7. Miscellaneous items

7.1. Notes to the cash flow statement

Summary in thousands of €	**2014**	**2015**
Cash from operating activities	186 949	583 562
Cash from investing activities	-225 347	-362 984
Cash from financing activities	87 945	-267 808
Net increase or decrease in cash and cash equivalents	**49 547**	**-47 230**

The cash flow from operating activities is presented using the indirect method, whereas the direct method is used for the cash flows from other activities. The direct method focuses on classifying gross cash receipts and gross cash payments by category.

Cash from operating activities

Gross cash flows from operating activities increased by € 94.6 million thanks to better operating performance fueled by recent business combinations. The increase in non-cash items mainly reflects higher depreciation and amortization, originating from business combinations as well as from stepped up capital expenditure on property, plant and equipment. Negative goodwill in 2015 relates to the step acquisition of BOSFA Pty Ltd (cf. note 7.2. 'Effect of business combinations and disposals') while in 2014 it related to the business combination with ArcelorMittal in Costa Rica, Brazil and Ecuador.

The investing items included in operating result in 2015 predominantly consist of gains on business disposals (net of CTA recycled) with respect to Carding Solutions and the Xinyu entities (cf. note 7.2. 'Effect of business combinations and disposals'). In 2014 the main investing items were gains on disposals of land and buildings in Belgium and machinery in Canada.

In 2015, drastic reductions in operating working capital contributed € 212.3 million to the cash flows from operating activities (see organic increase in note 6.7. ‘Operating working capital’). As for the ‘other operating cash flows’, the movements in other current assets and liabilities are largely due to insurance indemnifications for the fire in Rome being accrued in 2014 and received in 2015.

The following table presents more details about selected operating items:

Details of selected operating items in thousands of €	**2014**	**2015**
Non-cash items included in operating result		
Depreciation and amortization[1]	164 610	208 401
Impairment losses on assets	16 962	13 262
Gains (-) and losses on step acquisitions	-1 804	1 098
Employee benefits: set-up / reversal (-) of amounts not used	16 242	16 767
Provisions: set-up / reversal (-) of amounts not used	-1 156	3 752
Negative goodwill	-10 893	-340
CTA recycled on business disposals	1 041	393
Equity-settled share-based payments	2 845	2 906
Total	**187 847**	**246 239**
Investing items included in operating result		
Gains (-) and losses on business disposals	122	-13 653
Gains (-) and losses on disposals of PP&E	-8 179	102
Total	**-8 057**	**-13 551**
Amounts used on provisions and employee benefit obligations		
Employee benefits: amounts used	-34 177	-33 493
Provisions: amounts used	-10 275	-7 314
Total	**-44 452**	**-40 807**
Income taxes paid		
Current income tax expense	-57 276	-53 251
Increase or decrease (-) in net income taxes payable	11 449	-3 406
Total	**-45 827**	**-56 657**
Other operating cash flows		
Movements in other current assets and liabilities	-20 228	12 748
Other	1 034	3 203
Total	**-19 194**	**15 951**

[1] *Including € -8.3 million (2014: € -4.4 million) write-downs and reversals of write-downs on inventories and trade receivables (see note 6.7. 'Operating working capital').*

Cash from investing activities

Cash-outs on new business combinations (cf. note 7.2. 'Effect of business combinations and disposals') amounted to € -129.8 million (2014: € -108.5 million), mainly relating to the final acquisition phase of the Pirelli steel cord plants and Arrium's ropes business in 2015 and to the first acquisition phase of the Pirelli steel cord plants in 2014. Other portfolio investments mainly consist of Bekaert acquiring non-controlling interests in certain entities in order to pursue its own strategic course. Capital expenditure programs for property, plant and equipment were stepped up mainly in Europe and North America; the latter relating to the rebuilding the bead wire plant in Rome (Georgia, USA) that was destroyed by a fire in 2014.

The higher proceeds from disposal of property, plant and equipment in 2014 mainly relate to the sale of land and buildings in Aalter (Belgium), and plant, machinery and equipment in Surrey (Canada).

