earnings per share from continuing operations for the quarter were \$0.74 compared with \$1.05 last year.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
<i>(in \$ millions, except per share data) - Unaudited</i>				
Net sales	1,609	1,807	4,917	5,149
Operating profit (loss)	163	196	425	593
Net earnings (loss) attributable to Celanese Corporation	117	167	510	512
Operating EBITDA ¹	298	374	955	1,119
Diluted EPS - continuing operations	\$ 0.74	\$ 1.05	\$ 3.21	\$ 3.21
Diluted EPS - total	\$ 0.73	\$ 1.05	\$ 3.20	\$ 3.22
Adjusted EPS ²	\$ 0.93	\$ 1.27	\$ 3.13	\$ 3.89

¹Non-U.S. GAAP measure. See reconciliation in Table 1A.

²Non-U.S. GAAP measure. See reconciliation in Table 6.

"Celanese delivered on its commitments with a solid quarter amid a challenging economic environment. Our customer-oriented solution businesses generated strong results, reflecting the value we provide to our customers, but demand for acetyl products and derivatives remained at trough-like conditions. The Advanced Engineered Materials and Consumer Specialties businesses each expanded operating EBITDA margins sequentially and year-over-year, excluding affiliate earnings," said Mark Rohr, chairman and chief executive officer. "Celanese's strong operating cash flow in the third quarter enabled the company to improve its net debt position by \$124 million from the prior quarter. We will continue to pursue our balanced capital deployment strategy to optimize value for our shareholders."

Operating profit for the quarter was \$163 million compared with \$196 million in the prior year on expanded operating margins in the company's customer-oriented solution businesses which were offset by lower margins in Acetyl Intermediates. The tax rate and diluted share count for adjusted earnings per share in the third quarter were 17 percent and 160.1 million , respectively. Net earnings were \$117 million in the third quarter of 2012 compared with the prior year results of \$167 million .

Net sales in the third quarter were \$1,609 million compared to \$1,807 million in the prior year. The company's portfolio of customer-oriented solution businesses delivered increased year-over-year volumes, but the lower sales in the quarter were primarily driven by lower pricing in its Acetyl Intermediates and Industrial Specialties businesses, as well as unfavorable currency impacts across the company.

Recent Highlights

- Started up the company's technology development unit for ethanol production at its facility in Clear Lake, Texas. The unit will support the company's continuing development of TCX[®] ethanol process technology for customers in both industrial-grade and fuel ethanol.
- Announced the company's new CeIFX[™] matrix technology for filter media. CeIFX[™] provides a flexible additive platform for innovation that allows our customers increased filter design flexibility, improved constituent reduction and supports a broad choice for enhancement additives.
- Increased the company's share repurchase authorization to \$400 million. As of September 30, 2012, the company had \$136 million remaining under its previous authorization.

Third Quarter Business Segment Overview

Advanced Engineered Materials

Advanced Engineered Materials delivered sustained results despite the impact of weaker economic conditions in Europe. Net sales were \$322 million compared with \$332 million in the prior year period. Pricing was up by 3 percent, reflecting the value of its innovative, customer-oriented solutions. Net sales, however, were negatively impacted by unfavorable currency. Stronger volumes in the Americas and Asia were more than offset by softer European demand across the majority of its product lines. Operating EBITDA was \$109 million compared with \$112 million in the prior year period as the higher pricing was offset by lower equity earnings and currency impacts. Equity earnings from the company's affiliates were \$45 million compared with \$52 million in the prior year period, driven by lower methyl tertiary-butyl ether (MTBE) pricing in the company's Ibn Sina affiliate. Operating profit in the third quarter of 2012 was \$43 million compared with \$14 million in the same period last year, primarily due to other charges and other adjustments in the third quarter of 2011 related to the company's startup and expansion of its polyacetal (POM) facility in Frankfurt Hoechst Industrial Park, Germany.

Consumer Specialties

Consumer Specialties delivered improved year-over-year performance reflecting the value-added applications it provides to its global customer base. Net sales increased to \$314 million compared with \$298 million in the same period last year, primarily driven by 6 percent higher year-over-year pricing on continued strong global demand. Operating EBITDA was \$87 million compared with \$78 million in the same period last year as operating EBITDA margins expanded on the higher pricing. Operating profit in the quarter increased to \$70 million from \$66 million last year.

Industrial Specialties

Industrial Specialties' net sales in the third quarter of 2012 were \$297 million compared with \$332 million in the prior year period. Volumes increased by 2 percent year-over-year, primarily due to increased demand in North America and Asia, partially offset by lower European volumes. However, pricing in the quarter was lower than the prior year period due to weaker demand in its Ethylene Vinyl Acetate (EVA) applications and lower raw material costs. Third quarter results were also negatively

impacted by the Euro. Operating EBITDA was \$36 million compared with \$43 million in the prior year period as record results in Emulsions this quarter were more than offset by lower demand for EVA applications. Operating profit in the third quarter of 2012 was \$23 million compared with \$30 million in the prior year period.

Acetyl Intermediates

Acetyl Intermediates' net sales in the third quarter of 2012 were \$785 million compared with \$975 million in the same period last year, primarily due to lower pricing and demand across the acetyl chain, as well as negative currency impacts. The lower pricing in the period reflects continued weak economic conditions in Europe and Asia which contributed to softer global demand for acetyl products. Additionally, temporarily elevated industry utilization in the third quarter of 2011 due to planned and unplanned outages of acetyl producers resulted in higher industry pricing in the prior year period. Operating EBITDA in the third quarter of 2012 was \$91 million compared with \$168 million in the same period last year, primarily due to the lower pricing which was partially offset by lower raw material costs. Operating profit in the current period was \$62 million compared with \$128 million in the same period last year.

Taxes

The tax rate for adjusted earnings per share was 17 percent in the third quarter of 2012 and the third quarter of 2011. The effective tax rate for continuing operations for the third quarter of 2012 was 31 percent compared with 17 percent in the same period last year. The higher effective tax rate in the third quarter of 2012 was primarily due to changes in uncertain tax positions. Net cash taxes paid were \$54 million in the first nine months of 2012 which were comparable with \$48 million in the first nine months of 2011.

Strategic Investments

Earnings from equity investments, which are reflected in the company's earnings and operating EBITDA, were \$50 million in the third quarter of 2012, a \$7 million decrease from the prior year period primarily due to lower MTBE pricing in the company's Ibn Sina affiliate. The cash flow impact of equity investments was \$37 million, a \$10 million decrease from the prior year period, also related to the company's Ibn Sina affiliate.

Cash Flow

During the first nine months of 2012, the company generated \$661 million in cash from operating activities, an \$180 million increase from the same period last year, primarily driven by lower trade working capital versus the prior year period. Cash used in investing activities during the first nine months of 2012 was \$397 million compared with \$296 million in the same period last year. The 2012 results include the company's acquisition of two product lines from Ashland Inc. and investments in other productive assets. In 2011, we received the final payment of \$158 million associated with the relocation of our POM operations in Germany, partially offset by lower related capital expenditures in the current period. Net cash used in financing activities during the first nine months of 2012 was \$21 million compared with \$224 million in the prior year period. During the second quarter of 2011, the company used a net of \$116 million to prepay a portion of one of its term loan facilities. Net debt at the end of the third quarter of 2012 was \$2,052 million, a \$283 million decrease from the end of 2011.

Outlook

"We expect the challenging global economic environment will continue into 2013. Despite this and normal seasonality, we expect fourth quarter 2012 adjusted earnings will be modestly higher than the prior year, reflecting the progress we are making on actions that are within our control. For 2013, we expect earnings growth will be driven by Celanese-specific initiatives and be consistent with our long-term growth objectives of 12 to 14 percent," said Rohr. "We will continue to focus on technology platforms that expand the company's addressable opportunities and invest in technology innovation that enhances our growth prospects."

The company's earnings presentation and prepared remarks related to the third quarter results will be posted on its website at www.celanese.com in the investor section after market close on October 22.

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Celanese Corporation is a global technology leader in the production of specialty materials and chemical products that are used in most major industries and consumer applications. Our products, essential to everyday living, are manufactured in North America, Europe and Asia. Known for operational excellence, sustainability and premier safety performance, Celanese delivers value to customers around the globe with best-in-class technologies. Based in Dallas, Texas, the company employs approximately 7,600 employees worldwide and had 2011 net sales of \$6.8 billion, with approximately 73% generated outside of North America. For more information about Celanese Corporation and its global product offerings, visit www.celanese.com or the company's blog at www.celaneseblog.com.

Forward-Looking Statements

This release may contain "forward-looking statements," which include information concerning the company's plans, objectives, goals, strategies, future revenues or performance, capital expenditures, financing needs and other information that is not historical information. When used in this release, the words "outlook," "forecast," "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "may," "can," "could," "might," "will" and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements are based upon current expectations and beliefs and various assumptions. There can be no assurance that the company will realize these expectations or that these beliefs will prove correct.

There are a number of risks and uncertainties that could cause actual results to differ materially from the results expressed or implied in the forward-looking statements contained in this release. These risks and uncertainties 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, 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 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 technology, or the theft of such intellectual property; compliance and other costs and potential disruption or interruption of production or operations due to accidents, 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, including 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 discussed from time to time in the company's filings with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it is made, and the company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

Reconciliation of Non-U.S. GAAP Measures to U.S. GAAP

This release reflects the following performance measures: operating EBITDA, business operating EBITDA, affiliate EBITDA and proportional affiliate EBITDA, adjusted earnings per share and net debt as non-U.S. GAAP measures. These measurements are not recognized in accordance with U.S. GAAP and should not be viewed as an alternative to U.S. GAAP measures of performance. The most directly comparable financial measure presented in accordance with U.S. GAAP in our consolidated financial statements for operating EBITDA and business operating EBITDA is net income; for proportional affiliate EBITDA is equity in net earnings of affiliates; for affiliate EBITDA is operating profit; for adjusted earnings per share is earnings per common share-diluted; and for net debt is total debt.

