CELANESE CORP

FORM 8-K
(Current report filing)

Filed 04/21/14 for the Period Ending 04/21/14

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): **April 21, 2014**

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 April 21, 2014 , Celanese Corporation (the " Company ") issued a press release reporting the financial results for its first quarter 2014 . 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. Each non-US GAAP financial measure used in the press release is reconciled to the most comparable US GAAP financial measure in Exhibit 99.2, which includes other supplemental information of interest to investors, analysts and other parties and which is incorporated herein solely for purposes of this Item 2.02.

Item 7.01 Regulation FD Disclosure

On April 22, 2014 , 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 Relations/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 99.3 and Exhibit 99.4, respectively, and are incorporated herein solely for purposes of this Item 7.01 disclosure.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description
99.1	Press Release dated April 21, 2014*
99.2	Non-US GAAP Financial Measures and Supplemental Information dated April 21, 2014*
99.3	Slide Presentation dated April 21, 2014*
99.4	Prepared Remarks from M. Rohr and S. Sterin dated April 21, 2014*

*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 Corporate Secretary
Date:	April 21, 2014

INDEX TO EXHIBITS

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Exhibit 99.1

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

Celanese Corporation Reports Record First Quarter 2014 Results

Raises 2014 Earnings Outlook

First quarter 2014 financial highlights:

- Adjusted earnings per share of $ 1.33 was a first quarter record, up $0.29 from the prior quarter
- Adjusted EBIT margin of 17.7 percent , up 260 basis points from the prior quarter, as each segment expanded margins
- Deployed $53 million of cash, repurchasing over 1 million shares at an average price of $51.30
- Cash on hand consistent with prior quarter at approximately $1.0 billion
- GAAP earnings per share of $1.25 , compared to $0.88 in the prior year quarter primarily driven by improved margins across all businesses and continued productivity

Dallas, April 21, 2014 : Celanese Corporation (NYSE: CE), a global technology and specialty materials company, today reported first quarter 2014 adjusted earnings per share of $ 1.33 versus $1.04 in the prior quarter.

	Three Months Ended		
	March 31, 2014	March 31, 2013	December 31, 2013
	(unaudited)		
	(In $ millions, except per share data)		
Net sales	1,705	1,605	1,616
Operating profit (loss)	243	184	944
Net earnings (loss)	195	142	654
Adjusted EBIT / Total segment income [1]	302	269	244
Operating EBITDA [1]	375	345	319
Diluted EPS - continuing operations	$ 1.25	$ 0.88	$ 4.16
Diluted EPS - total	$ 1.25	$ 0.89	$ 4.15
Adjusted EPS [1]	$ 1.33	$ 1.14	$ 1.04

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[1] Non-US GAAP measure. See "Reconciliation of Non-US GAAP Financial Measures" below.

"Celanese started the year with record first quarter adjusted earnings. Our focus on delivering value-added applications to our customers combined with strong execution on productivity initiatives drove segment income margins to 17.7 percent for the quarter, a 90 basis point improvement year-over-year and a 260 basis point improvement sequentially," said Mark Rohr, chairman and chief executive officer. "We generated strong operating cash flow in the first quarter and balanced our cash deployment between capital expenditures that provide us with sustainable raw material advantages, share repurchases and dividends. We ended the quarter with a cash balance of $1.0 billion and net debt balance of less than $2.1 billion , well positioned to execute our balanced strategy."

Recent Highlights

- The company received a final greenhouse gas permit from the U.S. Environmental Protection Agency for the company's methanol project at its Clear Lake, Texas facility and began construction.
- The company announced its intent to explore plans to construct a methanol unit at its Bishop, Texas facility. Celanese is preparing to apply for the necessary environmental permits and is seeking local economic incentives for this unit with an expected annual capacity of 1.3 million tons.
- The company received the Best Supplier Award from Whirlpool based on outstanding performance on quality, delivery and customer service.
- The company's engineered materials business introduced several differentiated polymer technologies that broaden its access to the utility industry, the oil and gas industry, original equipment manufacturers and companies that enhance supply chain efficiency. These include:
    - Composite technologies for the utility industry that deliver greater reliability, capacity and performance for utility transmission lines, as well as spoolable pipe systems that meet the harsh demands of deepwater operations in the oil and gas industry.
    - Anti-counterfeiting technologies that help original equipment manufacturers and suppliers ensure products contain components and parts that meet their specifications.
    - Polymers that feature excellent chemical and thermal resistance, high hardness, rigidity and dimensional stability to withstand extreme industrial environments required by the RFID (radio-frequency identification) industry.

First Quarter Business Segment Overview

Advanced Engineered Materials

In the first quarter, Advanced Engineered Materials expanded segment income margin by 530 basis points sequentially to 22.5 percent , on segment income of $84 million . These results were primarily driven by the ability of our engineered materials business to develop products and applications that resonate with our customers' needs. Volumes increased 12 percent from the prior quarter on strong seasonal demand and growing demand for advanced polymers in autos. Pricing increased 3 percent on improved sequential mix, primarily medical. Strong results in the engineered materials business more than offset lower than expected earnings from affiliates and higher energy costs. Operating profit, which excludes affiliate earnings, was $57 million .

Consumer Specialties

First quarter segment income in Consumer Specialties increased to $127 million due to productivity efforts in the cellulose derivatives business. Pricing increased sequentially by 2 percent . Higher pricing of acetate tow reflects the value we provide to our customers, but was partially offset by commitments under a legacy contract in acetate flake. Dividends from the cellulose derivatives ventures increased $5 million sequentially. Operating profit, which excludes dividends from its cellulose derivatives ventures, was $99 million .

Industrial Specialties

In the first quarter, Industrial Specialties increased segment income margin sequentially by 160 basis points on segment income of $20 million . Strong demand in Europe and Asia for our proprietary products in paints and coatings resulted in the best first quarter performance for emulsion polymers in many years and drove 13 percent higher sequential volumes. The higher volumes in emulsion polymers more than offset higher raw material costs, primarily VAM (vinyl acetate monomer). Pricing increased 1 percent mainly in North America and Asia in our EVA polymers business due to the higher raw material costs. Operating profit was $20 million in the first quarter.

Acetyl Intermediates

First quarter segment income margin in Acetyl Intermediates expanded 130 basis points sequentially to 11.4 percent on $96 million of segment income. Pricing increased sequentially by 5 percent primarily in downstream derivative products reflecting tightness in VAM. The higher pricing and strategic actions, including the closure of two non-integrated facilities in Europe, more than offset higher raw material and energy costs and 3 percent lower volumes. Operating profit was $98 million in the first quarter.

Capital Structure

During the first quarter of 2014, the company generated $164 million of operating cash flow driven by continued strong earnings. The company ended the quarter with approximately $1 billion in cash. Adjusted free cash flow for the quarter was $135 million .

During the quarter, the company deployed $53 million of cash on share repurchases and at March 31, 2014 had $347 million remaining under its current share repurchase authorization.

As of March 31, 2014, the company's net debt was less than $2.1 billion , a $23 million decrease from December 31, 2013.

Outlook

"The hard work of our dedicated global teams delivered a great start to 2014. Our customer-oriented businesses delivered unique, value-added applications to our customers and earnings growth to Celanese. While our technology-enabled businesses focused on strategic initiatives that drove improved operations and margin expansion," said Rohr. "While we have a lot of work ahead of us, our innovation and productivity programs provide us with line-of-sight to 2014 earnings growth of 12 to 14 percent."

The company's earnings presentation and prepared remarks related to the first quarter results will be posted on its website at www.celanese.com under Investor Relations/Events and Presentations after market close on April 21 . Information previously included in supplemental tables to our press release is now included in a separate Non-US GAAP Financial Measures and Supplemental Information document posted on our website. See “Reconciliation of Non-US GAAP Financial Measures” below.

Contacts:

Investor Relations	**Media - U.S.**	**Media - Europe**
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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 7,400 employees worldwide and had 2013 net sales of $6.5 billion. For more information about Celanese Corporation and its product offerings, visit www.celanese.com or our 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. 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, textiles, electronics and construction industries; changes in the price and availability of raw materials, particularly changes in the demand for, supply of, and market prices of ethylene, methanol, natural gas, wood pulp and fuel oil and the prices for electricity and other energy sources; the ability to pass increases in raw material prices on to customers or otherwise improve margins through price increases; the ability to maintain plant utilization rates and to implement planned capacity additions and expansions; the ability to reduce or maintain their current levels of production costs and to improve productivity by implementing technological improvements to existing plants; increased price competition and the introduction of competing products by other companies; market acceptance of our technology; the ability to obtain governmental approvals and to construct facilities on terms and schedules acceptable to the company; changes in the degree of intellectual property and other legal protection afforded to our products or technologies, or the theft of such intellectual property; compliance and other costs and potential disruption or interruption of production or operations due to accidents, interruptions in sources of raw materials, cyber security incidents, terrorism or political unrest or other unforeseen events or delays in construction or operation of facilities, including as a result of geopolitical conditions, the occurrence of acts of war or terrorist incidents or as a result of weather or natural disasters; potential liability for remedial actions and increased costs under existing or future environmental regulations, including those relating to climate change; potential liability resulting from pending or future litigation, or from changes in the laws, regulations or policies of governments or other governmental activities in the countries in which we operate; changes in currency exchange rates and interest rates; our level of indebtedness, which could diminish our ability to raise additional capital to fund operations or limit our ability to react to changes in the economy or the chemicals industry; and various other factors 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.

Use of Non-US GAAP Financial Information

This release uses the following non-US GAAP measures: adjusted EBIT, operating EBITDA, adjusted earnings per share, adjusted free cash flow and net debt. These measures are not recognized in accordance with US GAAP and should not be viewed as an alternative to US GAAP measures of performance. The most directly comparable financial measure presented in accordance with US GAAP in our consolidated financial statements for adjusted EBIT and operating EBITDA is net earnings (loss); for adjusted earnings per share is earnings (loss) from continuing operations per common share-diluted; for adjusted free cash flow is cash flow from operations; and for net debt is total debt.