The following table presents more details on selected investing cash flows:

Details of selected investing items in thousands of €	**2014**	**2015**
Other portfolio investments		
Purchase of non-controlling interests in Carding Solutions entities	-1 304	-
Purchase of non-controlling interests in Ropes entities	-	-91 488
Purchase of non-controlling interests in Southern Wire entities	-	-5 270
Purchase of non-controlling interests in Chinese entities	-	-12 700
Purchase of non-controlling interests in other entities	-648	-
Other investments	-21	-101
Total	**-1 973**	**-109 559**
Other investing cash flows		
Proceeds from disposal of intangible assets	-	17
Proceeds from disposal of property, plant and equipment	15 846	3 789
Total	**15 846**	**3 806**

Cash from financing activities

New long-term debt issued (€ 145.2 million) mainly related to financing transactions in Belgium, Chile, China and Australia, while the issuance of a € 300 million convertible bond was the main financing event in 2014. Repayments of long-term debt (€ -127.9 million) mainly related to a Eurobond issued by Bekaert Corporation in 2005, while in 2014 (€ -191.2 million) a € 100 million bond issued by NV Bekaert SA expired and some long-term debt was swapped with short-term debt. While 2014 brought considerable cash-ins from current interest-bearing debt, sizeable amounts were repaid in 2015, mainly in Brazil, Chile, China, the Netherlands, Peru and Malaysia. Treasury shares transactions in 2015 (€ 1.2 million) were limited to cash-ins from options being exercised whereas the net cash-outs in 2014 (€ -72.1 millions) originated from share buy-back programs. Capital paid in by minority interests in 2015 (€ 15.0 million) mainly relates to contributions from the Chilean partners in the ropes entities in Australia and the USA before the Group repurchased their interests to take full control of the ropes business by the end of the year.

The following table presents more details about selected financing items:

Details of selected financing items in thousands of €	**2014**	**2015**
Other financing cash flows		
New shares issued following exercise of subscription rights	779	234
Capital paid in by minority interests	4 222	14 967
Increase (-) or decrease in current and non-current loans and receivables	-8 776	2 041
Increase (-) or decrease in current financial assets	-2 896	9 616
Other financial income and expenses	-11 548	-16 437
Total	**-18 219**	**10 421**

Cash flows relating to loans and receivables mainly comprise movements in cash guarantees, while cash flows relating to current financial assets are about short-term deposits. Other financial income and expenses include bank charges and tax charges on financial transactions.

7.2. Effect of business combinations and business disposals

Business combinations (1): the acquisitions of Pirelli's steel cord plants

On 28 February 2014, Bekaert announced the signing of an agreement with Pirelli, the global tire manufacturer, for the acquisition of Pirelli's steel cord activities for a total enterprise value of € 255 million. The acquisition agreement includes Pirelli's manufacturing sites in Figline Valdarno (Italy), Slatina (Romania), Izmit (Turkey), Yanzhou (China) and Sumaré (Brazil). The transaction is estimated to add approximately € 300 million to Bekaert's consolidated sales on an annual basis.
On 18 December 2014, Bekaert and Pirelli successfully closed the acquisition by Bekaert of the Pirelli steel cord plants in Figline Valdarno (Italy), Slatina (Romania) and Sumaré (Brazil). Due to delays in regulatory approvals, the acquisition of the Pirelli plants in Turkey and China could not be closed before year-end 2014. On 5 February 2015, Bekaert completed the acquisition of the Pirelli steel cord plant in Izmit (Turkey) and on 27 March 2015, Bekaert completed the acquisition of the Pirelli steel cord plant in Yanzhou (Shandong province, China). Bekaert now holds 100% of the interests in the Pirelli steel cord plants in Italy, Brazil and Turkey, i.e. (by their new name):

- Bekaert Figline SpA;
- Bekaert Sumaré Ltda;
- Bekaert Kartepe Çelik Kord Sanayi ve Ticaret AS.

It holds 80% of the interests of the Pirelli steel cord plants in Romania and China, i.e. (by their new name):

- Bekaert Slatina SRL, the remaining 20% being retained by Continental AG;
- Bekaert (Jining) Steel Cord Co Ltd, the remaining 20% being retained by Hixih Rubber Industrial Group Co Ltd.

As part of this transaction, Bekaert and Pirelli entered into a long-term supply agreement of tire cord to Pirelli.

The initial accounting for the business combination presented in last year's financial statements was evidently partial and provisional, since control had only been acquired in three out of the five targeted plants shortly before year-end. Now that the business combination has been fully completed, Bekaert has performed an extensive analysis to identify, and to assess the fair value of, the net assets acquired and the liabilities assumed.
The fair value assessments on property, plant and equipment are based on external appraisals for land and buildings and on internal appraisals for plant, machinery and equipment. Deferred tax assets and liabilities arising from any of these adjustments have been recognized at the applicable tax rates in the respective jurisdictions.

