

CELANESE CORP

FORM 8-K (Current report filing)

Filed 12/11/13 for the Period Ending 12/10/13

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): **December 10, 2013**

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 2.05 Costs Associated with Exit or Disposal Activities

On November 4, 2013, Celanese Corporation (the "Company") announced that it was initiating discussions with local employee representatives concerning the possible closure of its subsidiary's acetic anhydride plant in Roussillon, France and its subsidiary's vinyl acetate monomer ("VAM") unit in Tarragona, Spain.

On December 10, 2013, the Company announced that the consultation process had been completed by its French subsidiary with their employee delegates in Roussillon, France, and by its Spanish subsidiary with the work council in Tarragona, Spain. Both consultation processes were initiated in November 2013. These consultations resulted in negotiated and approved redundancy and social plans for the affected employees. The social plans include measures aimed at minimizing the effects of the facility closures on the workforces at Roussillon and Tarragona. The measures of assistance include providing training, outplacement and severance.

The subsidiaries will cease all manufacturing operations and associated activities at the acetic anhydride plant in Roussillon and at the VAM unit in Tarragona by the end of 2013, and will proceed to decommission both facilities. As a result of the Roussillon site closure and the Tarragona VAM unit closure, the Company expects to record exit costs, primarily during the fourth quarter of 2013, in the range of \$100-110 million, including personnel-related exit costs of approximately \$30 million, contract termination costs of approximately \$30 million, other facility-related shutdown costs of approximately \$5 million and non-cash asset impairment charges of approximately \$35-45 million. The above exit costs exclude site obligations which the Company has previously accrued, as reflected in the Company's Form 10-Q for the period ended September 30, 2013. The related cash outflows will occur over approximately a one-year period.

The information set forth in Item 2.05 contains certain "forward-looking statements," which include information concerning the Company's plans, objectives, goals, expected future costs associated with the closure of its acetic anhydride plant in Roussillon, France and at the VAM unit in Tarragona, Spain and other information that is not historical information. 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 forward-looking statements contained herein. Numerous factors, many of which are beyond the Company's control, could cause actual results to differ materially from those expressed as forward-looking statements. Certain of these risk factors are discussed under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2013 filed with the Securities and Exchange Commission on February 8, 2013. Any forward-looking statement speaks only as of the date hereof, and the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of anticipated or unanticipated events or circumstances.

Item 8.01 Other Information

On December 10, 2013, the Company issued a press release announcing the matters described in Item 2.05 of this Current Report on Form 8-K. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description
99.1	Press Release dated December 10, 2013

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: December 10, 2013

INDEX TO EXHIBITS

**Exhibit
Number**

Description

99.1 Press Release dated December 10, 2013



News Release

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

Celanese to Close Two European Manufacturing Facilities

Employee consultation process completed at Roussillon, France, acetic anhydride plant and Tarragona, Spain, vinyl acetate unit

DALLAS (December 10, 2013) – Celanese Corporation (NYSE: CE), a global technology and specialty materials company, today announced that the consultation process has been completed by its French subsidiary with their employee delegates in Roussillon, France, and by its Spanish subsidiary with the work council in Tarragona, Spain. Both consultation processes were initiated in November 2013.

These consultations have resulted in negotiated and approved redundancy and social plans for the affected employees. The social plans include measures aimed at minimizing the effects of the facility closures on the workforces at Roussillon and Tarragona. The measures of assistance include providing training, outplacement and severance.

The company will cease all manufacturing operations and associated activities at the acetic anhydride plant in Roussillon and at the vinyl acetate monomer (VAM) unit in Tarragona by the end of 2013, and Celanese will proceed to decommission both facilities.

As a result of the Roussillon site closure and the Tarragona VAM unit closure, Celanese expects to record personnel-related exit costs and other facility-related shutdown costs in the range of US\$100-110 million, including approximately US\$35-45 million of non-cash asset impairments, primarily in the fourth quarter of 2013. These expenses will be excluded from the company's adjusted earnings per share and adjusted EBIT performance measures. The related cash outflows will occur over a one-year period. Celanese expects savings from these closures to be in the range of US\$20-30 million in 2014.

The need for these closure projects emerged from an assessment of Celanese's overall corporate strategy, which included an assessment of the company's global manufacturing facilities. Specifically, in support of the company's acetyl portfolio, the manufacturing footprint strategy favors integrated production sites that provide critical economies of scale.

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About Celanese

Celanese Corporation is a global technology leader in the production of differentiated chemistry solutions and specialty materials used in most major industries and consumer applications. With sales almost equally divided between North America, Europe and Asia, the company uses the full breadth of its global chemistry, technology

and business expertise to create value for customers and the corporation. Celanese partners with customers to solve their most critical needs while making a positive impact on its communities and the world. Based in Dallas, Texas, Celanese employs approximately 7,600 employees worldwide and had 2012 net sales of \$6.4 billion. For more information about Celanese Corporation and its product offerings, visit www.celanese.com or our blog at www.celaneseblog.com.

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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, and other information that is not historical information. When used in this release, the words “estimates,” “expects,” “anticipates,” “projects,” “plans,” “intends,” “believes,” 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 forward-looking statements contained in this release. Numerous factors, many of which are beyond the company’s control, could cause actual results to differ materially from those expressed as forward-looking statements. Other risk factors include those that are discussed 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.

Contacts:

Investor Relations

Jon Puckett
Phone: +1 972 443 4965
Jon.Puckett@celanese.com

Media – North America

Travis Jacobsen
Phone: +1 972 443 3750
William.Jacobsen@celanese.com

Media – Europe

Jens Kurth
Phone: +49 69 45009 1574
J.Kurth@celanese.com