

Business and performance profile

We focus mainly on basic and high value chemicals, acetate products, technical polymers and food ingredients. Our customers include global manufacturers of industrial and consumer products. Most of our key products hold No. 1 or No. 2 global market positions. Our strengths include our global market presence, comprehensive know-how in process and production technology, application development expertise and a competitive cost structure. Our company consists of five segments:

Acetyl Products



Acetyl Products is our largest segment, with 43 % of total segment sales. It uses proprietary technology to process natural gas and ethylene into a variety of basic and high value chemicals for almost all manufacturing industries.

Chemical Intermediates



The product range of this segment, which makes up 19 % of our total segment sales, consists of acrylic acid and acrylates, oxo products and specialties. Our most important customers are to be found in the paint and coatings, agrochemicals and textile industries.

Acetate Products



Celanese is one of the world's largest producers of cellulose acetate filament and tow. The segment makes up 16 % of Celanese's total segment sales. Acetate products are primarily used in cigarette filters as well as in fashion apparel and linings.

Technical Polymers Ticona



With Ticona's technical polymers (18 %), we are well positioned at the upper end of the value chain. Ticona offers tailored solutions for industrial customers, especially in the electronics, telecommunications, automotive and medical sectors.

Performance Products



Our food ingredients business Nutrinova makes up 4 % of total segment sales. Nutrinova produces the high intensity sweetener Sunett®, Sorbates, and health-promoting food ingredients.

in € million

Sales	2002		1,923
	2001		2,155
Operating profit	2002		145
	2001		(73)
EBITDA*	2002		252
	2001		208

EBITDA in Acetyl Products increased by 21 %, largely due to lower raw material and energy prices as well as increases in productivity. The operating result increased to € 145 million, following an operating loss in the prior year. Sales decreased by 11 % due to lower selling prices.

The acquisition of the European emulsions business will extend the Acetyls chain and capture attractive markets. We are strengthening our market leadership position with measures to increase productivity.

in € million

Sales	2002		907
	2001		1,020
Operating profit	2002		(29)
	2001		(374)
EBITDA*	2002		22
	2001		30

Largely due to a decline in prices, sales in the Chemical Intermediates segment decreased by 11 % and EBITDA by 27 %. Lower special charges as well as cost reduction measures limited the operating loss to € 29 million, compared to a loss of € 374 million the prior year.

To improve the earnings situation of the Chemicals Intermediates segment, we are concentrating on increasing efficiency; we have also signed a joint venture agreement for our European oxo business, which is now awaiting regulatory approval.

in € million

Sales	2002		670
	2001		762
Operating profit	2002		24
	2001		(32)
EBITDA*	2002		81
	2001		91

Acetate Products recorded an operating profit of € 24 million compared to an operating loss of € 32 million the prior year, largely due to cost reduction and the absence of special charges. Sales and EBITDA decreased by 12 % and 11 % respectively, due to declining volumes.

In the Acetate Products segment, we are building on our market position by expanding existing partnerships in growth regions, maintaining cost leadership and continuing to consolidate acetate filament production.

in € million

Sales	2002		757
	2001		773
Operating profit	2002		22
	2001		(15)
EBITDA*	2002		87
	2001		52

Ticona improved its EBITDA by 67 % to € 87 million, as a result of lower raw material and energy costs and higher volumes. Sales decreased slightly, by 2 %. The segment recorded an operating profit of € 22 million, compared to an operating loss of € 15 million in 2001.

Ticona is pursuing new applications, expanding capacities and entering into partnerships in order to expand its market presence in Asia. Measures to increase productivity and reduce costs continue to be implemented.

in € million

Sales	2002		161
	2001		159
Operating profit	2002		48
	2001		44
EBITDA*	2002		55
	2001		50

Performance Products improved its operating profit by 9 % to € 48 million and its EBITDA to € 55 million, due to increased volume as well as process improvements and cost reductions. Sales only increased by 1 % to € 161 million.

Nutrinova continues to strengthen its business with volume growth for Sunett® and implementing measures to increase productivity in its preservatives business. In addition, Nutrinova is setting up a new product line of health-promoting food ingredients.

* Earnings before interest, taxes, depreciation and amortization excluding special charges

Financial Highlights*

	2002	2001	Change	2002
	in € m	in € m	in %	in U.S. \$ ³ m
Net sales	4,325	4,777	-9	4,535
EBITDA ¹ excluding special charges	440	398	11	461
Special charges	1	(496)	n.m.	1
Operating profit (loss)	155	(488)	n.m.	162
Profit (loss) before taxes	166	(490)	n.m.	173
Net earnings (loss):				
continuing operations	113	(364)	n.m.	117
continuing and discontinued operations	187	(385)	n.m.	195
Capital expenditures on property,				
plant and equipment	(218)	(217)	n.m.	(229)
Average shares outstanding (thousands)	50,329	50,332	n.m.	50,329
Earnings (loss) per share (in €, US \$):				
continuing operations	2.25	(7.23)	n.m.	2.32
continuing and discontinued operations	3.72	(7.65)	n.m.	3.87
in € million as of December 31				
Net financial debt ²	497	835	-40	521
Shareholders' equity	2,005	2,210	-9	2,102
Total assets	6,127	7,064	-13	6,424
Number of employees year-end	10,700	10,750	n.m.	10,700

* All financial data has been restated to reflect the divestiture of the Trespaphan oriented polypropylene (OPP) films (formerly in the Performance Products segment) and U.S. amines (formerly in the Chemical Intermediates segment) businesses, which are included in discontinued operations. The number of employees includes the newly acquired Emulsions business.

¹ Earnings before interest, taxes, depreciation and amortization

² Short- and long-term debt less cash and cash equivalents

³ All dollar figures translated solely for the convenience of the reader at the year-end exchange rate US \$ 1.0485 per euro

n.m. = not meaningful