Use of Non-U.S. GAAP Financial Information

- Operating EBITDA is defined by the company as net earnings less interest income plus loss (earnings) from discontinued operations, interest expense, taxes, and depreciation and amortization, and further adjusted for Other Charges and Adjustments as described in Table 7. We present operating EBITDA because we consider it an important supplemental measure of our operations and financial performance. We believe that operating EBITDA is more reflective of our operations as it provides transparency to investors and enhances period-to-period comparability of our operations and financial performance. Operating EBITDA is one of the measures management uses for its planning and budgeting process to monitor and evaluate financial and operating results and for the company's incentive compensation plan. Operating EBITDA should not be considered as an alternative to net income determined in accordance with U.S. GAAP. We may provide guidance on operating EBITDA and are unable to reconcile forecasted operating EBITDA to a U.S. GAAP financial measure because a forecast of Other Charges and Adjustments is not practical.
- Business operating EBITDA is defined by the company as net earnings less interest income plus loss (earnings) from discontinued operations, interest expense, taxes and depreciation and amortization, and further adjusted for Other Charges and Adjustments as described in Table 7, less equity in net earnings of affiliates, dividend income from cost investments and other (income) expense. This supplemental performance measure reflects the operating results of the company's operations without regard to the financial impact of its equity and cost investments.
- Affiliate EBITDA is defined by the company as operating profit plus the depreciation and amortization of its equity affiliates. Proportional affiliate EBITDA, a measure used by management to measure performance of its equity investments, is defined by the company as the proportional operating profit plus the proportional depreciation and amortization of its equity investments. The company has determined that it does not have sufficient ownership for operating control of these investments to consider their results on a consolidated basis. The company believes that investors should consider proportional affiliate EBITDA as an additional measure of operating results.
- Adjusted earnings per share is a measure used by management to measure performance. It is defined by the company as net earnings (loss) available to common shareholders plus preferred dividends, adjusted for other charges and adjustments, and divided by the number of basic common shares, diluted preferred shares, and options valued using the treasury method. We may provide guidance on an adjusted earnings per share basis and are unable to reconcile forecasted adjusted earnings per share to a U.S. GAAP financial measure without unreasonable effort because a forecast of Other Items is not practical. We believe that the presentation of this non-U.S. GAAP measure provides useful information to management and investors regarding various financial and business trends relating to our financial condition and results of operations, and that when U.S. GAAP information is viewed in conjunction with non-U.S. GAAP information, investors are provided with a more meaningful understanding of our ongoing operating performance. Note: The income tax rate used for adjusted earnings per share approximates the midpoint in a range of forecasted tax rates for the year. This range may include certain partial or full-year forecasted tax opportunities, where applicable, and specifically excludes changes in uncertain tax positions, discrete items and other material items adjusted out of our U.S. GAAP earnings for adjusted earnings per share purposes, and changes in management's assessments regarding the ability to realize deferred tax assets. We analyze this rate quarterly and adjust if there is a material change in the range of forecasted tax rates; an updated forecast would not necessarily result in a change to our tax rate used for adjusted earnings per share. The adjusted tax rate is an estimate and may differ from the tax rate used for U.S. GAAP reporting in any given reporting period. It is not practical to reconcile our prospective adjusted tax rate to the actual U.S. GAAP tax rate in any given future period.
- Net debt is defined by the company as total debt less cash and cash equivalents. We believe that the presentation of this non-U.S. GAAP measure provides useful information to management and investors regarding changes to the company's capital structure. Our management and credit analysts use net debt to evaluate the company's capital structure and assess credit quality. Proportional net debt is defined as our proportionate share of our affiliates' net debt.

Results Unaudited

The results presented in this release, together with the adjustments made to present the results on a comparable basis, have not been audited and are based on internal financial data furnished to management. Quarterly results should not be taken as an indication of the results of operations to be reported for any subsequent period or for the full fiscal year.

Consolidated Statements of Operations - Unaudited

<i>(in \$ millions, except share and per share data)</i>	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Net sales	1,609	1,807	4,917	5,149
Cost of sales	(1,285)	(1,406)	(3,992)	(3,987)
Gross profit	324	401	925	1,162
Selling, general and administrative expenses	(121)	(140)	(379)	(408)
Amortization of intangible assets	(12)	(17)	(38)	(50)
Research and development expenses	(24)	(24)	(76)	(72)
Other (charges) gains, net	2	(24)	(1)	(39)
Foreign exchange gain (loss), net	(4)	1	(4)	1
Gain (loss) on disposition of businesses and asset, net	(2)	(1)	(2)	(1)
Operating profit (loss)	163	196	425	593
Equity in net earnings (loss) of affiliates	50	57	163	146
Interest expense	(44)	(54)	(134)	(166)
Refinancing expense	—	—	—	(3)
Interest income	—	1	1	2
Dividend income - cost investments	1	1	85	80
Other income (expense), net	3	—	4	9
Earnings (loss) from continuing operations before tax	173	201	544	661
Income tax (provision) benefit	(54)	(34)	(32)	(151)
Earnings (loss) from continuing operations	119	167	512	510
Earnings (loss) from operation of discontinued operations	(3)	—	(3)	3
Gain (loss) on disposition of discontinued operations	—	—	—	—
Income tax (provision) benefit, discontinued operations	1	—	1	(1)
Earnings (loss) from discontinued operations	(2)	—	(2)	2
Net earnings (loss)	117	167	510	512
Net earnings (loss) attributable to noncontrolling interests	—	—	—	—
Net earnings (loss) attributable to Celanese Corporation	117	167	510	512
Cumulative preferred stock dividends	—	—	—	—
Net earnings (loss) available to common shareholders	117	167	510	512
Amounts attributable to Celanese Corporation				
Earnings (loss) per common share - basic				
Continuing operations	0.75	1.07	3.24	3.27
Discontinued operations	(0.01)	—	(0.01)	0.01
Net earnings (loss) - basic	0.74	1.07	3.23	3.28
Earnings (loss) per common share - diluted				
Continuing operations	0.74	1.05	3.21	3.21
Discontinued operations	(0.01)	—	(0.01)	0.01
Net earnings (loss) - diluted	0.73	1.05	3.20	3.22
Weighted average shares (in millions)				
Basic	159.1	156.2	157.9	156.1
Diluted	160.1	159.0	159.6	159.0

Consolidated Balance Sheets - Unaudited

<i>(in \$ millions)</i>	As of September 30, 2012	As of December 31, 2011
ASSETS		
Current assets		
Cash & cash equivalents	928	682
Trade receivables - third party and affiliates, net	932	871
Non-trade receivables, net	188	235
Inventories	711	712
Deferred income taxes	106	104
Marketable securities, at fair value	56	64
Other assets	47	35
Total current assets	2,968	2,703
Investments in affiliates	775	824
Property, plant and equipment, net	3,295	3,269
Deferred income taxes	539	421
Other assets	446	344
Goodwill	768	760
Intangible assets, net	174	197
Total assets	8,965	8,518
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings and current installments of long-term debt - third party and affiliates	141	144
Trade payables - third party and affiliates	685	673
Other liabilities	507	539
Deferred income taxes	19	17
Income taxes payable	43	12
Total current liabilities	1,395	1,385
Long-term debt	2,839	2,873
Deferred income taxes	131	92
Uncertain tax positions	189	182
Benefit obligations	1,354	1,492
Other liabilities	1,142	1,153
Commitments and contingencies		
Stockholders' equity		
Preferred stock	—	—
Common stock	—	—
Treasury stock, at cost	(897)	(860)
Additional paid-in capital	731	627
Retained earnings	2,903	2,424
Accumulated other comprehensive income (loss), net	(822)	(850)
Total Celanese Corporation stockholders' equity	1,915	1,341
Noncontrolling interests	—	—
Total equity	1,915	1,341
Total liabilities and equity	8,965	8,518

Table 1**Business Segment Data and Reconciliation of Operating Profit (Loss) to Operating EBITDA - a Non-U.S. GAAP Measure - Unaudited**

(in \$ millions)	Three Months Ended			Nine Months Ended	
	June 30,	September 30,		September 30,	
	2012	2012	2011	2012	2011
Net Sales					
Advanced Engineered Materials	323	322	332	962	1,006
Consumer Specialties	327	314	298	905	855
Industrial Specialties	327	297	332	933	951
Acetyl Intermediates	821	785	975	2,458	2,702
Other Activities ¹	—	—	—	—	1
Intersegment eliminations	(123)	(109)	(130)	(341)	(366)
Total	1,675	1,609	1,807	4,917	5,149
Operating Profit (Loss)					
Advanced Engineered Materials	21	43	14	85	79
Consumer Specialties	75	70	66	184	168
Industrial Specialties	34	23	30	76	83
Acetyl Intermediates	77	62	128	199	392
Other Activities ¹	(43)	(35)	(42)	(119)	(129)
Total	164	163	196	425	593
Other Charges and Other Adjustments ²					
Advanced Engineered Materials	10	(8)	18	5	52
Consumer Specialties	(1)	7	3	23	18
Industrial Specialties	—	—	—	2	—
Acetyl Intermediates	1	7	12	10	(7)
Other Activities ¹	9	—	10	17	17
Total	19	6	43	57	80
Depreciation and Amortization Expense ³					
Advanced Engineered Materials	28	29	27	84	65
Consumer Specialties	10	10	9	29	27
Industrial Specialties	13	13	12	39	34
Acetyl Intermediates	19	20	25	59	75
Other Activities ¹	4	3	4	10	10
Total	74	75	77	221	211
Business Operating EBITDA					
Advanced Engineered Materials	59	64	59	174	196
Consumer Specialties	84	87	78	236	213
Industrial Specialties	47	36	42	117	117
Acetyl Intermediates	97	89	165	268	460
Other Activities ¹	(30)	(32)	(28)	(92)	(102)
Total	257	244	316	703	884
Equity Earnings, Cost - Dividend Income and Other Income (Expense)					
Advanced Engineered Materials	55	45	53	143	127
Consumer Specialties	84	—	—	85	80
Industrial Specialties	—	—	1	—	1
Acetyl Intermediates	2	2	3	5	7
Other Activities ¹	4	7	1	19	20
Total	145	54	58	252	235
Operating EBITDA					
Advanced Engineered Materials	114	109	112	317	323
Consumer Specialties	168	87	78	321	293
Industrial Specialties	47	36	43	117	118
Acetyl Intermediates	99	91	168	273	467
Other Activities ¹	(26)	(25)	(27)	(73)	(82)
Total	402	298	374	955	1,119

¹ Other Activities includes corporate selling, general and administrative expenses and the results from captive insurance companies.² See Table 7 for details.³ Excludes accelerated depreciation and amortization expense included in Other Charges and Other Adjustments above. See Table 1A for details.