The non-controlling interests arising on the acquirees have been measured at their share in the fair value of the net assets acquired. The accounting for the business combination resulted in a goodwill of € 4.3 million, which mainly reflects the importance for Bekaert of reinforcing its global competitive position through this deal.
The table below presents the net assets acquired by balance sheet caption, showing the effect of fair value adjustments applied in accordance with IFRS 3, 'Business combinations', and the goodwill calculation for the full transaction, including the part effected last year.

The positive fair value adjustments on property, plant and equipment mainly relate to the land and buildings in Brazil (€ 23.0 million) and Turkey (€ 22.2 million), as these plants are located on premium industrial sites. These surpluses are partially compensated by negative fair value adjustments on land and buildings in the other locations (€-3.8 million, mainly China) and on plant, machinery and equipment (€ -7.1 million). The positive fair value adjustments on inventories mainly reflect the capitalization of spare parts and consumables that had been directly expensed under Pirelli accounting policies, and the gross profit to be generated on work in process and finished goods upon their subsequent sales.

Contingent liabilities relating to indirect taxes in Romania and Turkey have been identified amounting to € 4.1 million.

Total in thousands of €	**Acquiree's carrying amount before combination**	**Fair value adjustments**	**Fair value**
Intangible assets	5 882	-	5 882
Property, plant and equipment	136 072	34 848	170 920
Deferred tax assets	4 969	5 600	10 569
Non-current loans and receivables	629	-	629
Other non-current assets	92	-	92
Inventories	32 376	7 923	40 299
Trade receivables	107 777	-	107 777
Advances paid	4 033	-	4 033
Other receivables	9 353	2	9 355
Short-term deposits	5 857	-	5 857
Cash and cash equivalents	8 365	-	8 365
Current loans and receivables	4 230	-	4 230
Other current assets	1 683	-154	1 529
Non-current employee benefit obligations	-12 485	-60	-12 545
Non-current provisions	-7 542	-1 558	-9 100
Non-current interest-bearing debt	-17 733	-	-17 733
Deferred tax liabilities	-3 425	-11 967	-15 392
Current interest-bearing debt	-61 969	-	-61 969
Trade payables	-49 062	124	-48 938
Current employee benefit obligations	-5 581	-	-5 581
Current provisions	-24	-	-24
Income taxes payable	-1 668	-728	-2 396
Other current liabilities	-6 678	-1 500	-8 178
Total net assets acquired in a business combination	**155 151**	**32 530**	**187 681**
Non-controlling interests arising on the acquirees	-13 929	3 001	-10 928
Goodwill			4 255
Consideration paid in cash			**-181 008**
Cash acquired	8 365	-	8 365
New business combinations			**-172 643**

A summary of the business combination accounting by period is presented below:

Total in thousands of €	**Full business combination totals**	**Summary disclosure presented at year-end 2014**	**Effects recognized in 2015**
Total net assets acquired in a business combination	**187 681**	**119 066**	**68 615**
Non-controlling interests arising on the acquirees	-10 928	-9 197	-1 731
Goodwill	4 255	713	3 542
Consideration paid in cash	**-181 008**	**-110 582**	**-70 426**
Cash acquired	8 365	1 103	7 262
New business combinations	**-172 643**	**-109 479**	**-63 164**

It also clarifies the contribution of the business combination to the amount shown in the consolidated cash flow statement as ‘new business combinations’ by period. The total purchase consideration paid in 2014 amounted to € 110.6 million and was settled in cash. After cash acquired, the net cash-out amounted to € -109.5 million. In December 2014, Bekaert also paid € 15.0 million to Pirelli for the acquisition of intellectual property, mainly manufacturing know-how and patents, all of which have been capitalized as intangible assets and will be amortized over 10 years. In the course of 2015, an additional amount of € 70.4 million was paid in cash, covering the purchase consideration for the two plants acquired during the period, as well as purchase price adjustments for variances from target working capital and debt. After cash acquired, the net cash-out for the period amounted to € -63.2 million.