Definitions of Non-US GAAP Financial Measures

- *Adjusted EBIT is defined by the Company as net earnings (loss) less interest income plus loss (earnings) from discontinued operations, interest expense and taxes, and further adjusted for certain items and amounts attributable to noncontrolling interests ("NCI"). Adjusted EBIT by business segment may also be referred to by management as segment income.*
- *Operating EBITDA is defined by the Company as net earnings (loss) less interest income plus loss (earnings) from discontinued operations, interest expense, taxes and depreciation and amortization, and further adjusted for certain items and amounts attributable to NCI. Operating EBITDA is equal to adjusted EBIT plus depreciation and amortization .*

- *Adjusted earnings per share is defined by the Company as earnings (loss) from continuing operations, adjusted for income tax (provision) benefit, certain items, refinancing and related expenses and amounts attributable to NCI, divided by the number of basic common shares, convertible preferred shares and dilutive restricted stock units and stock options calculated using the treasury method.*

  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 GAAP earnings for adjusted earnings per share purposes, and changes in management's assessments regarding the ability to realize deferred tax assets. We also reflect the impact of foreign tax credits when utilized for the adjusted earnings per share tax rate. 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 actual tax rate used for GAAP reporting in any given reporting period. It is not practical to reconcile our prospective adjusted tax rate to the actual GAAP tax rate in any given future period.

- *Adjusted free cash flow is defined by the Company as cash flow from operations less other productive asset purchases, operating cash flow from discontinued operations and certain cash flow adjustments, including amounts attributable to NCI and capital contributions from outside stockholders of the Company's consolidated ventures.*

- *Net debt is defined by the Company as total debt less cash and cash equivalents, adjusted for amounts attributable to NCI.*

Reconciliation of Non-US GAAP Financial Measures

Reconciliations of the non-US GAAP financial measures used in this press release to the comparable US GAAP financial measure, together with information about the purposes and uses of non-US GAAP financial measures, are included in our Non-US GAAP Financial Measures and Supplemental Information document filed as an exhibit to our Current Report on Form 8-K filed with the SEC on or about April 21, 2014 and also available on our website at www.celanese.com under Financial Information, Non-GAAP Financial Measures and Supplemental Information, or at this link: http://files.shareholder.com/downloads/AMDA-10Q93V/2097249798x0x698266/E3E5BAAA-0BBF-462A-8A2E-3ACA3922AA14/Non-GAAP_Recons_PDF.PDF

Results Unaudited

The results in this document, 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.

Supplemental Information

Additional information about our prior period performance is included in our Quarterly Reports on Form 10-Q and in our Non-US GAAP Financial Measures and Supplemental Information document.

Consolidated Statements of Operations - Unaudited

	Three Months Ended		
	March 31, 2014	December 31, 2013	March 31, 2013
	(In $ millions, except share and per share data)		
Net sales	1,705	1,616	1,605
Cost of sales	(1,327)	(1,249)	(1,272)
Gross profit	378	367	333
Selling, general and administrative expenses	(104)	5	(106)
Amortization of intangible assets	(6)	(6)	(11)
Research and development expenses	(22)	(12)	(26)
Other (charges) gains, net	(1)	(147)	(4)
Foreign exchange gain (loss), net	(1)	(1)	(1)
Gain (loss) on disposition of businesses and asset, net	(1)	738	(1)
Operating profit (loss)	243	944	184
Equity in net earnings (loss) of affiliates	40	30	54
Interest expense	(39)	(42)	(43)
Refinancing expense	—	—	—
Interest income	—	—	—
Dividend income - cost investments	29	24	24
Other income (expense), net	—	(1)	(1)
Earnings (loss) from continuing operations before tax	273	955	218
Income tax (provision) benefit	(78)	(299)	(77)
Earnings (loss) from continuing operations	195	656	141
Earnings (loss) from operation of discontinued operations	—	(3)	2
Gain (loss) on disposition of discontinued operations	—	—	—
Income tax (provision) benefit from discontinued operations	—	1	(1)
Earnings (loss) from discontinued operations	—	(2)	1
Net earnings (loss)	195	654	142
Net (earnings) loss attributable to noncontrolling interests	1	—	—
Net earnings (loss) attributable to Celanese Corporation	196	654	142
Amounts attributable to Celanese Corporation			
Earnings (loss) from continuing operations	196	656	141
Earnings (loss) from discontinued operations	—	(2)	1
Net earnings (loss)	196	654	142
Earnings (loss) per common share - basic			
Continuing operations	1.25	4.17	0.88
Discontinued operations	—	(0.01)	0.01
Net earnings (loss) - basic	1.25	4.16	0.89
Earnings (loss) per common share - diluted			
Continuing operations	1.25	4.16	0.88
Discontinued operations	—	(0.01)	0.01
Net earnings (loss) - diluted	1.25	4.15	0.89
Weighted average shares (in millions)			
Basic	156.5	157.4	159.7
Diluted	156.8	157.7	160.2

Consolidated Balance Sheets - Unaudited

	As of March 31, 2014	As of December 31, 2013
	(In $ millions)	
ASSETS		
Current Assets		
Cash and cash equivalents	998	984
Trade receivables - third party and affiliates, net	986	867
Non-trade receivables, net	256	343
Inventories	816	804
Deferred income taxes	115	115
Marketable securities, at fair value	43	41
Other assets	32	28
Total current assets	3,246	3,182
Investments in affiliates	828	841
Property, plant and equipment, net	3,519	3,425
Deferred income taxes	261	289
Other assets	332	341
Goodwill	798	798
Intangible assets, net	145	142
Total assets	9,129	9,018
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term borrowings and current installments of long-term debt - third party and affiliates	157	177
Trade payables - third party and affiliates	790	799
Other liabilities	479	541
Deferred income taxes	10	10
Income taxes payable	74	18
Total current liabilities	1,510	1,545
Long-term debt	2,881	2,887
Deferred income taxes	220	225
Uncertain tax positions	158	200
Benefit obligations	1,147	1,175
Other liabilities	293	287
Commitments and Contingencies		
Stockholders' Equity		
Preferred stock	—	—
Common stock	—	—
Treasury stock, at cost	(414)	(361)
Additional paid-in capital	61	53
Retained earnings	3,179	3,011
Accumulated other comprehensive income (loss), net	(14)	(4)
Total Celanese Corporation stockholders' equity	2,812	2,699
Noncontrolling interests	108	—
Total equity	2,920	2,699
Total liabilities and equity	9,129	9,018

Celanese
Exhibit 99.2

Non-US GAAP Financial Measures and Supplemental Information

April 21, 2014

In this document, the terms "Company," "we" and "our" refer to Celanese Corporation and its subsidiaries on a consolidated basis.

Purpose

The purpose of this document is to provide information of interest to investors, analysts and other parties including supplemental financial information and reconciliations and other information concerning our use of non-US GAAP financial measures. This document is updated quarterly.

Use of Non-US GAAP Financial Measures

From time to time, management may publicly disclose certain numerical "non-GAAP financial measures" in the course of our earnings releases, financial presentations, earnings conference calls, investor and analyst meetings and otherwise. For these purposes, the Securities and Exchange Commission ("SEC") defines a "non-GAAP financial measure" as a numerical measure of historical or future financial performance, financial position, or cash flows that excludes amounts, or is subject to adjustments that effectively exclude amounts, included in the most directly comparable measure calculated and presented in accordance with US GAAP, and vice versa for measures that include amounts, or are subject to adjustments that effectively include amounts, that are excluded from the most directly comparable US GAAP measure so calculated and presented. For these purposes, "GAAP" refers to generally accepted accounting principles in the United States.

Non-GAAP financial measures disclosed by management are provided as additional information to investors, analysts and other parties as the Company believes them to be important supplemental measures for assessing our financial and operating results and as a means to evaluate period-to-period comparisons. These non-GAAP financial measures should be viewed as supplemental to, and should not be considered in isolation or as alternatives to, net earnings (loss), operating profit (loss), cash flow from operating activities, earnings per share or any other US GAAP financial measure. The method of calculation of the non-GAAP financial measures used herein may be different from other companies' methods for calculating measures with the same or similar titles. Investors, analysts and other parties should understand how another company calculates such non-GAAP financial measures before comparing the other company's non-GAAP financial measures to any of our own. These non-GAAP financial measures may not be indicative of the historical operating results of the Company nor are they intended to be predictive or projections of future results.

Pursuant to the requirements of SEC Regulation G, whenever we refer to a non-GAAP financial measure, we will also present on the Investor Relations/Financial Information/Non-GAAP Financial Measures page of our website, www.celanese.com, in this document, in the presentation itself or on a Form 8-K in connection with the presentation, to the extent practicable, the most directly comparable financial measure calculated and presented in accordance with GAAP, along with a reconciliation of the differences between the non-GAAP financial measure we reference and such comparable GAAP financial measure. This supplemental financial disclosure should be considered within the context of our complete audited financial results for the given period, which are available on the Investor Relations/Financial Information/SEC Filings page of our website, www.celanese.com.

This document includes definitions and reconciliations of non-GAAP financial measures used from time to time by the Company.

Specific Measures Used

This document provides information about the following non-GAAP measures: adjusted EBIT, operating EBITDA, adjusted earnings per share, net debt, adjusted free cash flow and return on capital employed. The most directly comparable financial measure presented in accordance with US GAAP in our consolidated financial statements for adjusted EBIT and operating EBITDA is net earnings (loss); for adjusted earnings per share is earnings (loss) from continuing operations per common share-diluted; for net debt is total debt; and for adjusted free cash flow is cash flow from operations. We do not believe that there is a directly comparable financial measure calculated and presented in accordance with GAAP for return on capital employed.