Table 1A
Reconciliation of Consolidated Net Earnings (Loss) to Operating EBITDA -
a Non-U.S. GAAP Measure - Unaudited

<i>(in \$ millions)</i>	Three Months Ended			Nine Months Ended	
	June 30,	September 30,		September 30,	
	2012	2012	2011	2012	2011
Net earnings (loss) attributable to Celanese Corporation	210	117	167	510	512
(Earnings) loss from discontinued operations	—	2	—	2	(2)
Interest income	—	—	(1)	(1)	(2)
Interest expense	45	44	54	134	166
Refinancing expense	—	—	—	—	3
Income tax provision (benefit)	54	54	34	32	151
Depreciation and amortization expense ²	74	75	77	221	211
Other charges (gains), net ¹	3	(2)	24	1	39
Other adjustments ¹	16	8	19	56	41
Operating EBITDA	402	298	374	955	1,119
Detail by Business Segment					
Advanced Engineered Materials	114	109	112	317	323
Consumer Specialties	168	87	78	321	293
Industrial Specialties	47	36	43	117	118
Acetyl Intermediates	99	91	168	273	467
Other Activities ³	(26)	(25)	(27)	(73)	(82)
Operating EBITDA	402	298	374	955	1,119

¹ See Table 7 for details.

² Excludes accelerated depreciation and amortization expense as detailed in the table below and included in Other adjustments above.

³ Other Activities includes corporate selling, general and administrative expenses and the results from captive insurance companies.

<i>(in \$ millions)</i>	Three Months Ended			Nine Months Ended	
	June 30,	September 30,		September 30,	
	2012	2012	2011	2012	2011
Advanced Engineered Materials	—	—	—	—	3
Consumer Specialties	1	3	—	4	7
Industrial Specialties	—	—	—	2	—
Acetyl Intermediates	—	—	—	—	—
Other Activities ³	—	—	—	—	—
Accelerated depreciation and amortization expense	1	3	—	6	10
Depreciation and amortization expense ²	74	75	77	221	211
Total depreciation and amortization expense	75	78	77	227	221

Table 2
Factors Affecting Business Segment Net Sales - Unaudited

Three Months Ended September 30, 2012 Compared to Three Months Ended September 30, 2011

	Volume	Price	Currency	Other	Total
	(In percentages)				
Advanced Engineered Materials	(1)	3	(5)	—	(3)
Consumer Specialties	—	6	(1)	—	5
Industrial Specialties	2	(8)	(5)	—	(11)
Acetyl Intermediates	(5)	(11)	(3)	—	(19)
Total Company	(2)	(6)	(4)	1	(11)

Nine Months Ended September 30, 2012 Compared to Nine Months Ended September 30, 2011

	Volume	Price	Currency	Other	Total
	(In percentages)				
Advanced Engineered Materials	(3)	3	(4)	—	(4)
Consumer Specialties	—	7	(1)	—	6
Industrial Specialties	4	(2)	(4)	—	(2)
Acetyl Intermediates	2	(8)	(3)	—	(9)
Total Company	1	(3)	(3)	—	(5)

Table 3
Cash Flow Information - Unaudited

<i>(in \$ millions)</i>	Nine Months Ended September 30,	
	2012	2011
Net cash provided by operating activities	661	481
Net cash (used in) investing activities ¹	(397)	(296)
Net cash (used in) financing activities	(21)	(224)
Exchange rate effects on cash and cash equivalents	3	3
Cash and cash equivalents at beginning of period	682	740
Cash and cash equivalents at end of period	928	704

¹ 2012 and 2011 include \$43 million and \$174 million, respectively, of capital expenditures related to the relocation of our Kelsterbach, Germany POM operations. 2011 includes \$158 million of cash proceeds related to the settlement with the Frankfurt, Germany Airport to move our POM operations from Kelsterbach, Germany.

Table 4
Cash Dividends Received - Unaudited

<i>(in \$ millions)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Dividends from equity investments	37	47	222	165
Dividends from cost investments	1	1	85	80
Total	38	48	307	245

Table 5
Net Debt - Reconciliation of a Non-U.S. GAAP Measure - Unaudited

<i>(in \$ millions)</i>	As of June 30, 2012	As of September 30, 2012	As of December 31, 2011
Short-term borrowings and current installments of long-term debt - third party and affiliates	131	141	144
Long-term debt	2,845	2,839	2,873
Total debt	2,976	2,980	3,017
Less: Cash and cash equivalents	800	928	682
Net debt	2,176	2,052	2,335

Table 6
Adjusted Earnings (Loss) Per Share - Reconciliation of a Non-U.S. GAAP Measure - Unaudited

<i>(in \$ millions, except share and per share data)</i>	Three Months Ended September 30,				Nine Months Ended September 30,			
	2012		2011		2012		2011	
		per share		per share		per share		per share
Earnings (loss) from continuing operations	119	0.74	167	1.05	512	3.21	510	3.21
Deduct: Income tax (provision) benefit	(54)		(34)		(32)		(151)	
Earnings (loss) from continuing operations before tax	173		201		544		661	
Other charges and other adjustments ¹	6		43		57		80	
Refinancing - related expenses	—		(1)		—		5	
Adjusted earnings (loss) from continuing operations before tax	179		243		601		746	
Income tax (provision) benefit on adjusted earnings ²	(30)		(41)		(102)		(127)	
Less: Noncontrolling interests	—		—		—		—	
Adjusted earnings (loss) from continuing operations	149	0.93	202	1.27	499	3.13	619	3.89
<i>Diluted shares (in millions) ³</i>								
Weighted average shares outstanding		159.1		156.2		157.9		156.1
Dilutive stock options		0.3		1.9		1.1		2.0
Dilutive restricted stock units		0.7		0.9		0.6		0.9
Total diluted shares		160.1		159.0		159.6		159.0

¹ See Table 7 for details.

² The adjusted effective tax rate is 17% and 17% for the three and nine months ended September 30, 2012 and 2011, respectively.

³ Potentially dilutive shares are included in the adjusted earnings per share calculation when adjusted earnings are positive.

Table 7
Other Charges and Other Adjustments - Reconciliation of a Non-U.S. GAAP Measure - Unaudited

Other Charges (Gains), net:

<i>(in \$ millions)</i>	Three Months Ended		Nine Months Ended		
	June 30, 2012	September 30, 2012 2011		September 30, 2012 2011	
Employee termination benefits	1	1	5	2	18
Kelsterbach plant relocation	2	3	14	5	43
Plumbing actions	—	(4)	(2)	(4)	(6)
Commercial disputes	—	(2)	7	(2)	(15)
Other	—	—	—	—	(1)
Total	3	(2)	24	1	39

Other Adjustments:¹

<i>(in \$ millions)</i>	Three Months Ended			Nine Months Ended		Income Statement Classification
	June 30, 2012	September 30, 2012 2011		September 30, 2012 2011		
Business optimization	3	—	2	8	7	Cost of sales / SG&A
Kelsterbach plant relocation	8	(7)	5	4	7	Cost of sales
Plant closures	2	10	2	16	15	Cost of sales / SG&A
(Gain) loss on disposition of assets	—	1	(1)	1	(1)	(Gain) loss on disposition
Write-off of other productive assets	—	—	—	—	(1)	Cost of sales
Commercial disputes	—	—	7	—	7	Cost of sales
Acetate production interruption costs	—	—	—	10	—	Cost of sales
Other	3	4	4	17	7	Various
Total	16	8	19	56	41	
Total other charges and other adjustments	19	6	43	57	80	

¹ These items are included in net earnings but not included in other charges (gains), net.

Table 8**Equity Affiliate Results and Reconciliation of Operating Profit to Affiliate EBITDA -
a Non-U.S. GAAP Measure - Total - Unaudited**

<i>(in \$ millions)</i>	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Net Sales				
Affiliates - Asia ¹	431	428	1,295	1,232
Affiliates - Middle East ²	281	334	965	851
Infraserv Affiliates ³	457	540	1,402	1,597
Total	1,169	1,302	3,662	3,680
Operating Profit				
Affiliates - Asia ¹	55	56	158	151
Affiliates - Middle East ²	134	163	470	369
Infraserv Affiliates ³	31	33	91	100
Total	220	252	719	620
Depreciation and Amortization				
Affiliates - Asia ¹	19	20	57	57
Affiliates - Middle East ²	9	8	32	38
Infraserv Affiliates ³	25	29	78	84
Total	53	57	167	179
Affiliate EBITDA				
Affiliates - Asia ¹	74	76	215	208
Affiliates - Middle East ²	143	171	502	407
Infraserv Affiliates ³	56	62	169	184
Total	273	309	886	799
Net Income				
Affiliates - Asia ¹	37	39	105	103
Affiliates - Middle East ²	120	145	420	328
Infraserv Affiliates ³	17	16	65	66
Total	174	200	590	497
Net Debt				
Affiliates - Asia ¹	378	134	378	134
Affiliates - Middle East ²	(94)	(115)	(94)	(115)
Infraserv Affiliates ³	287	239	287	239
Total	571	258	571	258

¹ Affiliates - Asia accounted for using the equity method includes Polyplastics (45%), Korean Engineering Plastics (50%), Fortron Industries (50%), Una SA (2012 - 0% , 2011 - 50%). Una SA was divested during the Three Months Ended March 31, 2011.