Following table shows the effect of the business combination on consolidated sales and result for the period (after acquisition related expenses):

Total in thousands of €	Net sales for the period	Result for the period
Total for all 5 entities acquired	258 542	15 514

The acquisition-related expenses, which consisted mainly of consultancy fees, amounted to € 4.8 million (of which € 0.6 million incurred in 2015) and were included in administrative expenses. If all of these entities had been acquired as from 1 January 2015, the Group would have additionally recognized € 10.6 million of net sales and a result for the period of € 0.7 million.

Business combinations (2): the acquisition of Arrium's ropes business in Australia

On 5 February 2015, Bekaert announced the signing of an agreement with Arrium Ltd of Australia, for the acquisition of its wire ropes business for an enterprise value of approximately € 60 million. The deal includes all of the personnel and assets of the business located in Newcastle, Australia. The transaction is estimated to add approximately € 40 million to Bekaert's consolidated sales.

On 1 March 2015, Bekaert successfully completed the acquisition of Arrium's ropes business in Australia. The Australian entity has been named Bekaert Wire Ropes Pty Ltd and is part of the Bekaert Rope Group in which Bekaert and their Chilean partners (through Matco Cables SpA) held 65% and 35% respectively of the ropes entities in Canada, Chile, Peru, Brazil, the USA, and Australia. With this deal Bekaert confirms its strategy to expand its steel wire ropes platform to serve mining, oil & gas, lifting equipment and infrastructure markets with high performance ropes. The platform's strategy targets both organic and acquisitive growth in markets with interesting potential where Bekaert's core competences, global reach and service model offer a differentiating lever to the industry.

The accounting for the business combination resulted in a goodwill of € 13.2 million, which mainly reflects the synergies expected to arise on the integration of the Australian business in Bekaert's expanding global ropes platform. Since Bekaert opted not to apply the full goodwill option, only 65% of the full goodwill is recognized while 35% is accounted for through a reduction of the non-controlling interests on behalf of the Chilean partners. The fact that Bekaert subsequently repurchased the 35% non-controlling interests held by the Chilean partners in December does not have any consequences for the amount of goodwill recognized. The table below presents the net assets acquired by balance sheet caption, showing the effect of fair value adjustments in accordance with IFRS 3, 'Business Combinations', and the goodwill calculation.

Total in thousands of €	Acquiree's carrying amount before combination	Fair value adjustments	Fair value
Intangible assets	258	1 556	1 814
Property, plant and equipment	21 019	11 820	32 839
Deferred tax assets	573	68	641
Inventories	7 604	1 160	8 764
Trade receivables	5 509	-14	5 495
Other current assets	123	-	123
Non-current employee benefit obligations	-783	-227	-1 010
Trade payables	-1 537	-	-1 537
Advances received	-320	-	-320
Current employee benefit obligations	-1 126	-	-1 126
Current provisions	-15	-109	-124
Total net assets acquired in a business combination	**31 305**	**14 254**	**45 559**
Non-controlling interests adjustment relating to goodwill	-	-	7 086
Goodwill			13 160
Consideration paid in cash			**-65 805**
Cash acquired	-	-	-
New business combinations			**-65 805**

As a result of the purchase price allocation, the acquired patents and trademarks were valued at € 1.6 million and recognized as intangible assets. The fair value assessments on property, plant and equipment are based on external appraisals for land and buildings and on internal appraisals for plant, machinery and equipment. Positive fair value adjustments on PP&E consisted of € 3.8 million on land and buildings and € 8.0 million on plant, machinery and equipment. The positive fair value adjustments on inventories mainly reflect the gross profit to be generated on work in process and finished goods upon their subsequent sales. An actuarial review of the employee benefits obligations entailed an increase of € 0.2 million. A contingent liability relating to product warranties was recognized for € 0.1 million. Deferred tax consequences of all fair value adjustments were very limited (€ 0.1 million additional assets).

The business combination required a net cash-out of € 65.8 million, included in the amount shown in the consolidated cash flow statement as 'new business combinations'.

Following table shows the effect of the business combination on consolidated sales and result for the period (after acquisition-related expenses):

Total in thousands of €	**Date of acquisition**	**Net sales for the period**	**Result for the period**
Bekaert Wire Ropes Pty Ltd	1 March 2015	31 509	-2 390

The acquisition-related costs amounted to € 3.6 million, consisting of € 3.2 million stamp duties reported in other financial expenses and € 0.4 million consultancy fees and other expenses reported in administrative expenses. If the entity had been acquired as from 1 January 2015, the Group would have additionally recognized € 7.3 million of net sales and a result for the period of € 1.0 million.