Definitions

- *Adjusted EBIT is defined by the Company as net earnings (loss) less interest income plus loss (earnings) from discontinued operations, interest expense and taxes, and further adjusted for certain items and amounts attributable to noncontrolling interests ("NCI"). We believe that adjusted EBIT provides transparent and useful information to management, investors, analysts and other parties in evaluating and assessing our core operating results from period-to-period after removing the impact of unusual, non-operational or restructuring-related activities that affect comparability. Our management recognizes that adjusted EBIT has inherent* *limitations because of the excluded items. Adjusted EBIT is one of the measures management uses for planning and budgeting, monitoring and evaluating financial and operating results and as a performance metric in the Company's incentive compensation plan. We may provide guidance on adjusted EBIT but are unable to reconcile forecasted adjusted EBIT to a US GAAP financial measure without unreasonable effort because a forecast of certain items is not practical. Adjusted EBIT by business segment may also be referred to by management as segment income.*

- *Operating EBITDA is defined by the Company as net earnings (loss) less interest income plus loss (earnings) from discontinued operations, interest expense, taxes and depreciation and amortization, and further adjusted for certain items and amounts attributable to NCI. Operating EBITDA is equal to adjusted EBIT plus depreciation and amortization , and has the same uses and limitations as adjusted EBIT described above.*

- *Adjusted earnings per share is defined by the Company as earnings (loss) from continuing operations, adjusted for income tax (provision) benefit, certain items, refinancing and related expenses and amounts attributable to NCI, divided by the number of basic common shares, convertible preferred shares and dilutive restricted stock units and stock options calculated using the treasury method. We believe that adjusted earnings per share provides transparent and useful information to management, investors, analysts and other parties in evaluating and assessing our core operating results from period-to-period after removing the impact of unusual, non-operational or restructuring-related activities that affect comparability. We may provide guidance on adjusted earnings per share but are unable to reconcile forecasted adjusted earnings per share to a GAAP financial measure without unreasonable effort because a forecast of certain items is not practical.*

  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 GAAP earnings for adjusted earnings per share purposes, and changes in management's assessments regarding the ability to realize deferred tax assets. We also reflect the impact of foreign tax credits when utilized for the adjusted earnings per share tax rate. 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 actual tax rate used for GAAP reporting in any given reporting period. It is not practical to reconcile our prospective adjusted tax rate to the actual GAAP tax rate in any given future period.

- *Adjusted free cash flow is defined by the Company as cash flow from operations less other productive asset purchases, operating cash flow from discontinued operations and certain cash flow adjustments, including amounts attributable to NCI and capital contributions from outside stockholders of the Company's consolidated ventures. We believe that adjusted free cash flow provides useful information to management, investors, analysts and other parties in evaluating the Company's liquidity and credit quality assessment. 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.*

- *Net debt is defined by the Company as total debt less cash and cash equivalents, adjusted for amounts attributable to NCI. We believe that net debt provides useful information to management, investors, analysts and other parties in evaluating changes to the Company's capital structure and credit quality assessment.*

- *Return on capital employed is defined by the Company as adjusted EBIT divided by the sum of property, plant and equipment, net and trade working capital (calculated as trade receivables, net plus inventories less trade payables – third party and affiliates), adjusted for outside stockholders' interest in property, plant and equipment, net related to the Company's consolidated ventures and trade working capital amounts attributable to NCI.*

Supplemental Information

Supplemental Information we believe to be of interest to investors, analysts and other parties includes the following:

- *For those consolidated ventures in which the Company owns or is exposed to less than 100% of the economics, the outside stockholders' interests are shown as noncontrolling interests. Beginning in 2014, this includes Fairway Methanol LLC for which the Company's ownership percentage is 50%.*

- *Net sales for each of our business segments and the percentage increase or decrease in net sales attributable to price, volume, currency and other factors for each of our business segments.*

- *Cash dividends received from our equity and cost investments.*

Results Unaudited

The results in this document, 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.

Change in accounting policy regarding pension and other postretirement benefits

Effective January 1, 2013, we elected to change our policy to immediately recognize actuarial gains and losses and the change in fair value of plan assets for our defined benefit pension plans and other postretirement benefit plans. Financial information for prior periods has been retrospectively adjusted.

Table 1
Adjusted EBIT and Operating EBITDA - Reconciliation of Non-GAAP Measures - Unaudited

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
	(In $ millions, except ratios)									
Net earnings (loss)	195	1,101	654	172	133	142	372	427	312	403
Net (earnings) loss attributable to NCI	1	—	—	—	—	—	—	—	—	—
(Earnings) loss from discontinued operations	—	—	2	(1)	—	(1)	4	(1)	49	(4)
Interest income	—	(1)	—	—	(1)	—	(2)	(3)	(7)	(8)
Interest expense	39	172	42	43	44	43	185	221	204	207
Interest expense attributable to NCI	—	—	—	—	—	—	—	—	—	—
Refinancing expense	—	1	—	1	—	—	3	3	16	—
Income tax provision (benefit)	78	508	299	57	75	77	(55)	41	72	(294)
Income tax (provision) benefit attributable to NCI	—	—	—	—	—	—	—	—	—	—
Certain items attributable to Celanese Corporation [1]	(11)	(725)	(753)	7	13	8	455	405	197	221
Adjusted EBIT	302	1,056	244	279	264	269	962	1,093	843	525
Depreciation and amortization expense [2]	73	302	75	76	75	76	300	287	258	290
Depreciation and amortization expense attributable to NCI	—	—	—	—	—	—	—	—	—	—
Operating EBITDA	375	1,358	319	355	339	345	1,262	1,380	1,101	815
Operating EBITDA / Interest expense		7.9					6.8	6.2	5.4	3.9

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
	(In $ millions)									
Advanced Engineered Materials	—	—	—	—	—	—	—	3	4	1
Consumer Specialties	—	—	—	—	—	—	6	8	5	—
Industrial Specialties	2	3	3	—	—	—	2	—	—	5
Acetyl Intermediates	—	—	—	—	—	—	—	—	20	12
Other Activities [3]	—	—	—	—	—	—	—	—	—	—
Accelerated depreciation and amortization expense	2	3	3	—	—	—	8	11	29	18
Depreciation and amortization expense [2]	73	302	75	76	75	76	300	287	258	290
Depreciation and amortization expense attributable to NCI	—	—	—	—	—	—	—	—	—	—
Total depreciation and amortization expense attributable to Celanese Corporation	75	305	78	76	75	76	308	298	287	308

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(1) See Certain items presentation (Table 8) for details.

(2) Excludes accelerated depreciation and amortization expense as detailed in the table above and included in Certain items above.

(3) Other Activities includes corporate Selling, general and administrative ("SG&A") expenses, the results of captive insurance companies and certain components of net periodic benefit cost (interest cost, expected return on plan assets and net actuarial gains and losses).

Table 2 - Segment Data and Reconciliation of Adjusted EBIT and Operating EBITDA - Non-GAAP Measures - Unaudited

Celanese

	Q1 '14		2013		Q4 '13		Q3 '13		Q2 '13		Q1 '13		2012		2011		2010		2009	
	(In $ millions, except percentages)																			
Operating Profit (Loss) / Operating Margin Attributable to Celanese Corporation (1)																				
Advanced Engineered Materials	57	15.3%	904	66.9%	781	240.3 %	48	13.9%	39	11.1%	36	10.9%	95	7.5%	79	6.1%	182	16.4%	36	4.5%
Consumer Specialties	99	32.8%	346	28.5%	100	33.9 %	85	27.4%	83	26.4%	78	26.4%	251	21.2%	229	19.7%	163	14.8%	230	21.2%
Industrial Specialties	20	6.4%	64	5.5%	7	2.6 %	24	8.0%	18	6.1%	15	5.2%	86	7.3%	102	8.3%	89	8.6%	89	9.1%
Acetyl Intermediates (2)	98	11.7%	153	4.7%	(44)	(5.3)%	67	8.4%	55	6.8%	75	9.3%	269	8.3%	458	12.9%	237	7.7%	88	3.4%
Other Activities (3)	(30)		41		100		(13)		(26)		(20)		(526)		(466)		(273)		(299)	
Total	244	14.3%	1,508	23.2%	944	58.4 %	211	12.9%	169	10.2%	184	11.5%	175	2.7%	402	5.9%	398	6.7%	144	2.8%
Equity Earnings, Cost-Dividend Income, Other Income (Expense) Attributable to Celanese Corporation																				
Advanced Engineered Materials	33		149		33		31		45		40		190		163		143		76	
Consumer Specialties	30		95		24		21		24		26		90		80		73		57	
Industrial Specialties	—		—		—		—		—		—		—		2		—		—	
Acetyl Intermediates (2)	1		5		(4)		3		3		3		13		10		9		9	
Other Activities (3)	5		24		—		6		10		8		39		31		23		18	
Total	69		273		53		61		82		77		332		286		248		160	
Certain Items Attributable to Celanese Corporation (4)																				
Advanced Engineered Materials	(6)		(752)		(758)		2		2		2		16		60		(38)		—	
Consumer Specialties	(2)		(5)		(13)		2		2		4		34		23		97		10	
Industrial Specialties	—		9		6		1		1		1		2		1		(19)		(26)	
Acetyl Intermediates	(3)		143		132		2		8		1		5		(3)		62		103	
Other Activities (3)	—		(120)		(120)		—		—		—		398		324		95		134	
Total	(11)		(725)		(753)		7		13		8		455		405		197		221	
Adjusted EBIT / Adjusted EBIT Margin (1)																				
Advanced Engineered Materials	84	22.5%	301	22.3%	56	17.2 %	81	23.4%	86	24.4%	78	23.7%	301	23.9%	302	23.3%	287	25.9%	112	13.9%
Consumer Specialties	127	42.1%	436	35.9%	111	37.6 %	108	34.8%	109	34.7%	108	36.6%	375	31.6%	332	28.6%	333	30.3%	297	27.4%
Industrial Specialties	20	6.4%	73	6.3%	13	4.8 %	25	8.4%	19	6.4%	16	5.6%	88	7.4%	105	8.6%	70	6.8%	63	6.5%
Acetyl Intermediates	96	11.4%	301	9.3%	84	10.1 %	72	9.1%	66	8.2%	79	9.8%	287	8.9%	465	13.1%	308	10.0%	200	7.7%
Other Activities (3)	(25)		(55)		(20)		(7)		(16)		(12)		(89)		(111)		(155)		(147)	
Total	302	17.7%	1,056	16.2%	244	15.1 %	279	17.1%	264	16.0%	269	16.8%	962	15.0%	1,093	16.2%	843	14.2%	525	10.3%
Depreciation and Amortization Expense Attributable to Celanese Corporation (5)																				
Advanced Engineered Materials	26		110		27		27		27		29		113		97		72		72	
Consumer Specialties	11		41		11		10		10		10		39		36		37		50	
Industrial Specialties	12		49		12		13		12		12		53		45		41		46	
Acetyl Intermediates	21		86		21		22		22		21		80		96		97		111	
Other Activities (3)	3		16		4		4		4		4		15		13		11		11	
Total	73		302		75		76		75		76		300		287		258		290	
Operating EBITDA																				
Advanced Engineered Materials	110	29.5%	411	30.4%	83	25.5 %	108	31.2%	113	32.1%	107	32.5%	414	32.8%	399	30.7%	359	32.4%	184	22.8%
Consumer Specialties	138	45.7%	477	39.3%	122	41.4 %	118	38.1%	119	37.9%	118	40.0%	414	34.9%	368	31.7%	370	33.7%	347	32.0%
Industrial Specialties	32	10.3%	122	10.6%	25	9.2 %	38	12.7%	31	10.5%	28	9.7%	141	11.9%	150	12.3%	111	10.7%	109	11.2%
Acetyl Intermediates	117	13.9%	387	11.9%	105	12.7 %	94	11.8%	88	10.9%	100	12.4%	367	11.4%	561	15.8%	405	13.1%	311	11.9%
Other Activities (3)	(22)		(39)		(16)		(3)		(12)		(8)		(74)		(98)		(144)		(136)	
Total	375	22.0%	1,358	20.9%	319	19.7 %	355	21.7%	339	20.5%	345	21.5%	1,262	19.7%	1,380	20.4%	1,101	18.6%	815	16.0%

(1) Defined as Operating profit (loss) attributable to Celanese Corporation and Adjusted EBIT, respectively, divided by Net sales attributable to Celanese Corporation.