² Affiliates - Middle East accounted for using the equity method includes National Methanol Company (Ibn Sina) (25%).

³ Infraserv Affiliates accounted for using the equity method includes Infraserv Hoechst (32%), Infraserv Gendorf (39%) and Infraserv Knapsack (27%).

Table 8 (continued)

Equity Affiliate Results and Reconciliation of Proportional Operating Profit to Proportional Affiliate EBITDA - a Non-U.S. GAAP Measure - Celanese Proportional Share - Unaudited

<i>(in \$ millions)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Proportional Net Sales				
Affiliates - Asia ¹	199	198	597	570
Affiliates - Middle East ²	70	84	241	213
Infraserv Affiliates ³	150	178	460	526
Total	419	460	1,298	1,309
Proportional Operating Profit				
Affiliates - Asia ¹	26	26	74	71
Affiliates - Middle East ²	34	41	118	92
Infraserv Affiliates ³	10	10	30	32
Total	70	77	222	195
Proportional Depreciation and Amortization				
Affiliates - Asia ¹	8	9	26	26
Affiliates - Middle East ²	2	2	8	10
Infraserv Affiliates ³	8	10	25	28
Total	18	21	59	64
Proportional Affiliate EBITDA				
Affiliates - Asia ¹	34	35	100	97
Affiliates - Middle East ²	36	43	126	102
Infraserv Affiliates ³	18	20	55	60
Total	88	98	281	259
Equity in Net Earnings of Affiliates (as reported in the Consolidated Statement of Operations)				
Affiliates - Asia ¹	18	18	50	48
Affiliates - Middle East ²	27	34	93	77
Infraserv Affiliates ³	5	5	20	21
Total	50	57	163	146
Proportional Affiliate EBITDA in Excess of Equity in Net Earnings of Affiliates				
Affiliates - Asia ¹	16	17	50	49
Affiliates - Middle East ²	9	9	33	25
Infraserv Affiliates ³	13	15	35	39
Total	38	41	118	113
Proportional Net Debt				
Affiliates - Asia ¹	171	60	171	60
Affiliates - Middle East ²	(24)	(29)	(24)	(29)
Infraserv Affiliates ³	94	79	94	79
Total	241	110	241	110

¹ Affiliates - Asia accounted for using the equity method includes Polyplastics (45%), Korean Engineering Plastics (50%), Fortron Industries (50%), Una SA (2012 - 0% , 2011 - 50%). Una SA was divested during the Three Months Ended March 31, 2011.

² Affiliates - Middle East accounted for using the equity method includes National Methanol Company (Ibn Sina) (25%).

³ Infraserv Affiliates accounted for using the equity method includes Infraserv Hoechst (32%), Infraserv Gendorf (39%) and Infraserv Knapsack (27%).

Celanese Q3 2012 Earnings

Monday, October 22, 2012

Mark Rohr, Chairman and Chief Executive Officer
Steven Sterin, Senior Vice President and Chief Financial Officer

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Forward-Looking Statements

This presentation and remarks made as part of this presentation contain "forward-looking statements," which include information concerning the company's plans, objectives, goals, strategies, future revenues or performance, capital expenditures, financing needs and other information that is not historical information. When used in this presentation and related remarks, the words "outlook," "forecast," "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "may," "can," "could," "might," "will" and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements are based upon current expectations and beliefs and various assumptions. There can be no assurance that the company will realize these expectations or that these beliefs will prove correct.

There are a number of risks and uncertainties that could cause actual results to differ materially from the results expressed or implied in the forward-looking statements contained in this presentation and related remarks. These risks and uncertainties 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 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 technology, or the theft of such intellectual property; compliance and other costs and potential disruption or interruption of production or operations due to accidents, 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, including 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 discussed from time to time in the company's filings with the Securities and Exchange Commission.

In addition to the risks and uncertainties identified above, the following risks and uncertainties, among others, could cause the company's actual results regarding its initiatives involving the use of advanced technology for the production of ethanol for chemical applications and other uses to differ materially from the results expressed or implied in these materials: the impact of technological developments and competition; our ability to obtain licenses of, or other access to, alternative ethanol production processes on attractive terms; unanticipated operational or commercialization difficulties, including failure of facilities or processes to operate in accordance with specifications or expectations; the cost and availability of capital necessary to fund plant construction and expansion; the unavailability of required materials and equipment; changes in the price and availability of commodities and supplies; the ability to achieve the anticipated cost structure; the growth in demand for products produced from our technology in certain industries or geographic regions; the adoption of new or different industry or regulatory standards; and the ability of third parties, including our commercial partners or suppliers, to comply with their commitments to us.

Forward-looking statements speak only as of the date on which they are made, and the company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances.

Results Unaudited

The results in this presentation, together with the adjustments made to present the results on a comparable basis, have not been audited and are based on internal financial data furnished to management. Quarterly and full fiscal year results should not be taken as an indication of the results of operations to be reported for any subsequent period or for the full fiscal year.

Non-US GAAP Financial Information

Reconciliation of Non-U.S. GAAP Measures to U.S. GAAP

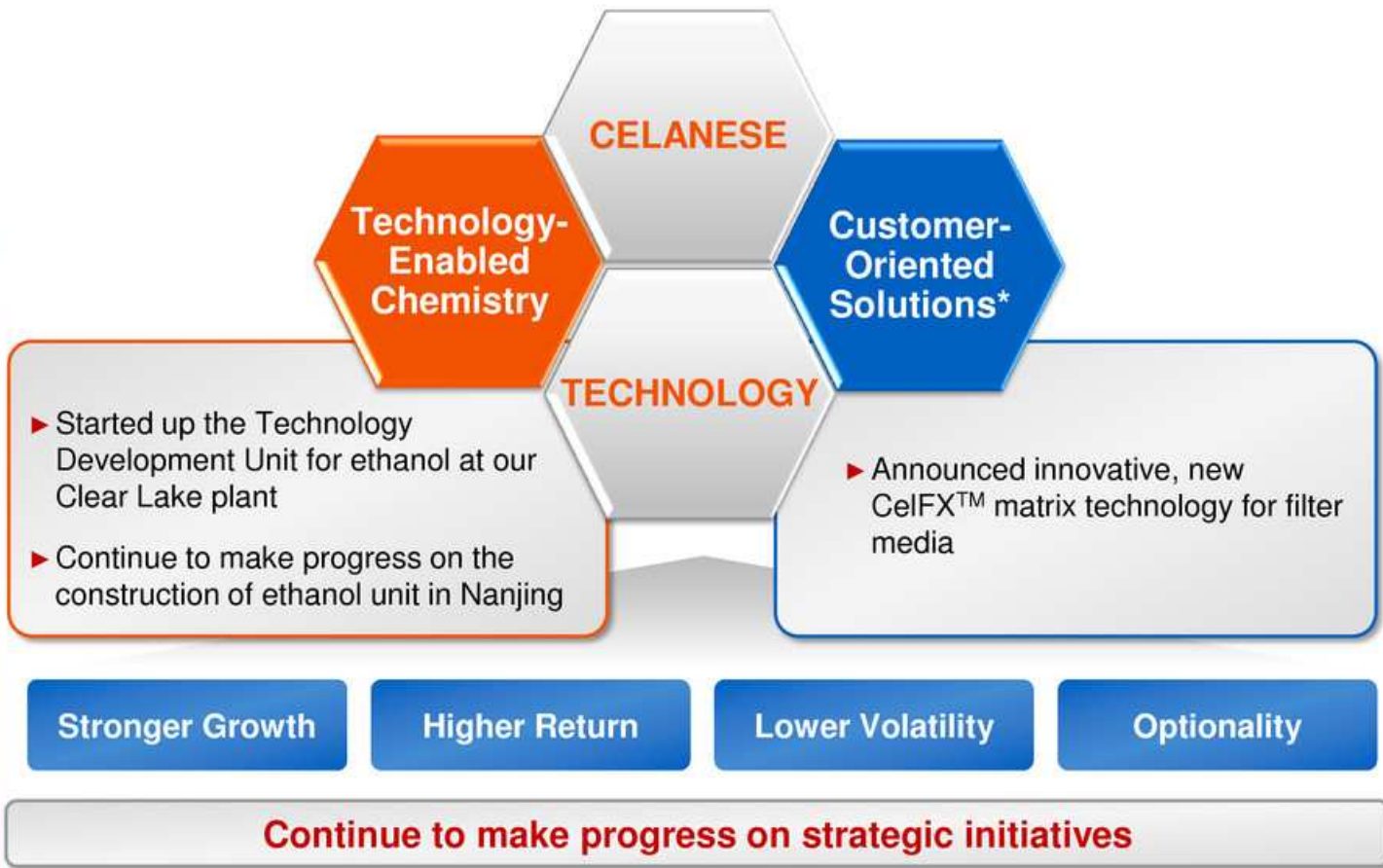
This presentation reflects the following performance measures: operating EBITDA, business operating EBITDA, affiliate EBITDA and proportional affiliate EBITDA, adjusted earnings per share, net debt, and adjusted free cash flow as non-U.S. GAAP measures. These measurements are not recognized in accordance with U.S. GAAP and should not be viewed as an alternative to U.S. GAAP measures of performance. The most directly comparable financial measure presented in accordance with U.S. GAAP in our consolidated financial statements for operating EBITDA and business operating EBITDA is net income; for proportional affiliate EBITDA is equity in net earnings of affiliates; for affiliate EBITDA is operating profit; for adjusted earnings per share is earnings per common share-diluted; for net debt is total debt; and for adjusted free cash flow is cash flow from operations.