Business combinations (3): the step acquisition of BOSFA Pty Ltd in Australia

On 12 June 2015, Bekaert acquired control in BOSFA Pty Ltd (Australia), a distributor of building products mainly for Australia and New Zealand, by purchasing the remaining 50% of the shares held by Arrium Ltd of Australia for an amount of € 2.3 million. Until that date, the entity was classified as a joint venture and accounted for using the equity method. In accordance with the IFRS requirements for a step acquisition, the interests previously held by the Group in the joint venture were remeasured to fair value, based on the transaction price for the remaining 50%, which resulted in a loss on step acquisition of € 1.1 million recognized in non-recurring items. Furthermore, the transaction generated a negative goodwill of € 0.3 million offset by a loss of € 0.3 million on recycling the cumulative translation adjustments, all of which were also recognized in non-recurring items. The table below presents the net assets acquired by balance sheet caption, showing the effect of fair value adjustments in accordance with IFRS 3, 'Business Combinations', and the goodwill calculation.

Total in thousands of €	**Acquiree's carrying amount before combination**	**Fair value adjustments**	**Fair value**
Property, plant and equipment	34	-	34
Deferred tax assets	2 391	-2 388	3
Inventories	5 332	774	6 106
Trade receivables	4 092	-11	4 081
Cash and cash equivalents	1 476	-	1 476
Current loans and receivables	26	-	26
Non-current interest-bearing debt	-1 402	-	-1 402
Other non-current liabilities	-674	-	-674
Deferred tax liabilities	48	-232	-184
Trade payables	-4 079	-	-4 079
Current employee benefit obligations	-218	-	-218
Income taxes payable	-85	-	-85
Other current liabilities	-69	-	-69
Total net assets acquired in a business combination	**6 872**	**-1 857**	**5 015**
Equity method investment held prior to business combination	-3 436	1 098	-2 338
Negative goodwill			-340
Consideration paid in cash			**-2 337**
Cash acquired	1 476	-	1 476
New business combinations			**-861**

The main fair value adjustments related to the derecognition of the deferred tax assets (€ -2.4 million) formerly recognized on tax loss carry-forwards that have expired, and to the inventories (€ +0.8 million) remeasured to selling price less costs to sell. The following table shows the effect of the business combination on consolidated sales and result for the period. The result for the period includes the negative goodwill (€ 0.3 million), the loss on step acquisition of € 1.1 million and the loss on CTA of € 0.3 million being recycled at the acquisition date. No material acquisition-related expenses were incurred on this deal, which was agreed in the aftermath of the acquisition of Arrium's ropes business in Australia.

Total in thousands of €	**Date of acquisition**	**Net sales for the period**	**Result for the period**
Bosfa Pty Ltd	12 June 2015	2 847	-1 204

If the entity had been acquired as from 1 January 2015, the Group would have additionally recognized € 2.4 million of net sales and a result for the period of € 0.1 million.

Business disposals

On 7 May 2015, Bekaert sold its Carding Solutions activities to Groz-Beckert, a global company with headquarters in Albstadt, Germany. The transaction covered the carding production facilities in Belgium, India, Turkey, China and the USA and the global sales and services network. A transaction gain of € 11.8 million was recognized in non-recurring items, as well as a loss of € 2.3 million on recycling CTA. The table below presents the net assets disposed by balance sheet caption, the gain recognized on the transaction and the proceeds shown in the consolidated cash flow statement. The other disposals relate to following events:

- The loss of control in Bekaert (Xinyu) New Materials Co Ltd (formerly a subsidiary) and the loss of joint control in Bekaert Xinyu Metal Products Co Ltd (formerly a joint venture) as from 1 April 2015 due to an agreement with the Chinese partner and the reclassification of these investments from associates to investments available for sale at the balance sheet date (cf. note 3.1. 'Critical judgments in applying the entity's accounting policies'). These events resulted in non-cash gains totalling € 4.1 million.
- The disposal of minor available-for-sale investments (total proceeds: € 0.1 million).
- The collection of € 17.8 million deferred proceeds relating to the business disposal of the Industrial Coatings activities in 2012.