(2) Excludes amounts attributable to NCI as follows:

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
	(In $ millions)									
Operating Profit (Loss)	(1)	—	—	—	—	—	—	—	—	—
Equity Earnings, Cost-Dividend Income, Other Income (Expense)	—	—	—	—	—	—	—	—	—	—

(3) Other Activities includes corporate SG&A expenses, the results of captive insurance companies and certain components of net periodic benefit cost (interest cost, expected return on plan assets and net actuarial gains and losses).

(4) See Certain items presentation (Table 8) for details.

(5) Excludes accelerated depreciation and amortization expense included in Certain items above. See Table 1 for details.

Celanese

Table 3
Adjusted Earnings (Loss) per Share - Reconciliation of a Non-GAAP Measure - Unaudited

	Q1 '14		2013		Q4 '13		Q3 '13		Q2 '13		Q1 '13		2012		2011		2010		2009	
		per share		per share		per share		per share		per share		per share		per share		per share		per share		per share
	(In $ millions, except per share data)																			
Earnings (loss) from continuing operations attributable to Celanese Corporation	196	1.25	1,101	6.91	656	4.16	171	1.07	133	0.83	141	0.88	376	2.35	426	2.68	361	2.28	399	2.54
Income tax provision (benefit)	78		508		299		57		75		77		(55)		41		72		(294)	
Income tax (provision) benefit attributable to NCI	—		—		—		—		—		—		—		—		—		—	
Earnings (loss) from continuing operations before tax	274		1,609		955		228		208		218		321		467		433		105	
Certain items attributable to Celanese Corporation [(1)]	(11)		(725)		(753)		7		13		8		455		405		197		221	
Refinancing and related expenses	—		1		—		1		—		—		8		3		16		—	
Adjusted earnings (loss) from continuing operations before tax	263		885		202		236		221		226		784		875		646		326	
Income tax (provision) benefit on adjusted earnings [(2)]	(55)		(168)		(38)		(45)		(42)		(43)		(133)		(158)		(136)		(78)	
Adjusted earnings (loss) from continuing operations [(3)]	208	1.33	717	4.50	164	1.04	191	1.20	179	1.12	183	1.14	651	4.07	717	4.51	510	3.22	248	1.58
	Diluted shares (in millions) [(4)]																			
Weighted average shares outstanding	156.5		158.8		157.4		158.5		159.7		159.7		158.4		156.2		154.6		143.7	
Dilutive stock options	0.2		0.2		0.2		0.2		0.2		0.2		0.8		1.9		1.8		1.1	
Dilutive restricted stock units	0.1		0.3		0.1		0.4		0.2		0.3		0.6		0.8		0.4		0.2	
Assumed conversion of preferred stock	—		—		—		—		—		—		—		—		1.6		12.1	
Total diluted shares	156.8		159.3		157.7		159.1		160.1		160.2		159.8		158.9		158.4		157.1	

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(1) See Certain items presentation (Table 8) for details.

(2) Calculated using adjusted effective tax rates as follows:

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
	(In percentages)									
Adjusted effective tax rate	21	19	19	19	19	19	17	18	21	24

(3) Excludes the immediate recognition of actuarial gains and losses and the impact of actual vs. expected plan asset returns.

	Actual Plan Asset Returns	Expected Plan Asset Returns
Q4 '13 & 2013	7.9%	8.0%
2012	13.1%	8.1%
2011	7.6%	8.1%
2010	15.1%	8.1%
2009	17.9%	7.9%

(4) Potentially dilutive shares are included in the adjusted earnings per share calculation when adjusted earnings are positive.

Celanese

Table 4
Net Sales by Segment - Unaudited

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
					(In $ millions)					
Advanced Engineered Materials	373	1,352	325	346	352	329	1,261	1,298	1,109	808
Consumer Specialties	302	1,214	295	310	314	295	1,186	1,161	1,098	1,084
Industrial Specialties	312	1,155	273	299	295	288	1,184	1,223	1,036	974
Acetyl Intermediates	841	3,241	829	795	809	808	3,231	3,551	3,082	2,603
Other Activities [1]	—	—	—	—	—	—	—	1	2	2
Intersegment elimination [2]	(123)	(452)	(106)	(114)	(117)	(115)	(444)	(471)	(409)	(389)
Net sales	1,705	6,510	1,616	1,636	1,653	1,605	6,418	6,763	5,918	5,082
Acetyl Intermediates Net sales attributable to NCI	—	—	—	—	—	—	—	—	—	—
Net sales attributable to Celanese Corporation	1,705	6,510	1,616	1,636	1,653	1,605	6,418	6,763	5,918	5,082

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(1) Other Activities includes corporate SG&A expenses, the results of captive insurance companies and certain components of net periodic benefit cost (interest cost, expected return on plan assets and net actuarial gains and losses). .

(2) Includes intersegment sales as follows:

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
					(In $ millions)					
Consumer Specialties	—	(4)	—	—	(1)	(3)	(4)	(3)	(9)	(6)
Acetyl Intermediates	(123)	(448)	(106)	(114)	(116)	(112)	(440)	(468)	(400)	(383)
Intersegment elimination	(123)	(452)	(106)	(114)	(117)	(115)	(444)	(471)	(409)	(389)

Table 4a
Factors Affecting Segment Net Sales Sequentially - Unaudited

Three Months Ended March 31, 2014 Compared to Three Months Ended December 31, 2013

	Volume	Price	Currency	Other	Total
			(In percentages)		
Advanced Engineered Materials	12	3	—	—	15
Consumer Specialties	—	2	—	—	2
Industrial Specialties	13	1	—	—	14
Acetyl Intermediates	(3)	5	—	—	2
Total Company	**3**	**3**	**—**	**—**	**6**

Three Months Ended December 31, 2013 Compared to Three Months Ended September 30, 2013

	Volume	Price	Currency	Other	Total
			(In percentages)		
Advanced Engineered Materials	(4)	(3)	1	—	(6)
Consumer Specialties	(5)	—	—	—	(5)
Industrial Specialties	(10)	—	1	—	(9)
Acetyl Intermediates	2	1	1	—	4
Total Company	**(3)**	**—**	**1**	**—**	**(2)**

Three Months Ended September 30, 2013 Compared to Three Months Ended June 30, 2013

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

Three Months Ended June 30, 2013 Compared to Three Months Ended March 31, 2013

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

Table 4b
Factors Affecting Segment Net Sales Year Over Year - Unaudited

Three Months Ended March 31, 2014 Compared to Three Months Ended March 31, 2013

	Volume	Price	Currency	Other	Total
			(In percentages)		
Advanced Engineered Materials	14	(2)	1	—	13
Consumer Specialties	(1)	3	—	—	2
Industrial Specialties	6	—	2	—	8
Acetyl Intermediates	(3)	5	2	—	4
Total Company	**3**	**2**	**1**	**—**	**6**

Three Months Ended December 31, 2013 Compared to Three Months Ended December 31, 2012

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

Three Months Ended September 30, 2013 Compared to Three Months Ended September 30, 2012

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

Three Months Ended June 30, 2013 Compared to Three Months Ended June 30, 2012

	Volume	Price	Currency	Other	Total
			(In percentages)		
Advanced Engineered Materials	7	1	1	—	9
Consumer Specialties	(10)	6	—	—	(4)
Industrial Specialties	(7)	(4)	1	—	(10)
Acetyl Intermediates	2	(4)	1	—	(1)
Total Company	**(1)**	**(1)**	**1**	**—**	**(1)**

Table 4a
Factors Affecting Segment Net Sales Sequentially - Unaudited (continued)

Three Months Ended March 31, 2013 Compared to Three Months Ended December 31, 2012

	Volume	Price	Currency	Other	Total
			(In percentages)		
Advanced Engineered Materials	6	3	1	—	10
Consumer Specialties	—	5	—	—	5
Industrial Specialties	14	—	1	—	15
Acetyl Intermediates	5	(1)	1	—	5
Total Company	**6**	**1**	**1**	**(1)**	**7**

Table 4b
Factors Affecting Segment Net Sales Year Over Year - Unaudited (continued)

Three Months Ended March 31, 2013 Compared to Three Months Ended March 31, 2012

	Volume	Price	Currency	Other	Total
			(In percentages)		
Advanced Engineered Materials	—	4	—	—	4
Consumer Specialties	5	7	—	—	12
Industrial Specialties	(3)	(4)	—	—	(7)
Acetyl Intermediates	(4)	(1)	—	—	(5)
Total Company	**(2)**	**—**	**—**	**—**	**(2)**

Table 4c
Factors Affecting Segment Net Sales Year Over Year - Unaudited

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

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

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

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

Year Ended December 31, 2011 Compared to Year Ended December 31, 2010

	Volume	Price	Currency	Other	Total
	(In percentages)				
Advanced Engineered Materials	2	8	3	4 [1]	17
Consumer Specialties	1	5	—	—	6
Industrial Specialties	2	13	3	—	18
Acetyl Intermediates	(4)	16	3	—	15
Total Company	**(1)**	**13**	**3**	**—**	**15**

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[1] Includes the effects of the two product lines acquired in May 2010 from DuPont Performance Polymers

Year Ended December 31, 2010 Compared to Year Ended December 31, 2009

	Volume	Price	Currency	Other	Total
	(In percentages)				
Advanced Engineered Materials	35	1	(3)	4 [1]	37
Consumer Specialties	2	—	(1)	—	1
Industrial Specialties	11	6	(3)	(8) [2]	6
Acetyl Intermediates	10	10	(2)	—	18
Total Company	**13**	**7**	**(2)**	**(2)** [3]	**16**

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[1] 2010 includes the effects of the FACT GmbH (Future Advanced Composites Technology) and DuPont acquisitions.