Use of Non-U.S. GAAP Financial Information

- ▶ Operating EBITDA, a measure used by management to measure performance, is defined by the company as net earnings minus interest income plus loss (earnings) from discontinued operations, interest expense, income taxes and depreciation and amortization, and further adjusted for Other Charges and Adjustments as described in the Appendix. We may provide guidance on operating EBITDA and are unable to reconcile forecasted operating EBITDA to a U.S. GAAP financial measure because a forecast of Other Charges and Adjustments is not practical.
- ▶ Business operating EBITDA, a measure used by management to measure performance of its internal operations, is defined by the company as net earnings minus interest income plus loss (earnings) from discontinued operations, interest expense, income taxes and depreciation and amortization, and further adjusted for Other Charges and Adjustments as described in the Appendix, less equity in net earnings of affiliates, dividend income from cost investments and other (income) expense. This reflects the operating results of the company's operations without regard to its equity and cost investments. The company believes that investors should consider business operating EBITDA when evaluating the company's internal operations.
- ▶ Affiliate EBITDA is defined by the company as operating profit plus the depreciation and amortization of its equity affiliates. Proportional affiliate EBITDA, a measure used by management to measure performance of its equity investments, is defined by the company as the proportional operating profit plus the proportional depreciation and amortization of its equity investments. The company has determined that it does not have sufficient ownership for operating control of these investments to consider their results on a consolidated basis. We believe that investors should consider proportional affiliate EBITDA as an additional measure of operating results.
- ▶ Adjusted earnings per share is a measure used by management to measure performance. It is defined by the company as net earnings (loss) available to common shareholders plus preferred dividends, adjusted for other charges and adjustments, and divided by the number of basic common shares, diluted preferred shares, and options valued using the treasury method. We may provide guidance on an adjusted earnings per share basis and are unable to reconcile forecasted adjusted earnings per share to a U.S. GAAP financial measure without unreasonable effort because a forecast of Other Items is not practical. We believe that the presentation of this non-U.S. GAAP measure provides useful information to management and investors regarding various financial and business trends relating to our financial condition and results of operations, and that when U.S. GAAP information is viewed in conjunction with non-U.S. GAAP information, investors are provided with a more meaningful understanding of our ongoing operating performance. Note: The income tax rate used for adjusted earnings per share approximates the midpoint in a range of forecasted tax rates for the year. This range may include certain partial or full-year forecasted tax opportunities, where applicable, and specifically excludes changes in uncertain tax positions, discrete items and other material items adjusted out of our U.S. GAAP earnings for adjusted earnings per share purposes, and changes in management's assessments regarding the ability to realize deferred tax assets. We analyze this rate quarterly and adjust if there is a material change in the range of forecasted tax rates; an updated forecast would not necessarily result in a change to our tax rate used for adjusted earnings per share. The adjusted tax rate is an estimate and may differ from the tax rate used for U.S. GAAP reporting in any given reporting period. It is not practical to reconcile our prospective adjusted tax rate to the actual U.S. GAAP tax rate in any given future period.
- ▶ Net debt is defined by the company as total debt less cash and cash equivalents. We believe that the presentation of this non-U.S. GAAP measure provides useful information to management and investors regarding changes to the company's capital structure. Our management and credit analysts use net debt to evaluate the company's capital structure and assess credit quality. Proportional net debt is defined as our proportionate share of our affiliates' net debt.
- ▶ Adjusted free cash flow is defined by the company as cash flow from operations less other productive asset purchases, operating cash from discontinued operations and certain other charges and adjustments. We believe that the presentation of this non-U.S. GAAP measure provides useful information to management and investors regarding changes to the company's cash flow. Our management and credit analysts use adjusted free cash flow to evaluate the company's liquidity and assess credit quality. Although we use adjusted free cash flow as a financial measure to assess the performance of our business, the use of adjusted free cash flow has important limitations, including that adjusted free cash flow does not reflect the cash requirements necessary to service our indebtedness, lease obligations, unconditional purchase obligations or pension and postretirement funding obligations.

Mark Rohr
Chairman and Chief Executive Officer

Highlights of recent activities



5 * Includes Consumer Specialties, Industrial Specialties and Advanced Engineered Materials segments.

Celanese Corporation Q3'12 Highlights

in millions (except EPS)	Q3'11	Q2'12	Q3'12
Net Sales	\$1,807	\$1,675	\$1,609
Proportional Net Sales of Affiliates*	\$460	\$455	\$419
Total:	\$2,267	\$2,130	\$2,028
Operating Profit/(Loss)	\$196	\$164	\$163
Adjusted EPS	\$1.27	\$1.47	\$0.93
Operating EBITDA	\$374	\$402	\$298
Proportional Affiliate EBITDA in excess of Equity in net earnings of affiliates*	\$41	\$43	\$38
Total:	\$415	\$445	\$336

- ▶ The acetyl industry continues to experience trough-like conditions due to soft demand in Europe and Asia
- ▶ Portfolio of customer-oriented solution businesses delivered higher year-over-year (YoY) operating margins, driven by Advanced Engineered Materials
- ▶ Improved sequential and YoY Operating EBITDA and margins, excluding affiliates, in Consumer Specialties and Advanced Engineered Materials
- ▶ Record quarterly earnings in Emulsions

Steven Sterin
Senior Vice President and Chief Financial Officer

Advanced Engineered Materials

Q3 Performance

in millions	Q3'11	Q2'12	Q3'12
Net Sales	\$332	\$323	\$322
Operating EBITDA	\$112	\$114	\$109
Operating EBITDA Margin	34%	35%	34%

Factors Affecting Net Sales Changes

	Q3'12	
	vs. Q3'11	vs. Q2'12
Volume	(1%)	(1%)
Price	3%	1%
Currency	(5%)	(1%)
Other	-	-
Total Sales	(3%)	(1%)

Key Business Highlights

Sequential (Q3'12 vs Q2'12)

- ▶ Higher pricing offset by lower volumes and unfavorable currency
- ▶ Improved base business earnings
- ▶ Lower equity earnings from strategic affiliates

Year-over-Year (Q3'12 vs Q3'11)

- ▶ Higher pricing offset by lower volumes and unfavorable currency
- ▶ Sustained margins driven by innovative solutions, lower equity earnings from strategic affiliates

Q4'12 Expectations

in millions	Q4'11	
Net Sales	\$292	▶ Sequentially lower earnings due to seasonality
Operating EBITDA	\$73	▶ YoY earnings growth driven by <ul style="list-style-type: none"> ▪ German expansion ▪ Innovative customer solutions
Operating EBITDA Margin	25%	▶ Degree of seasonality in Europe uncertain

Consumer Specialties

Q3 Performance

in millions	Q3'11	Q2'12	Q3'12
Net Sales	\$298	\$327	\$314
Operating EBITDA	\$78	\$168	\$87
Operating EBITDA Margin	26%	51%	28%

Factors Affecting Net Sales Changes

	Q3'12	
	vs. Q3'11	vs. Q2'12
Volume	-	(5%)
Price	6%	1%
Currency	(1%)	-
Other	-	-
Total Sales	5%	(4%)

Key Business Highlights

Sequential

- ▶ Lower Q3 volumes due to temporarily higher volumes in Q2 related to Q1 production interruption
- ▶ Modest earnings growth and margin expansion, excluding dividends from strategic affiliates of \$83 million in Q2'12

YoY

- ▶ Earnings growth and margin expansion due to higher pricing on continued strong global demand

Q4'12 Expectations

in millions	Q4'11	
Net Sales	\$306	▶ Sequentially lower volumes
Operating EBITDA	\$73	▶ Sustained YoY earnings
Operating EBITDA Margin	24%	▪ Acetate facility rationalization expected to reduce Q4 volumes
		▪ Offset by higher pricing in Acetate and Nutrinova

Industrial Specialties

Q3 Performance

in millions	Q3'11	Q2'12	Q3'12
Net Sales	\$332	\$327	\$297
Operating EBITDA	\$43	\$47	\$36
Operating EBITDA Margin	13%	14%	12%

Factors Affecting Net Sales Changes

	Q3'12	
	vs. Q3'11	vs. Q2'12
Volume	2%	(4%)
Price	(8%)	(4%)
Currency	(5%)	(1%)
Other	-	-
Total Sales	(11%)	(9%)

Key Business Highlights

Sequential

- ▶ Lower pricing driven by weak demand for EVA applications
- ▶ Record quarterly earnings in Emulsions more than offset by weak demand for EVA applications

YoY

- ▶ Lower pricing due to weak demand for EVA applications and lower raw material costs; unfavorable currency
- ▶ Record quarterly earnings in Emulsions more than offset by weak demand for EVA applications

Q4'12 Expectations

in millions	Q4'11	
Net Sales	\$272	▶ Sequentially lower earnings due to seasonality and mix
Operating EBITDA	\$30	
Operating EBITDA Margin	11%	▶ YoY lower earnings primarily due to continued weak demand for EVA applications

Acetyl Intermediates

Q3 Performance

in millions	Q3'11	Q2'12	Q3'12
Net Sales	\$975	\$821	\$785
Operating EBITDA	\$168	\$99	\$91
Operating EBITDA Margin	17%	12%	12%

Factors Affecting Net Sales Changes

	Q3'12	
	vs. Q3'11	vs. Q2'12
Volume	(5%)	1%
Price	(11%)	(4%)
Currency	(3%)	(1%)
Other	-	-
Total Sales	(19%)	(4%)

Key Business Highlights

Sequential

- ▶ Lower pricing due to lower raw material costs and continued soft demand in Europe and Asia
- ▶ Flat margins as lower pricing was offset by lower raw material costs

YoY

- ▶ Lower pricing and volumes due to temporarily elevated utilization in prior year and soft demand in Europe and Asia in Q3'12
- ▶ Earnings decrease due to pricing and volumes, which more than offset lower raw material costs