in thousands of €	Carding Solutions	Other disposals	Total disposals
Intangible assets	4	2 167	2 171
Property, plant and equipment	10 890	26 170	37 060
Investments	-	2 069	2 069
Other non-current assets	29	-	29
Deferred tax assets	132	1 781	1 913
Inventories	7 361	1 028	8 389
Trade receivables	4 060	2 810	6 870
Advances paid	79	190	269
Other receivables	519	2 646	3 165
Short-term deposits	6	-	6
Cash and cash equivalents	1 118	381	1 499
Other current assets	72	-25 508	-25 436
Non-current employee benefit obligations	-88	-	-88
Provisions	-106	-	-106
Non-current interest-bearing debt	-1 158	-	-1 158
Deferred tax liabilities	-212	-	-212
Current financial liabilities	-16 203	-	-16 203
Trade payables	-2 430	-3 250	-5 680
Advances received	-335	-	-335
Current employee benefit obligations	-894	-500	-1 394
Current provisions	-1	-	-1
Income taxes payable	-16	-73	-89
Other current liabilities	-302	-5	-307
Total net assets disposed	**2 525**	**9 906**	**12 431**
Gain or loss (-) on business disposals	9 547	4 119	13 666
Gain or loss (-) on non-consolidated investments	-	-76	-76
Reversal non-cash (gain)/loss	2 292	-3 837	-1 545
Fair value of remaining interest retained	-	-8 007	-8 007
Cash disposed	-1 118	-381	-1 499
NCI disposed	-	-1 959	-1 959
Deferred proceeds from earlier business disposal	-	17 750	17 750
Proceeds from disposals of investments	**13 246**	**17 515**	**30 761**

As a result of the deconsolidation of Bekaert (Xinyu) New Materials Co Ltd, its current debt of € 25.5 million versus the Group is no longer eliminated in consolidation but becomes a financial receivable from third parties in consolidation. The contribution of the disposed activities to the consolidated sales and to the result for the period (excluding the result on disposal) is shown below:

in thousands of €	Date of disposal resp. loss of (joint) control	Net sales for the period	Result for the period
Carding solutions	7 May 2015	9 558	-564
Bekaert (Xinyu) New Materials Co Ltd	1 April 2015	2 753	-5 295
Bekaert Xinyu Metal Products Co Ltd	1 April 2015	-	-1 587

7.3. Financial risk management and financial derivatives

Principles of financial risk management

The Group is exposed to risks from movements in exchange rates, interest rates and market prices that affect its assets and liabilities. Financial risk management within the Group aims at reducing the impact of these market risks through ongoing operational and financing activities. Selected derivative hedging instruments are used depending on the assessment of risk involved. The Group mainly hedges the risks that affect the Group's cash flows. Derivatives are used exclusively as hedging instruments and not for trading or other speculative purposes. To reduce the credit risk, hedging transactions are generally only concluded with financial institutions whose credit rating is at least A.

The guidelines and principles of the Bekaert financial risk policy are defined by the Audit and Finance Committee and overseen by the Board of the Group. Group Treasury is responsible for implementing the financial risk policy. This encompasses defining appropriate policies and setting up effective control and reporting procedures. The Audit and Finance Committee is regularly kept informed as to the currency and interest-rate exposure.

Currency risk

The Group's currency risk can be split into two categories: translational and transactional currency risk.

Translational currency risk

A translational currency risk arises when the financial data of foreign subsidiaries are converted into the Group's presentation currency, the euro. The main currencies are Chinese renminbi, US dollar, Czech koruna, Brazilian real, Chilean peso, Russian ruble, Indian rupee and Venezuelan bolivar (cf. cumulative translation adjustments in note 6.13. 'Retained earnings and other Group reserves'). Since there is no impact on the cash flows, the Group usually does not hedge against such risk.

Transactional currency risk

The Group is exposed to transactional currency risks resulting from its investing, financing and operating activities.

Foreign currency risk in the area of investment results from the acquisition and disposal of investments in foreign companies, and sometimes also from dividends receivable from foreign investments. If material, these risks are hedged by means of forward exchange contracts.

Foreign currency risk in the financing area results from financial liabilities in foreign currencies. In line with its policy, Group Treasury hedges these risks using cross-currency interest-rate swaps and forward exchange contracts to convert financial obligations denominated in foreign currencies into the entity's functional currency. At the reporting date, the foreign currency liabilities for which currency risks were hedged mainly consisted of intercompany loans in euro and US dollar.