[2] 2010 does not include the effects of the PVOH business, which was sold on July 1, 2009.

[3] Includes the effects of the captive insurance companies and the impact of fluctuations in intersegment eliminations.

Table 5
Adjusted Free Cash Flow - Reconciliation of a Non-GAAP Measure - Unaudited

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010
	(In $ millions, except percentages)								
Net cash provided by (used in) operating activities	164	762	154	232	229	147	722	638	452
Net cash (provided by) used in operating activities attributable to NCI	13	—	—	—	—	—	—	—	—
Adjustments to operating cash for discontinued operations	—	4	(1)	—	6	(1)	(2)	9	58
Net cash provided by (used in) operating activities from continuing operations attributable to Celanese Corporation	177	766	153	232	235	146	720	647	510
Capital expenditures on property, plant and equipment	(148)	(370)	(111)	(110)	(75)	(74)	(361)	(349)	(201)
Capital contributions from Mitsui & Co., Ltd. to Fairway Methanol LLC	109	—	—	—	—	—	—	—	—
Cash flow adjustments [1]	(3)	(24)	(5)	(5)	(6)	(8)	(20)	28	(15)
Adjusted free cash flow	135	372	37	117	154	64	339	326	294
Net sales attributable to Celanese Corporation	1,705	6,510	1,616	1,636	1,653	1,605	6,418	6,763	5,918
Adjusted free cash flow as % of Net sales	7.9%	5.7%	2.3%	7.2%	9.3%	4.0%	5.3%	4.8%	5.0%

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[1] Primarily associated with purchases of other productive assets that are classified as 'investing activities' for GAAP purposes. Amounts for 2010-2012 also include Kelsterbach plant relocation related cash expenses.

Table 6
Cash Dividends Received - Unaudited

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
	(In $ millions)									
Dividends from equity method investments	65	141	38	11	45	47	262	205	138	78
Dividends from cost method investments	29	93	24	22	23	24	85	80	73	57
Total	94	234	62	33	68	71	347	285	211	135

Table 7
Net Debt - Reconciliation of a Non-GAAP Measure - Unaudited

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009
	(In $ millions, except ratios)									
Short-term borrowings and current installments of long-term debt - third party and affiliates	157	177	177	224	224	112	168	144	228	242
Long-term debt	2,881	2,887	2,887	2,870	2,860	2,959	2,930	2,873	2,990	3,259
Total debt	3,038	3,064	3,064	3,094	3,084	3,071	3,098	3,017	3,218	3,501
Total debt attributable to NCI	—	—	—	—	—	—	—	—	—	—
Cash and cash equivalents	998	984	984	1,100	1,107	978	959	682	740	1,254
Cash and cash equivalents attributable to NCI	(17)	—	—	—	—	—	—	—	—	—
Net debt	2,057	2,080	2,080	1,994	1,977	2,093	2,139	2,335	2,478	2,247
Operating EBITDA		1,358					1,262	1,380	1,101	815
Net debt / Operating EBITDA		1.5					1.7	1.7	2.3	2.8

Celanese

Table 8
Certain Items - Unaudited

The following Certain items are included in Net earnings (loss) and are adjustments to non-GAAP measures:

	Q1 '14	2013	Q4 '13	Q3 '13	Q2 '13	Q1 '13	2012	2011	2010	2009	Income Statement Classification
	(In $ millions)										
Employee termination benefits	2	23	20	—	1	2	6	22	32	105	Other charges (gains), net
Plant/office closures	3	43	40	1	1	1	21	18	21	42	Other charges (gains), net / Cost of sales / SG&A
Business optimization	—	—	—	—	—	—	9	8	16	7	Cost of sales / SG&A
Asset impairments	—	83	81	2	—	—	8	1	74	14	Other charges (gains), net / Other income (expense), net
(Gain) loss on disposition of business and assets, net	—	2	1	1	—	—	1	(1)	(10)	(34)	(Gain) loss on disposition, net
Commercial disputes	—	12	7	—	5	—	(2)	(7)	9	—	Other charges (gains), net / Cost of sales / SG&A
Kelsterbach plant relocation	—	(727)	(733)	2	2	2	21	55	13	16	Other charges (gains), net / Cost of sales / (Gain) loss on disposition
InfraServ Hoechst restructuring	—	8	8	—	—	—	(22)	—	—	—	Equity in net (earnings) loss of affiliates
Plumbing actions	—	—	—	—	—	—	(5)	(6)	(59)	(10)	Other charges (gains), net
Insurance recoveries	—	—	—	—	—	—	—	—	(18)	(6)	Other charges (gains), net
Write-off of other productive assets	—	—	—	—	—	—	—	(1)	18	—	Cost of sales
Acetate production interruption costs	—	—	—	—	—	—	10	—	—	—	Cost of sales
(Gain) loss on pension plan and medical plan changes	(16)	(71)	(71)	—	—	—	—	—	—	—	Cost of sales / SG&A / R&D
Actuarial (gain) loss on pension and postretirement plans	—	(106)	(106)	—	—	—	389	306	84	104	Cost of sales / SG&A / R&D
Other	—	8	—	1	4	3	19	10	17	(17)	Various
Total	(11)	(725)	(753)	7	13	8	455	405	197	221	
Certain items attributable to NCI	—	—	—	—	—	—	—	—	—	—	
Certain items attributable to Celanese Corporation	(11)	(725)	(753)	7	13	8	455	405	197	221	

Table 9
Return on Capital Employed - Presentation of a Non-GAAP Measure - Unaudited

	2013	2012	2011	2010	2009
	(In $ millions, except percentages)				
Adjusted EBIT [1]	1,056	962	1,093	843	525
Property, plant and equipment, net	3,425	3,350	3,269	3,017	2,797
Property, plant and equipment, net related to Fairway Methanol LLC [2]	(139)	(6)	—	—	—
Trade receivables, net	867	827	871	827	721
Inventories	804	711	712	610	522
Trade payables - third party and affiliates	(799)	(649)	(673)	(673)	(649)
Trade working capital	872	889	910	764	594
Trade working capital attributable to NCI	—	—	—	—	—
Capital employed	4,158	4,233	4,179	3,781	3,391
Return on capital employed	25.4%	22.7%	26.2%	22.3%	15.5%

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(1) See consolidated Adjusted EBIT reconciliation (Table 1) for details.

(2) Represents 50% of property, plant and equipment, net related to the methanol unit being constructed in Clear Lake, Texas.

Exhibit 99.3

Celanese
The chemistry inside innovation™

Celanese Q1 2014 Earnings

Monday, April 21, 2014

Conference Call / Webcast
Tuesday, April 22, 2014 10:00 a.m. EDT

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

Forward-Looking Statements

Celanese

This presentation 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. 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, textiles, electronics and construction industries; changes in the price and availability of raw materials, particularly changes in the demand for, supply of, and market prices of ethylene, methanol, natural gas, wood pulp and fuel oil and the prices for electricity and other energy sources; the ability to pass increases in raw material prices on to customers or otherwise improve margins through price increases; the ability to maintain plant utilization rates and to implement planned capacity additions and expansions; the ability to reduce or maintain their current levels of production costs and to improve productivity by implementing technological improvements to existing plants; increased price competition and the introduction of competing products by other companies; market acceptance of our technology; the ability to obtain governmental approvals and to construct facilities on terms and schedules acceptable to the company; changes in the degree of intellectual property and other legal protection afforded to our products or technologies, or the theft of such intellectual property; compliance and other costs and potential disruption or interruption of production or operations due to accidents, interruptions in sources of raw materials, cyber security incidents, terrorism or political unrest or other unforeseen events or delays in construction or operation of facilities, including as a result of geopolitical conditions, the occurrence of acts of war or terrorist incidents or as a result of weather or natural disasters; potential liability for remedial actions and increased costs under existing or future environmental regulations, including those relating to climate change; potential liability resulting from pending or future litigation, or from changes in the laws, regulations or policies of governments or other governmental activities in the countries in which we operate; changes in currency exchange rates and interest rates; our level of indebtedness, which could diminish our ability to raise additional capital to fund operations or limit our ability to react to changes in the economy or the chemicals industry; and various other factors 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.

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 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-GAAP Financial Measures and Change in Accounting Policy

This presentation, and statements made in connection with this presentation, contain references to non-GAAP financial measures. For more information on the non-GAAP financial measures used by the company and referenced in this presentation, including definitions and reconciliations with comparable GAAP financial measures, as well as prior period information, please refer to the Non-GAAP Financial Measure and Supplemental Information document available under Investor Relations/Financial Information/Non-GAAP Financial Measures and Supplemental Information on our website, www.celanese.com. The website materials also describe a change in accounting policy regarding pension and other postretirement benefits effective January 1, 2013.

Mark Rohr
Chairman and Chief Executive Officer

Recent Highlights

- Began construction of methanol unit in Clear Lake, Texas
- Exploring plans to construct a methanol unit in Bishop, Texas
- Received the Best Supplier Award from Whirlpool
- Engineered materials introduced differentiated polymer technologies that broaden our access to certain end-markets
  - Utilities: Composite technologies that deliver greater reliability, capacity and performance
  - Oil and Gas: Spoolable pipe systems that meet the harsh demands of deepwater operations
  - Anti-counterfeiting technologies that help equipment manufacturers and suppliers ensure authenticity of products
  - Polymers that can withstand extreme industrial environments required by the RFID

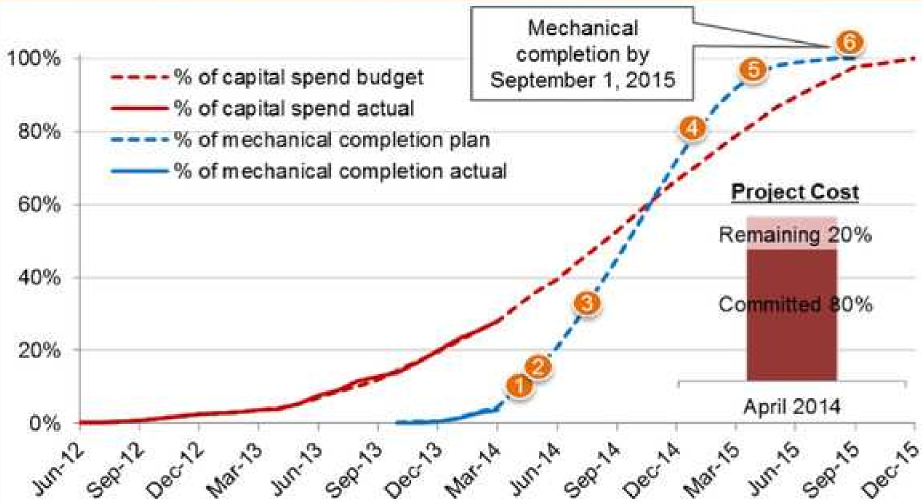
Anti-counterfeiting technology: Laser-marking

RFID tags

*For additional details please refer to Investor Relations/Recent Business and Product Related Releases on our *website*, www.celanese.com.