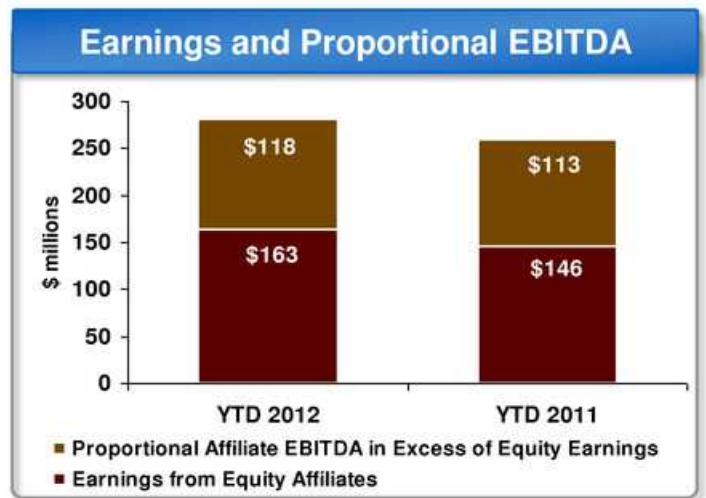
Q4'12 Expectations

in millions	Q4'11	
Net Sales	\$849	▶ Expect trough-like conditions in the acetyl chain to continue through rest of 2012
Operating EBITDA	\$95	
Operating EBITDA Margin	11%	

- Muted seasonal volumes ahead of Chinese New Year
- European downstream derivatives demand expected to remain weak

Strategic Affiliate Performance


- ▶ Q3'12: equity affiliates contributed \$50 million to earnings with an additional \$38 million proportional Affiliate EBITDA not included in Operating EBITDA
- ▶ Equity and cost investment dividends were \$38 million, down \$10 million from Q3'11
- ▶ Q4 Outlook: equity earnings from AEM's strategic affiliates expected to be higher than 2011 due to turnaround in the prior year



Free Cash Flow Q3'12

Adjusted Free Cash Flow

<i>in millions</i>	Q3'11	Q3'12
Net cash provided by operating activities	\$165	\$258
Adjustment to operating cash for discontinued operations	5	1
Net cash provided by operating activities from continuing operations	170	259
Less: Capital expenditures	(90)	(87)
Add: Cash Flow adjustments ¹	39	(14)
Adjusted Free Cash Flow²	\$119	\$158

- 
- ▶ Strong free cash flow continues despite weak economic conditions
 - ▶ Continue to invest in high return strategic growth initiatives

¹2012 amounts primarily associated with cash outflows for purchases of other productive assets that are classified as 'investing activities' for U.S. GAAP purposes. 2011 amounts primarily associated with Fraport related cash expenses

²Excludes cash flows related to POM expansion in Germany

Expected Uses of Cash in 2012

2012E Adjusted Free Cash Outflows (off Operating EBITDA Base) *in millions*

Cash Taxes	\$120 – \$140
Capital Expenditures	\$325 – \$350
Reserve/Other	\$125 – \$150
Net Interest	\$190 – \$200
Pension	\$100 – \$125
Working Capital	(\$50) – \$0
Adjusted Free Cash Outflows*	\$800 – \$1,000

- ▶ Dividend, debt service, option receipts, and share repurchases of ~\$80-100 million
- ▶ Recently increased share repurchase authorization to \$400 million, with \$136 million remaining as of September 30, 2012

Appendix

Notes:

References on the following slides to tables correspond to the tables included with Celanese press release dated October 22, 2012

Reg G: Business segment data and reconciliation of operating profit (loss) to operating EBITDA - a non-U.S. GAAP measure – unaudited (Table 1)



	Three Months Ended		
	September 30, 2012	June 30, 2012	December 31, September 30, 2011
<i>(in \$ millions)</i>			
Net Sales			
Advanced Engineered Materials	322	323	292
Consumer Specialties	314	327	306
Industrial Specialties	297	327	272
Acetyl Intermediates	785	821	849
Other Activities ¹	-	-	-
Intersegment eliminations	(109)	(123)	(105)
Total	1,609	1,675	1,614
Operating Profit (Loss)			
Advanced Engineered Materials	43	21	(3)
Consumer Specialties	70	75	59
Industrial Specialties	23	34	17
Acetyl Intermediates	62	77	67
Other Activities ¹	(35)	(43)	(43)
Total	163	164	97
Other Charges and Other Adjustments²			
Advanced Engineered Materials	(8)	10	8
Consumer Specialties	7	(1)	5
Industrial Specialties	-	-	1
Acetyl Intermediates	7	1	4
Other Activities ¹	-	9	1
Total	6	19	19
Depreciation and Amortization Expense³			
Advanced Engineered Materials	29	28	32
Consumer Specialties	10	10	9
Industrial Specialties	13	13	11
Acetyl Intermediates	20	19	21
Other Activities ¹	3	4	3
Total	75	74	76
Business Operating EBITDA			
Advanced Engineered Materials	64	59	37
Consumer Specialties	87	84	73
Industrial Specialties	36	47	29
Acetyl Intermediates	89	97	92
Other Activities ¹	(32)	(30)	(39)
Total	244	257	192
Equity Earnings, Cost - Dividend Income and Other Income (Expense)			
Advanced Engineered Materials	45	55	36
Consumer Specialties	-	84	-
Industrial Specialties	-	-	1
Acetyl Intermediates	2	2	3
Other Activities ¹	7	4	11
Total	54	145	51
Operating EBITDA			
Advanced Engineered Materials	109	114	73
Consumer Specialties	87	168	73
Industrial Specialties	36	47	30
Acetyl Intermediates	91	99	95
Other Activities ¹	(25)	(26)	(28)
Total	298	402	243

¹ Other Activities includes corporate selling, general and administrative expenses and the results from captive insurance companies.

² See Table 7 for details.

³ Excludes accelerated depreciation and amortization expense included in Other Charges and Other Adjustments above. See Table 4A for details.

Reg G: Reconciliation of consolidated net earnings (loss) to operating EBITDA - a non-U.S. GAAP measure – unaudited (Table 1A)



<i>(in \$ millions)</i>	Three Months Ended			
	September 30, 2012	June 30, 2012	December 31, 2011	September 30, 2011
Net earnings (loss) attributable to Celanese Corporation	117	210	95	167
(Earnings) loss from discontinued operations	2	-	1	-
Interest income	-	-	(1)	(1)
Interest expense	44	45	55	54
Refinancing expense	-	-	-	-
Income tax provision (benefit)	54	54	(2)	34
Depreciation and amortization expense ²	75	74	76	77
Other charges (gains), net ¹	(2)	3	9	24
Other adjustments ¹	8	16	10	19
Operating EBITDA	298	402	243	374
Detail by Business Segment				
Advanced Engineered Materials	109	114	73	112
Consumer Specialties	87	168	73	78
Industrial Specialties	36	47	30	43
Acetyl Intermediates	91	99	95	168
Other Activities ³	(25)	(26)	(28)	(27)
Operating EBITDA	298	402	243	374

¹ See Table 7 for details.

² Excludes accelerated depreciation and amortization expense as detailed in the table below and included in Other adjustments above.

³ Other Activities includes corporate selling, general and administrative expenses and the results from captive insurance companies.

<i>(in \$ millions)</i>	Three Months Ended			
	September 30, 2012	June 30, 2012	December 31, 2011	September 30, 2011
Advanced Engineered Materials	-	-	-	-
Consumer Specialties	3	1	1	-
Industrial Specialties	-	-	-	-
Acetyl Intermediates	-	-	-	-
Other Activities ³	-	-	-	-
Accelerated depreciation and amortization expense	3	1	1	-
Depreciation and amortization expense ²	75	74	76	77
Total depreciation and amortization expense	78	75	77	77

Reg G: Adjusted earnings (loss) per share - reconciliation of a non-U.S. GAAP measure – unaudited (Table 6)



<i>(in \$ millions, except share and per share data)</i>	Three Months Ended					
	September 30, 2012		June 30, 2012		September 30, 2011	
		per share		per share		per share
Earnings (loss) from continuing operations	119	0.74	210	1.31	167	1.05
Deduct: Income tax (provision) benefit	(54)		(54)		(34)	
Earnings (loss) from continuing operations before tax	173		264		201	
Other charges and other adjustments ¹	6		19		43	
Refinancing - related expenses	-		-		(1)	
Adjusted earnings (loss) from continuing operations before tax	179		283		243	
Income tax (provision) benefit on adjusted earnings ²	(30)		(48)		(41)	
Less: Noncontrolling interests	-		-		-	
Adjusted earnings (loss) from continuing operations	149	0.93	235	1.47	202	1.27
<i>Diluted shares (in millions) ³</i>						
Weighted average shares outstanding	159.1		158.1		156.2	
Dilutive stock options	0.3		1.0		1.9	
Dilutive restricted stock units	0.7		0.6		0.9	
Total diluted shares	160.1		159.7		159.0	

¹ See Table 7 for details.

² The adjusted effective tax rate is 17% for the three months ended September 30, 2012, June 30, 2012, and September 30, 2011.

³ Potentially dilutive shares are included in the adjusted earnings per share calculation when adjusted earnings are positive.

Reg G: Other charges and other adjustments - reconciliation of a non-U.S. GAAP measure – unaudited (Table 7)



<i>(in \$ millions)</i>	Three Months Ended			
	September 30, 2012	June 30, 2012	December 31, 2012	September 30, 2011
Employee termination benefits	1	1	4	5
Kelsterbach plant relocation	3	2	4	14
Plumbing actions	(4)	-	-	(2)
Asset impairments	-	-	1	-
Commercial disputes	(2)	-	-	7
Total	(2)	3	9	24

Other Adjustments: ¹

<i>(in \$ millions)</i>	Three Months Ended				Income Statement Classification
	September 30, 2012	June 30, 2012	December 31, 2012	September 30, 2011	
Business optimization	-	3	1	2	Cost of sales / SG&A
Kelsterbach plant relocation	(7)	8	1	5	Cost of sales
Plant closures	10	2	3	2	Cost of sales / SG&A
(Gain) loss on disposition of assets	1	-	-	(1)	(Gain) loss on disposition
Commercial disputes	-	-	1	7	Cost of sales
Other	4	3	4	4	Various
Total	8	16	10	19	
Total other charges and other adjustments	6	19	19	43	

¹ These items are included in net earnings but not included in Other charges (gains), net.