Fairway: Clear Lake methanol project update, start-up October 1, 2015

Celanese



Status Update

- ✓ Final Greenhouse Gas permit received
- ✓ Construction started
- ✓ Contract for piling, civil, piping, and mechanical awarded
- ✓ Working to close gap on construction schedule
- ✓ 99% of equipment procured; below budget
- All major equipment on site prior to year end 2014

Milestone	Expected completion
1 Start Steel Erection	Q2 2014
2 Electrical & Instrumentation Contract	Q2 2014
3 Erect First Tower	Q3 2014
4 Control Building Complete	Q1 2015
5 Reformer Installation Complete	Q2 2015
6 Mechanical Completion	Q3 2015

Outlook* for 2014

Celanese

	Potential contribution (in millions)	% Completed	Celanese-specific actions update
Improving plant operations	~$45	~50%	• Closure of two non-integrated plants in Europe in late 2013 • Remaining to be delivered by productivity improvements across all of our operations
Creating upstream & downstream efficiencies	~$25	~100%	• Specific productivity actions in cellulose derivatives business
Translating innovation	~$30	~25%	• Working closely with customers • Combining chemistry with applications engineering to identify new opportunities • Translating across multiple customers or multiple platforms

Line-of-sight to 2014 growth of 12 to 14 percent

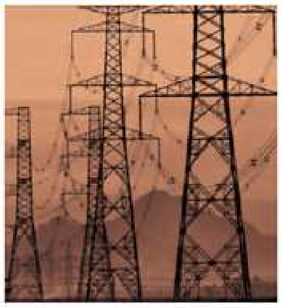
*As of April 2014

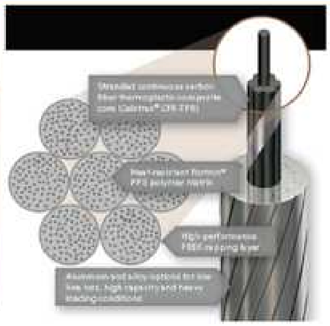
Innovation Success

Celanese

Transmission lines

(Celstran® CFR-TPR)





- Developed with Southwire
- Leverages Celanese's proprietary composite technology
- Two times the capacity
- Less sag
- Drives cost savings for customers

Offshore oil & gas

(Celstran® CFR-TP)

- Signed supply agreement with Airborne
- Used in deepwater, offshore oil and gas operations
- Reduces operational costs
- Lowers maintenance costs
- Improves pressure performance
- Won JEC Europe 2012 Innovation Award

*For additional details please refer to Investor Relations/Recent Business and Product Related Releases on our *website*, www.celanese.com.

Celanese Corporation Q1 2014 Highlights

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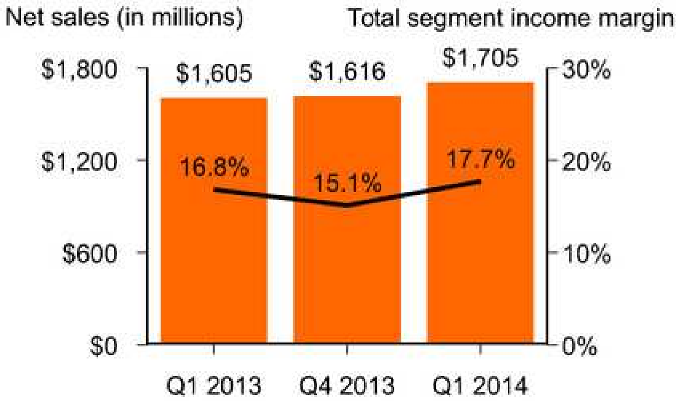
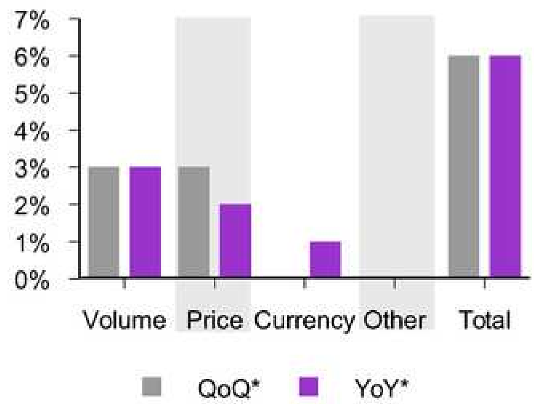
Q1 Performance



Factors Affecting Net Sales



Adjusted EPS

Q1 2014	$1.33
Q4 2013	$1.04
Q1 2013	$1.14

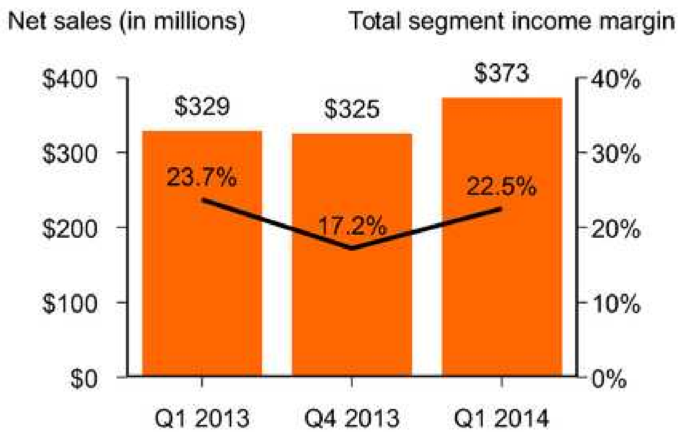
- Record first quarter adjusted earnings
- Deployed $53 million to repurchase >1 million shares
- Operating cash flow of $164 million
- Ended quarter with $1.0 billion in cash
- Adjusted free cash flow of $135 million

*QoQ represents Q1 2014 as compared to Q4 2013; YoY represents Q1 2014 compared to Q1 2013.

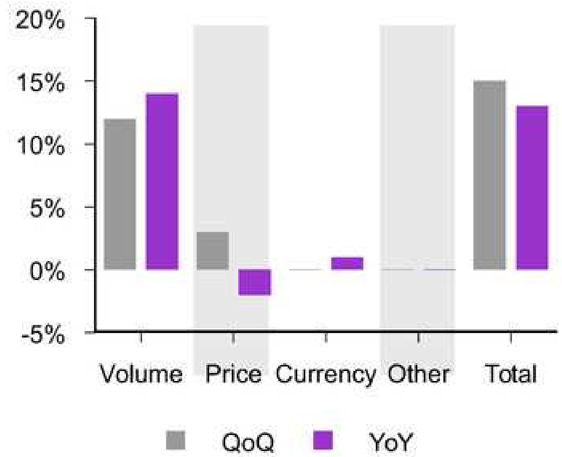
Advanced Engineered Materials

Celanese

Q1 Performance



Factors Affecting Net Sales



QoQ Segment income highlights

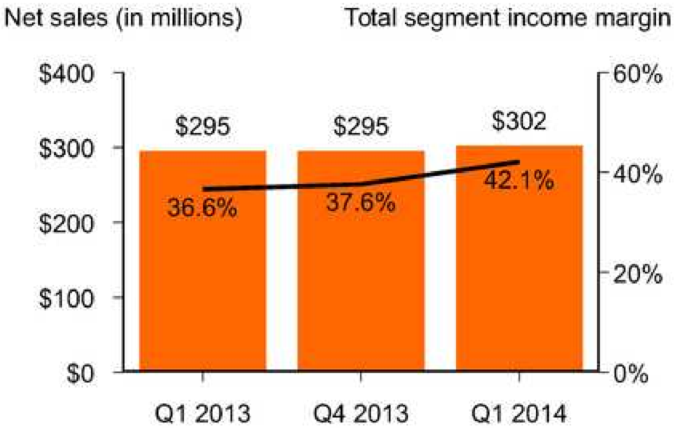
- Higher volumes driven by strong seasonal demand and growing demand for advanced polymers in autos
- Pricing increased on improved mix, primarily medical
- Strong results in engineered materials more than offset lower than expected affiliate earnings and higher energy costs

YoY Segment income highlights

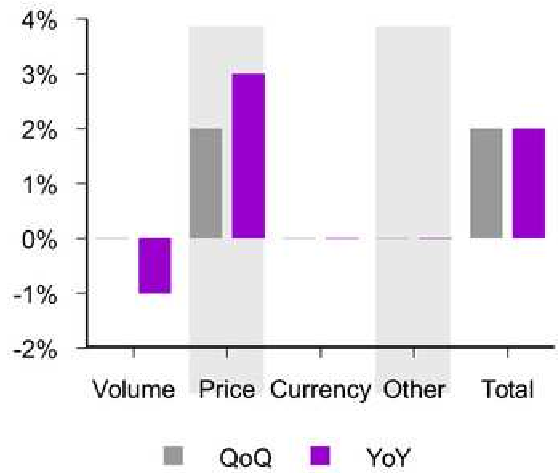
- Higher volumes globally driven by strong demand partially offset by lower pricing due to mix and higher energy costs
- Strong results in engineered materials more than offset $7 million lower affiliate earnings

Consumer Specialties

Q1 Performance



Factors Affecting Net Sales



QoQ Segment income highlights

- Higher pricing of acetate tow partially offset by commitments under a legacy contract in flake
- Lower costs driven by productivity initiatives specific to cellulose derivatives
- Dividends from cellulose derivatives ventures increased $5 million

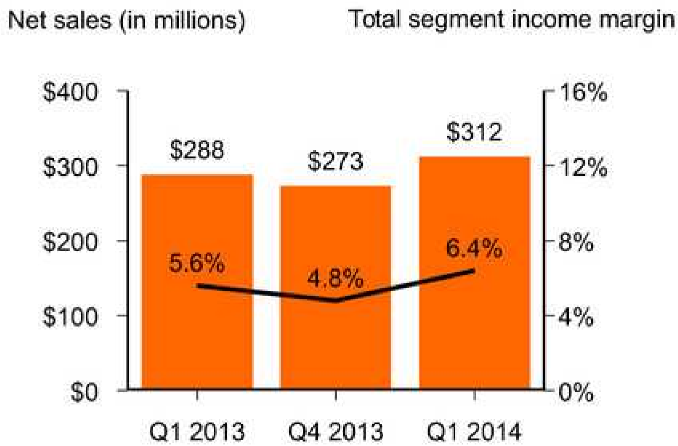
YoY Segment income highlights

- Higher pricing of acetate tow partially offset by commitments under a legacy contract in flake
- Lower costs driven by productivity initiatives specific to cellulose derivatives
- Dividends from cellulose derivatives ventures increased $5 million

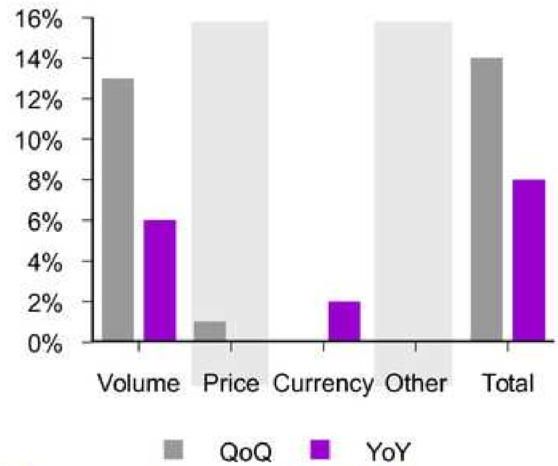
Industrial Specialties

Celanese

Q1 Performance



Factors Affecting Net Sales



QoQ Segment income highlights

- Higher volumes in emulsion polymers more than offset higher raw material costs, primarily VAM
- Pricing increased mainly in North America and Asia in EVA polymers due to the higher raw material costs

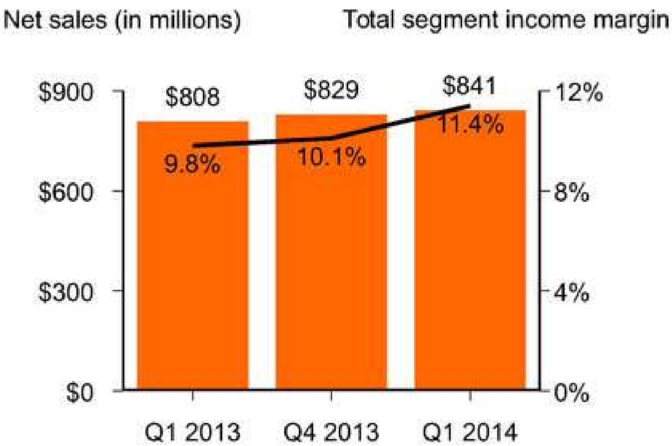
YoY Segment income highlights

- Higher volumes in Europe due to strong proprietary paints and coatings demand in emulsion polymers resulting from unseasonably warm weather

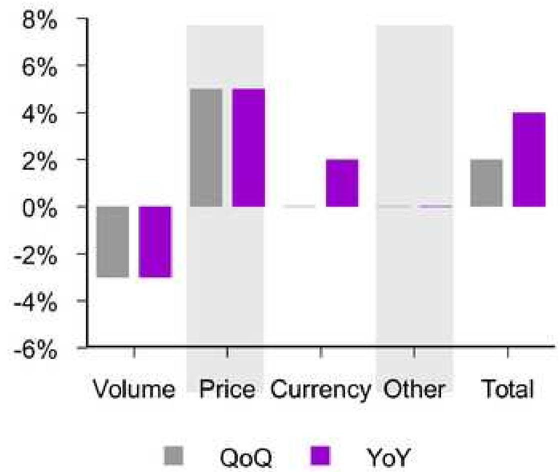
Acetyl Intermediates

Celanese

Q1 Performance



Factors Affecting Net Sales



QoQ Segment income highlights

- VAM pricing increased due to permanent capacity reductions in Europe and temporary industry outages in North America
- Higher pricing and strategic actions more than offset higher raw material and energy costs and lower volumes

YoY Segment income highlights

- VAM pricing increased due to permanent capacity reductions in Europe and temporary industry outages in North America
- Higher acid price due to higher methanol costs
- Lower acid volumes due to weak demand and an inventory build for turnaround

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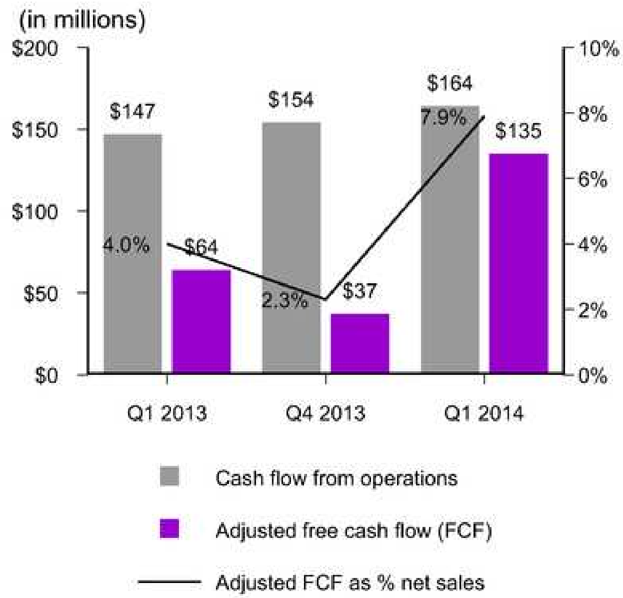
Steven Sterin
Senior Vice President and Chief Financial Officer

Strong Cash Flow Generation

Celanese

Adjusted Free Cash Flow



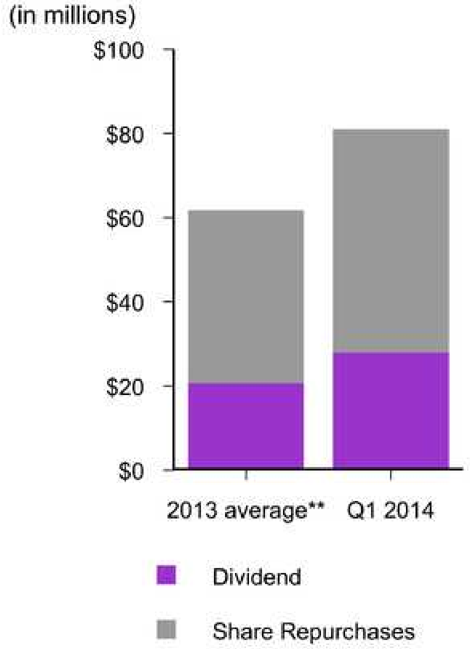
- Operating cash flow primarily driven by strong earnings performance
- Adjusted FCF impacted by timing of capital investment and JV funding related to Clear Lake methanol unit
- Capex of $148 million in Q1 2014
- Continue to expect capex of $450-500 million for 2014 with ramp-up of construction of Clear Lake methanol unit and installing natural gas boilers in Narrows, Virginia
- Net debt <$2.1 billion as of March 31, 2014

Continue to focus on a balanced capital deployment strategy

Return of Cash to Shareholders

Celanese

Dividend* Payout and Share Repurchases



Dividend

- Q1 2014 dividend payout 133% higher than Q1 2013
- Dividend yield in-line with peers

Share Repurchases

- Deployed $53 million to repurchase >1 million shares in Q1 at an average price of $51.30
- Remaining share repurchase authorization of $347 million
- Expect to repurchase opportunistically

Over $1 billion returned to shareholders since 2007 via dividends and share repurchases

*Based on dividends paid on common stock. **2013 quarterly average

Exhibit 99.4

Celanese

Q1 2014 Earnings Prepared Comments

Jon Puckett, Celanese Corporation, Vice President, Investor Relations

Welcome to the Celanese Corporation first quarter 2014 financial results recording. The date of this recording is April 21, 2014. 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, Vice President of Investor Relations at Celanese. Today you will be hearing from Mark Rohr, Chairman and Chief Executive Officer, and Steven Sterin, Senior Vice President and Chief Financial Officer.

The Celanese Corporation first quarter 2014 earnings release was distributed via business wire this afternoon and posted on our website, www.celanese.com , in the Investor Relations section. The slides referenced during this recording are also posted on our website. 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 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 on our website, www.celanese.com , in the Investor Relations section under Financial Information. The earnings release, presentation, and non-GAAP reconciliations are being furnished to the SEC in a Current Report on Form 8-K.

Mark Rohr will provide some recent highlights, review our consolidated first quarter results and will discuss our outlook for the rest of 2014 . Steven will then comment on cash flow, net debt, shareholder returns and tax rate. 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 in today.

Before we get into our results let me talk about a couple of recent highlights.

In January, we received our final EPA greenhouse gas permit for the 1.3 million ton methanol unit we are building in Clear Lake, Texas and broke ground on the project. In our slide presentation, we included a project overview of the construction plan, the cost estimate for the project and the key milestones that we need to hit. At this early stage, we are about 5 percent complete with the project and have about 80 percent of the budget committed. Our current plans anticipate completion of the unit September next year with start-up in October. We will continue to work to move these dates forward but we think these dates and the guidelines we provided regarding headwinds are realistic. Recall, we have a bridge supply agreement to cover our North American methanol needs from mid 2015 through the end of 2015, if necessary. Additionally, we are working on plans to offset the negative financial impact of moving from purchased methanol to our own production in 2015 and will we update you on this later in the year as we firm up our options to do so.

In March, we announced we are exploring plans for a methanol production unit at our Bishop, Texas facility. This unit will be similar in scope and scale to the Clear Lake methanol unit and we would consider a similar joint venture structure with the intent of being balanced on our North American methanol needs. We'll share our progress on this project with you later this year.