Q3 2012 Other charges and other adjustments by business segment - reconciliation of a non-U.S. GAAP measure - unaudited



in \$ millions	AEM	CS	IS	AI	Other	Total	Income Statement Classification
Employee termination benefits	-	1	-	1	(1)	1	
Kelsterbach plant relocation	3	-	-	-	-	3	
Plumbing actions	(4)	-	-	-	-	(4)	
Commercial disputes	-	-	-	(2)	-	(2)	
Total other charges	(1)	1	-	(1)	(1)	(2)	
Kelsterbach plant relocation	(7)	-	-	-	-	(7)	Cost of Sales
Plant closures	-	3	-	7	-	10	Cost of Sales / SG&A
(Gain)/loss on disposition of assets	-	1	-	-	-	1	(Gain) loss on disposition
Other	-	2	-	1	1	4	Various ¹
Total other adjustments	(7)	6	-	8	1	8	
Total other charges and other adjustments	(8)	7	-	7	-	6	

¹ The following summarizes the income statement classification of the other adjustments:

Cost of Sales	-	2	-	1	-	3
Selling, General & Administrative	-	-	-	-	1	1
Total other	-	2	-	1	1	4

Q2 2012 Other charges and other adjustments by business segment - reconciliation of a non-U.S. GAAP measure - unaudited



in \$ millions	AEM	CS	IS	AI	Other	Total	Income Statement Classification
Employee termination benefits	-	2	-	(1)	-	1	
Kelsterbach plant relocation	2	-	-	-	-	2	
Insurance recoveries	-	(6)	-	-	6	-	
Total other charges (gains), net	2	(4)	-	(1)	6	3	
Business optimization	-	-	-	-	3	3	SG&A
Kelsterbach plant relocation	8	-	-	-	-	8	Cost of Sales
Plant closures	-	1	-	1	-	2	Cost of Sales
Other	-	2	-	1	-	3	Various ¹
Total other adjustments	8	3	-	2	3	16	
Total other charges and other adjustments	10	(1)	-	1	9	19	

¹ The following summarizes the income statement classification of the other adjustments:

Cost of Sales	-	2	-	-	-	2
Other income/expense, net	-	-	-	1	-	1
Total other	-	2	-	1	-	3

Q4 2011 Other charges and other adjustments by business segment - reconciliation of a non-U.S. GAAP measure - unaudited



in millions	AEM	CS	IS	AI	Other	Total	Income Statement Classification
Employee termination benefits	3	1	-	-	-	4	
Kelsterbach plant relocation	4	-	-	-	-	4	
Asset impairments	-	-	-	1	-	1	
Total other charges	7	1	-	1	-	9	
Business optimization	-	-	-	-	1	1	Cost of Sales / SG&A
Kelsterbach plant relocation	1	-	-	-	-	1	Cost of Sales
Plant closures	-	1	1	1	-	3	Cost of Sales / SG&A
Commercial disputes	-	-	-	1	-	1	Cost of Sales
Other	-	3	-	1	-	4	Cost of Sales
Total other adjustments	1	4	1	3	1	10	
Total other charges and other adjustments	8	5	1	4	1	19	

Q3 2011 Other charges and other adjustments by business segment - reconciliation of a non-U.S. GAAP measure - unaudited



in millions	AEM	CS	IS	AI	Other	Total	Income Statement Classification
Employee termination benefits	1	(2)	-	-	2	4	
Kelsterbach plant relocation	14	-	-	-	-	14	
Plumbing actions	(2)	-	-	-	-	(2)	
Commercial disputes	-	-	-	-	3	4	
Total other charges	13	(2)	-	-	5	8	
Business optimization	-	-	-	-	2	2	Cost of Sales / SG&A
Kelsterbach plant relocation	5	-	-	-	-	5	Cost of Sales
Plant closures	-	1	-	1	-	2	Cost of Sales / SG&A
(Gain)/loss on disposition of assets	-	-	-	(1)	-	(1)	(Gain) loss on disposition
Commercial disputes	-	-	-	7	-	7	Cost of Sales
Other	-	4	-	-	-	4	Cost of Sales
Total other adjustments	5	5	-	7	2	19	
Total other charges and other adjustments	18	3	-	12	10	43	

Reg G: Equity affiliate results and reconciliation of operating profit to affiliate EBITDA - a non-U.S. GAAP measure - total - unaudited (Table 8)

<i>(in \$ millions)</i>	Three Months Ended		
	September 30, 2012	June 30, 2012	September 30, 2011
Net Sales			
Affiliates - Asia ¹	431	441	428
Affiliates - Middle East ²	281	380	334
Infraserv Affiliates ³	457	478	540
Total	1,169	1,299	1,302
Operating Profit			
Affiliates - Asia ¹	55	57	56
Affiliates - Middle East ²	134	197	163
Infraserv Affiliates ³	31	31	33
Total	220	285	252
Depreciation and Amortization			
Affiliates - Asia ¹	19	19	20
Affiliates - Middle East ²	9	9	8
Infraserv Affiliates ³	25	26	29
Total	53	54	57
Affiliate EBITDA			
Affiliates - Asia ¹	74	76	76
Affiliates - Middle East ²	143	206	171
Infraserv Affiliates ³	56	57	62
Total	273	339	309
Net Income			
Affiliates - Asia ¹	37	36	39
Affiliates - Middle East ²	120	175	145
Infraserv Affiliates ³	17	23	16
Total	174	234	200
Net Debt			
Affiliates - Asia ¹	378	273	134
Affiliates - Middle East ²	(94)	(184)	(115)
Infraserv Affiliates ³	287	328	239
Total	571	417	258

¹ Affiliates - Asia accounted for using the equity method includes Polyplastics (45%), Korean Engineering Plastics (50%), Fortron Industries (50%), Ura SA (50%). Ura SA was divested during the three months ended March 31, 2011.

² Affiliates - Middle East accounted for using the equity method includes National Methanol Company (In Sina) (25%).

³ Infraserv Affiliates accounted for using the equity method includes Infraserv Hoechst (32%), Infraserv Gendorf (39%) and Infraserv Knapsack (27%).

Reg G: Equity affiliate results and reconciliation of proportional operating profit to proportional affiliate EBITDA - a non-U.S. GAAP measure - Celanese proportional share – unaudited (Table 8 continued)



<i>(in \$ millions)</i>	Three Months Ended		
	September 30, 2012	June 30, 2012	September 30, 2011
Proportional Net Sales			
Affiliates - Asia ¹	199	203	198
Affiliates - Middle East ²	70	95	84
Infraserv Affiliates ³	150	157	178
Total	419	455	460
Proportional Operating Profit			
Affiliates - Asia ¹	26	26	26
Affiliates - Middle East ²	34	49	41
Infraserv Affiliates ³	10	10	10
Total	70	85	77
Proportional Depreciation and Amortization			
Affiliates - Asia ¹	8	9	9
Affiliates - Middle East ²	2	3	2
Infraserv Affiliates ³	8	8	10
Total	18	20	21
Proportional Affiliate EBITDA			
Affiliates - Asia ¹	34	35	35
Affiliates - Middle East ²	36	52	43
Infraserv Affiliates ³	18	18	20
Total	88	105	98
Equity in net earnings of affiliates (as reported in the Consolidated Statement of Operations)			
Affiliates - Asia ¹	18	17	18
Affiliates - Middle East ²	27	38	34
Infraserv Affiliates ³	5	7	5
Total	50	62	57
Proportional Affiliate EBITDA in excess of Equity in net earnings of affiliates			
Affiliates - Asia ¹	16	18	17
Affiliates - Middle East ²	9	14	9
Infraserv Affiliates ³	13	11	15
Total	38	43	41
Proportional Net Debt			
Affiliates - Asia ¹	171	121	60
Affiliates - Middle East ²	(24)	(46)	(29)
Infraserv Affiliates ³	94	107	79
Total	241	182	110

¹ Affiliates - Asia accounted for using the equity method includes Polyplastiz (45%), Korean Engineering Plastics (50%), Fortron Industrials (50%), Una SA (50%). Una SA was divested during the three months ended March 31, 2011.

² Affiliates - Middle East accounted for using the equity method includes National Merhanoi Company (BN Sina) (25%).

³ Infraserv Affiliates accounted for using the equity method includes Infraserv Hoechst (32%), Infraserv Gendorf (39%) and Infraserv Knapsack (27%).



Q3 2012 Earnings Prepared Comments

October 22, 2012

Jon Puckett, Celanese Corporation, Vice President, Investor Relations

Welcome to the Celanese Corporation third quarter 2012 financial results recording. The date of this recording is October 22, 2012. Please note that no portion of this presentation may be rebroadcast or reproduced in any form without the prior written consent of Celanese.

My name is Jon Puckett, and I am the Vice President of Investor Relations. Today you will be hearing from Mark Rohr, Chairman and Chief Executive Officer of Celanese, and Steven Sterin, Senior Vice President and Chief Financial Officer.

The Celanese Corporation third quarter 2012 earnings release was distributed via business wire this afternoon and is posted on our website, www.celanese.com, in the Investor section. The PowerPoint slides referenced during this recording are also posted on our website. Both items are being submitted to the SEC in a current report on Form 8-K. As a reminder, some of the matters discussed today and included in our presentations may include forward-looking statements concerning, for example, Celanese Corporation's future objectives and results. Please note the cautionary language contained in the posted PowerPoint slides. Also, some of the matters discussed and presented include references to non-GAAP financial measures. Explanations of these measures and reconciliations to the comparable GAAP measures are included in the posted PowerPoint slides or the press release, as applicable.

Mark Rohr will provide some highlights and review the overall performance of the Company. Steven Sterin will then provide an overview of the business results and outlook for each segment and the financials. I'd now like to turn the call over to Mark.

Mark Rohr, Celanese Corporation, Chairman of the Board of Directors and Chief Executive Officer

Thanks, Jon, and welcome to everyone listening today. Before I get into the quarter I'd like to start at a high level and highlight a concept that we discussed during Technology Day in September. The way we look at it, there are two ways that Celanese creates value. First, we create value through technology-enabling chemistry. By being low cost, incredibly efficient and having leading process technologies, we can differentiate ourselves in the marketplace, providing excellent returns on capital in businesses like

Acetyls. And second, we create value by combining our chemistry, our technology and our engineering capability in concert with customers to deliver differentiated solutions that support their growth. These customer-oriented opportunities are in Advanced Engineered Materials and Consumer and Industrial Specialties, and drive growth across industry, geographies and applications.