Now, let me cover our consolidated first quarter results. We got off to a really good start this year generating adjusted earnings of $1.33 per share, a first quarter record for Celanese. On a GAAP basis, diluted earnings from continuing operations came in at $1.25 per share. First quarter segment income margin was 17.7 percent , that's a 260 basis point improvement sequentially as we expanded margins in each business. We delivered these results by focusing on the productivity and innovation programs we outlined a couple of quarters ago that we expect will continue to grow segment income by $100 million in 2014 . We are about half way done with our efforts on these initiatives at this point but still have a fair amount of work ahead of us to deliver on this commitment. Let me give you some details.

We expected approximately $45 million of segment income savings from improved plant operations and have about 50 percent of that locked in with the strategic actions we took to close two non-integrated plants in Europe in 2013. The remainder of this category will be delivered through productivity improvements across all of our operations through the year.

The next category was approximately $25 million of segment income contribution from upstream and downstream efficiencies. This area is essentially complete with specific actions we have taken in our cellulose derivatives business. These efficiencies are unique to Celanese and are the direct result of several years of work among several teams in the cellulose derivatives business, including manufacturing, research and development, procurement and sales. Our ability to work together to satisfy all of these interests will help us drive incremental margins in this highly customer-oriented business.

The third area is driving new products and innovation which we expect will contribute approximately $30 million of segment income growth. Our success in this area is heavily dependent on our ability to work closely with customers and combine chemistry with applications engineering to identify new opportunities that we can translate across multiple customers or multiple platforms. Let me give you a couple of examples of new technology applications in the composite materials space, leveraging our Celstran continuous fiber reinforced thermoplastic composite technologies.

The first application is in utility transmission lines. Celanese and Southwire, the largest North American high voltage cable supplier, developed a transmission conductor that gives customers an alternative to standard transmission lines. This technology breakthrough provides customers, in both new installations and maintenance of existing lines, with nearly two times the capacity with less sag than existing technology and does not require special training or equipment to install. This innovation allows for utilities to build lower towers that are spaced further apart and drives cost savings for customers.

The second application is in piping systems used in deep-water, offshore oil and gas operations. Celanese and Airborne, the leading global supplier of spoolable thermoplastic composite pipe systems for deepwater operations, signed a strategic supply agreement to provide composite materials as an alternative to existing steel pipe systems. Using spoolable thermoplastic composite pipes provides many benefits for the customers, including reduced operational costs due to faster and easier deployment, lower maintenance costs from the absence of corrosion and improved pressure performance because of the smooth inner bore. This unique technology has won several awards including the JEC Europe 2012 Innovation Award.

These examples continue to emphasize the importance of developing new technologies and new applications across Celanese that resonate with customer needs. In fact, approximately 20 percent of our revenue in our customer-facing businesses is derived from new products, applications or technologies that we have introduced in the last five years. This is a significant improvement from a low double digit percentage just a few years ago. It illustrates the success we are having in developing new technologies and applications that allow our customers to introduce products and improve functionality of existing products.

Our strong earnings provided another quarter of healthy cash flow. Operating cash flow was $164 million and adjusted free cash flow was $135 million . We balanced cash deployment between $148 million of capital investment that will provide us sustainable raw material advantages which was partially offset by the timing of reimbursements from Mitsui related to the methanol joint venture. We also returned cash to shareholders distributing $28 million in dividends and repurchasing $53 million in shares. Even with these actions, we continue to be well positioned to pursue our growth initiatives and our balanced strategy.

Now for the segments - Advanced Engineered Materials continued its strong performance, expanding segment income margin by 530 basis points sequentially to 22.5 percent on a segment income of $84 million . These excellent results were primarily driven by our ability in the engineered materials business to develop products and applications that meet customer needs. Volumes increased 12 percent from the prior quarter on strong seasonal demand, particularly in autos where sequential auto builds increased 6 percent in North America and 9 percent in Germany. Our volume growth was higher than auto build growth due to the continued growing demand for advanced polymers in autos to improve functionality, reduce production steps and drive fuel efficiency. In fact, Celanese global content per vehicle reached a record high in the quarter of almost 2 kilograms per vehicle. Growth in medical, consumer and industrial also drove incremental volumes. Pricing increased 3 percent primarily due to a great mix of high-value medical applications in the quarter. The outstanding results in our engineered materials business helped us offset lower than expected earnings from our affiliates and higher energy costs.

In Consumer Specialties, first quarter segment income increased sequentially to $127 million . We expanded margins in this business as a result of specific initiatives that spanned several years. Pricing increased 2 percent sequentially. Higher pricing on acetate tow reflects the value we provide our customers but was partially offset by the commitments under a legacy contract in acetate flake. Dividends from our cellulose derivatives ventures increased $5 million sequentially. Our focus in this business is on the operational reliability of our plants and we are making progress on installing natural gas boilers at our plant in Narrows, Virginia facility which will enable us to continue to supply our customers with high quality products.

In Industrial Specialties, first quarter segment income margin increased sequentially by 160 basis points to to 6.4 percent on segment income of $20 million . Volumes increased 13 percent primarily due to strong demand in paints and coatings in Europe and Asia for our proprietary technology and resulted in one of the best first quarters in emulsion polymers in the past several years. As a result, we were able to more than offset 4 percent higher raw material costs, mainly VAM, in emulsion polymers. Pricing increased 1 percent mainly in our EVA polymers business in North America and Asia due to the higher raw material costs.

In Acetyl Intermediates, first quarter segment income margin expanded sequentially by 130 basis points to 11.4 percent on segment income of $96 million . This was our highest segment income and margin in this business since the third quarter of 2011. Pricing increased 5 percent from the prior quarter mainly in VAM. A portion of the higher VAM pricing was due to permanent capacity reductions in Europe. These site closures have changed the trade flows in VAM, particularly in Europe. Pricing was also impacted by temporary outages in North America. The higher price more than offset lower volumes as well as higher raw material and energy costs.

I am grateful to our dedicated teams that got us off to a really great start for 2014. Our customer-oriented businesses are delivering unique, value-added applications to our customers that are driving earnings growth for Celanese. Our technology enabled businesses are focused on strategic initiatives that are improving operations and expanding margins through daily commercial efforts. But we realize we still have a lot of work ahead of us and hurdles to get over to deliver this year.

For instance, in the second quarter we have a major turnaround at our acetic acid unit at Clear Lake. There are also several other chemical producers in the complex that are doing turnarounds that overlap or extend beyond ours. So, not only do we need to come back up smoothly from this turnaround, but we also need our raw material providers to come back up on time as well.

With regard to VAM, it is difficult to specifically quantify the impact between permanent and temporary capacity reductions, but we do expect VAM prices will subside later this year.

In cellulose derivatives, we ran our units really hard this quarter and built some inventory in anticipation of a turnaround later this year at one of our production facilities. As a result, Consumer Specialties' quarterly segment income will trend lower and we expect it to range from $115 to $120 million per quarter. Despite these hurdles, our strong start to the year and the opportunities before us gives us line-of-sight to 2014 earnings growth in the range of 12 to 14 percent.

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

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

Thanks, Mark.

Let me start with a brief overview of the year-over-year first quarter results. We grew first quarter 2014 adjusted earnings per share to $1.33 , or 17 percent above the prior year. We expanded margins by 90 basis points on 3 percent higher volumes and 2 percent higher pricing. All of the businesses expanded margins. Consumer Specialties led the way with 3 percent higher pricing, growth in affiliates, and productivity improvements which resulted in segment income margin expansion of 550 basis points. Acetyl Intermediates margins increased 160 basis points on 5 percent higher pricing and targeted spending programs that more than offset 3 percent lower volumes as well as substantially higher raw material and energy costs. Industrial Specialties' margins expanded 80 basis points as volumes increased 6 percent , primarily in Europe and Asia. Engineered materials expanded margins 210 basis points primarily due to 14 percent higher volumes which more than offset higher energy costs and lower than expected affiliate earnings. The strong performance across our businesses offset the 2 percent higher adjusted effective tax rate and higher cost headwinds related to pension and other benefits. As you can see, we delivered a really strong quarter and a great start to the year.

Next, let's cover cash flow. Our strong earnings drove another quarter of excellent cash flow generation. Operating cash flow was $164 million . Capital expenditures were $148 million in first quarter as we ramp up construction of the Clear Lake, Texas methanol unit and continue construction of the natural gas boilers at our acetate plant in Narrows, Virginia. First quarter 2014 adjusted free cash flow was $135 million , more than double what it was for the first quarter of last year primarily due to the timing of reimbursements from Mitsui related to the methanol joint venture. We ended the quarter with $1 billion of cash on the balance sheet. Net debt was below $2.1 billion at March 31, and continued to be at one of the lowest quarterly levels since our first reporting as a public company in 2005.

We also continued to create shareholder value with our capital structure. We distributed $28 million in dividends, 133 percent more than we paid out in the first quarter of 2013. Our dividend payout ratio improved 62 basis points year-over-year. We also spent $53 million on share repurchases, buying back over 1 million shares at an average price of $51.30 . As of March 31, 2014 we have $347 million remaining on our share repurchase authorization.

Let me spend a moment on taxes. The effective US GAAP tax rate for Q1 this year was 29 percent for the quarter versus 35 percent in the prior year. The higher effective rate for the three months ended March 31, 2013 is primarily attributable to losses in jurisdictions without tax benefit. The tax rate for adjusted EPS in the first quarter of 2014 was 21 percent compared to 19 percent in 2013 due to generating a larger portion of our earnings in the US at higher statutory rates. At this time, we expect the tax rate for adjusted EPS will remain around 21 percent for the remainder of 2014. Net cash taxes paid in the first quarter of 2014 were $24 million .

Reflecting on the quarter, our businesses generated strong results, expanding margins across the portfolio, reducing costs to help offset higher raw material and energy costs, and driving productivity and cost reductions that more than offset inflation. Based on this strong start, we have raised our growth outlook for the year to be in the neighborhood of 12-14%.

Before we wrap up, let me remind you of a couple of things to consider as you update your models. We expect global economic growth will be relatively consistent with the start of the year - an improving Europe, variability across Asia with pockets of strength and weakness, an economy in China that will continue to grow but is transitioning from an export based economy to a consumption based economy, and consistent but modest growth from the U.S. With regards to Celanese specifically, in the second quarter we have a turnaround at Clear Lake, our largest acetyl unit. In our cellulose derivatives business results are expected to be slightly lower than the first quarter due to the timing impact of our production schedule as we prepare for a turnaround later this year. These two items amount to about $15 to $20 million of headwinds in the second quarter when compared to Q1.

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