So let's look at some examples of what I am talking about. During the quarter, we started up our ethanol Technology Development Unit, or TDU, in Clear Lake, Texas. We believe this is the first commercially demonstrated conversion of natural gas to ethanol in the world, and is a great example of our ability to use technology-enabling chemistry. This unit, with its modular design, allows us to continue developing TCX[®] Technology for both industrial-grade and fuel-grade ethanol at a cost advantage to existing technologies. In fact, we believe the TDU will allow us to accelerate the development of ethanol technology at a much more rapid pace than we experienced with acetic acid. In addition to the work at TDU, we are also continuing to make great progress on the 275,000 ton ethanol unit at Nanjing which is expected to begin production in late 2013. The ethanol opportunity and our upstream investment in methanol are expected to mitigate earnings volatility in this business.

In September, we announced a new platform for filter media called CelFX[™] matrix technology. We created this innovative, additive technology platform to provide our customers with increased filter design flexibility, improved constituent reduction and to support a broad choice of enhancement additives.

Earlier in the year we announced our SunsationSM platform in Nutrinova which will help our customers bring new products to market faster and is expected to augment future earnings growth. Since then demand for this product to conduct application testing has been very strong.

In Advanced Engineered Materials, we continue to combine our knowledge of polymer science and engineering to develop new applications that help our customers meet more stringent regulations, like CAFE standards in the US and emissions standards in the UK. We are really excited about the innovative technologies that our scientists and engineers are working on and the promise these growth platforms hold for Celanese in the future.

Now for the quarter. I am pleased to report adjusted earnings per share of \$0.93 on revenue of \$1.6 billion. A solid quarter given the challenging economic environment in Europe, slower growth in Asia and a currency headwind that was in the high single digit range. Our ability to deliver these results demonstrates the strength of our businesses, our technology platforms and the hard work of our teams throughout the world.

During the third quarter, Acetyl Intermediates continued to experience trough-like levels of operating EBITDA for the reasons just noted, impacting both demand and pricing. Sequentially, we experienced modest increases in acetyls volumes which were offset by currency and a decrease in price of approximately 4%. Although the current conditions are difficult, our ability to leverage technology in this business positions us well when global economic growth returns to a more normal level.

Shifting gears I would like to call your attention to the other businesses which increased aggregate operating profit by 24%, on a year-over-year basis. These results were driven by Advanced Engineered Materials which more than doubled operating profit sequentially and nearly tripled Operating Profit on a year-over-year basis as we began to see the benefit of our new POM unit in Germany. In Consumer Specialties, excluding dividends, we increased operating EBITDA both sequentially and year-over-year on strong demand. And, our Emulsions business generated record operating results in the third quarter on improved margins. These results would be impressive in any quarter, but given the current economic environment, this performance reflects the value we provide at the customer level.

Looking forward, we face an uncertain macroeconomic environment. Headline topics such as the sovereign debt crisis in Europe, slower demand in Asia and the upcoming leadership change in China make forecasting difficult at best. Unfortunately I expect these conditions to continue through the remainder of 2012 and into the second quarter of 2013. However, we are making progress on the items that are under our control, like productivity and cost control, so we expect fourth quarter earnings to be modestly better than the prior year's.

Looking beyond what we control, we expect overall end-market demand for our products to be weak early in the year before strengthening in the second half. In China, we anticipate the once-every-ten-year leadership change that will occur in early 2013 will provide certainty around policy decisions and will positively impact the velocity of growth in China starting in the second quarter. But it is unclear how quickly the economy will improve in Europe and the follow-on effect that may have on China and the US. So our focus in 2013 will be on Celanese-specific initiatives, like productivity, like our Acetate facilities rationalization, like the expansion at our Chinese affiliate in Nantong and like ethanol production at our Nanjing facility. We also expect our efforts to increase the effectiveness and speed of new product introductions to help us drive earnings. The net effect of our focus will allow us to meet our earnings growth objectives of 12 to 14 percent in 2013 after a slow start for the reasons noted.

Despite these near term challenges, we will continue to invest in technology platforms that expand the company's addressable opportunities and enhance our future growth prospects. The investments we are

making today in applications and process technologies position us to benefit from long-term global trends in each of our businesses.

With that, I'll now turn the call over to Steven Sterin.

Steven Sterin, Celanese Corporation, Senior Vice President and Chief Financial Officer

Thanks, Mark. Let's now review the third quarter performance and the outlook for each of our businesses starting with Advanced Engineered Materials on slide 8 of the earnings presentation. AEM delivered sustained revenues and margins sequentially, despite continued weakened economic conditions in Europe. Net sales were \$322 million, as compared with \$323 million in Q2, as higher pricing on innovative products were offset by lower volumes and unfavorable currency, principally the Euro. Operating EBITDA was \$109 million, down \$5 million or 4% from Q2 results, driven by lower equity earnings in our strategic affiliates, primarily Ibn Sina, related to lower pricing on MTBE. Remember that Ibn Sina reports on a one-quarter lag so the lower MTBE pricing reflects trends in the June quarter. Despite lower equity earnings, the business achieved sustained margins due to higher pricing on its value added customer solutions.

As we look ahead to the fourth quarter, on a sequential basis, we anticipate lower earnings due to seasonality. However, on a year-over-year basis, we currently expect modest earnings growth due to the POM capacity expansion in Germany and as we continue to benefit from our innovative customer solutions. Additionally, we expect improved results from our Asian strategic affiliates due to the timing of a turnaround in the fourth quarter of last year that is not expected to occur this year. We remain cautious in our view of demand in Europe due to the overhang from the sovereign debt issues and the impact that it could have on demand and the degree of seasonality we may see in the fourth quarter.

Let's now turn to Consumer Specialties on slide 9. Net sales decreased sequentially to \$314 million from \$327 million in Q2, primarily due to a difficult comp as second quarter volumes were temporarily higher because of a first quarter production interruption which shifted some volume from Q1 to Q2. Operating EBITDA was \$87 million, or \$2 million higher than the second quarter, excluding the annual dividends of \$83 million from our acetate China ventures in Q2. On a year-over-year basis, operating EBITDA increased \$9 million, primarily due to higher pricing, demonstrating the value-added solutions we provide to our customers.

As we look ahead to the fourth quarter of 2012, our Acetate business will shut down the Spondon plant as part of the planned global facility rationalization which is expected to impact fourth quarter volumes. Going forward, in addition to productivity gains, some of the volumes from Spondon will be reflected in

our Chinese acetate ventures which we expect to result in higher dividends in 2013 and 2014. Despite the volume impact and costs associated with the Acetate footprint rationalization, we expect sustained year-over-year earnings growth due to higher pricing as a result of healthy global demand in Acetate and our innovation efforts in Nutrinova.

Let's now go to Industrial Specialties on slide 10. Our Emulsions business delivered record performance this quarter growing earnings sequentially and on a year-over-year basis as we saw higher volume in Asia and North America. We also saw some decreases in raw material prices. Soft demand, however, for EVA applications resulted in overall lower revenue and earnings for the segment. Third quarter net sales were \$297 million, \$30 million below Q2 results and operating EBITDA was \$36 million, \$11 million lower than the second quarter.

As we look ahead to the fourth quarter, we expect lower earnings on a sequential basis due to seasonality and mix. On a year-over-year basis we anticipate continued soft demand for EVA applications will result in lower earnings for the segment.

Let's now turn to Acetyl Intermediates on page 11. Net sales were \$785 million compared to \$820 million in Q2, primarily due to lower pricing in downstream derivatives as a result of continued weak demand in Europe and Asia and lower raw material prices. Operating EBITDA decreased to \$91 million, \$8 million below the second quarter on lower pricing which was partially offset by lower raw material costs, primarily ethylene, carbon monoxide and methanol.

Looking ahead we expect current conditions in acetyls will continue until global GDP growth and demand return to more normal levels. Generally, we expect to see higher volumes in China in the fourth quarter ahead of the Chinese New Year. However, this may be somewhat muted due to anticipated weaker demand. However, as we look past the end of the year, our competitive position in this space remains strong due to our cost advantage and we are well positioned to benefit when we see a return of global demand.

Performance for our strategic affiliates is highlighted on slide 12. In the third quarter, we reported \$50 million of earnings from our equity affiliates. These results reflected lower earnings from Ibn Sina primarily due to lower pricing for MTBE, which is on a one quarter lag as I mentioned earlier. Keep in mind that this quarter's results do not include \$38 million of Celanese's proportional equity affiliate EBITDA that is not included in our consolidated results. More details on our affiliate performance and proportional share can be found on Table 8 of our earnings release.

Turning to slide 13, our adjusted free cash flow totaled \$158 million in the third quarter of 2012, driven by lower trade working capital compared to the prior year. This quarter's results included our continued investment in strategic growth initiatives, including the 275,000 ton ethanol unit at our facility in Nanjing, China. Our strong third quarter cash results helped us achieve a \$124 million reduction in our overall net debt position since Q2 2012.

Slide 14 highlights our 2012 outlook for adjusted free cash outflows. This forecast includes capital expenditures for our growth projects, like industrial ethanol. We have also talked about having a balanced cash deployment strategy. Earlier this year we increased our dividend by 25% and just last week we increased our share repurchase authorization to \$400 million. The effective US GAAP tax rate for 2012 year-to-date is 6%. It was 23% for the same period last year. The difference is due to the recognition of \$142 million in tax benefits from foreign tax credits partially offset by \$38 million from a timing change for when we record tax on one of our strategic affiliates. The tax credits will be recognized as a benefit to our cash taxes over time but the accounting change has no bearing on cash tax amounts or timing.

We will continue to deploy our cash in ways that drive increased shareholder value and returns.

This concludes our prepared remarks and we look forward to discussing our results with you on our earnings call tomorrow morning.