Foreign currency risk in the area of operating activities arises from commercial activities with sales and purchases in foreign currencies, as well as payments and receipts of royalties. The Group uses forward exchange contracts to limit the currency risk on the forecasted cash inflows and outflows for the coming three months. Significant exposures and firm commitments beyond that time frame may also be covered.

Currency sensitivity analysis

Currency sensitivity relating to the operating, investing and financing activities

The following table summarizes the Group's net foreign currency positions of operating, investing and financing receivables and payables at the reporting date for the most important currency pairs. The net currency positions are presented before intercompany eliminations. Positive amounts indicate that the Group has a net future cash inflow in the first currency. In the table, the 'Total exposure' column represents the position on the balance sheet, while the 'Total derivatives' column includes all financial derivatives hedging those balance sheet positions as well as forecasted transactions.

Currency pair - 2015 in thousands of €	**Total exposure**	**Total derivatives**	**Open position**
CNY/EUR	15 702	-4 249	11 453
CZK/EUR	-12 100	4 165	-7 935
EUR/CNY	-66 349	65 723	-626
EUR/USD	28 305	-30 000	-1 695
IDR/USD	9 222	-	9 222
USD/BRL	-8 120	-	-8 120
USD/CAD	12 680	-3 572	9 108
USD/CLP	74 670	-	74 670
USD/CNY	-244 088	215 519	-28 569
USD/EUR	461 769	-485 210	-23 441
USD/INR	-63 897	47 511	-16 386
USD/SGD	-24 298	-	-24 298

Currency pair - 2014 in thousands of €	**Total exposure**	**Total derivatives**	**Open position**
CAD/USD	11 857	-9 244	2 613
CNY/EUR	17 597	-	17 597
EUR/CNY	-120 251	109 186	-11 065
EUR/CZK	6 577	-5 083	1 494
EUR/USD	28 311	-30 000	-1 689
USD/CAD	8 157	-	8 157
USD/CLP	5 336	-	5 336
USD/CNY	-231 604	221 845	-9 759
USD/COP	-8 267	18 638	10 371
USD/EUR	417 977	-435 768	-17 791
USD/INR	-56 123	52 269	-3 854
USD/MYR	-9 568	-	-9 568

If rates had weakened/strengthened by reasonably possible changes with all other variables constant, the result for the period before taxes would have been € 1.6 million lower/higher (2014: € 1.5 million). The reasonably possible changes used in this calculation were based on annualized volatility relating to the daily movement of the exchange rate of the reported year, with a 95% confidence interval.

Currency sensitivity in relation to hedge accounting

At 31 December 2015, the Group does not apply hedge accounting anymore and no sensitivity analysis was done. At previous year-end, some derivatives were also part of effective cash flow hedges to hedge the currency risk relating to the Eurobond issued in 2005 and expired in March 2015. Last year's sensitivity analysis established that, if the euro had weakened/strengthened by reasonably possible changes, with all other variables constant, the hedging reserve in shareholders' equity would have been € 0.04 million higher/lower at year-end 2014.

Interest-rate risk

The Group is exposed to interest-rate risk, mainly on debt denominated in US dollar, Chinese renminbi and euro. To minimize the effects of interest-rate fluctuations in these regions, the Group manages the interest-rate risk for net debt denominated in the respective currencies of these countries separately. General guidelines are applied to cover interest-rate risk:

- The target average life of long-term debt is four years.
- The allocation of long-term debt between floating and fixed interest rates must remain within the defined limits approved by the Audit and Finance Committee.

Group Treasury uses interest-rate swaps and cross-currency interest-rate swaps to ensure that the floating and fixed portions of the long-term debt remain within the defined limits.

The following table summarizes the weighted average interest rates at the balance sheet date.

	Long-term				
2015	**Fixed rate**	**Floating rate**	**Total**	**Short-term**	**Total**
US dollar	4.63%	-	4.63%	1.27%	1.35%
Chinese renminbi	5.81%	-	5.81%	3.24%	5.65%
Euro	2.99%	-	2.99%	0.53%	2.90%
Other	7.34%	3.00%	7.16%	4.75%	5.58%
Total	**3.41%**	**3.00%**	**3.41%**	**1.82%**	**2.80%**

	Long-term				
2014	**Fixed rate**	**Floating rate**	**Total**	**Short-term**	**Total**
US dollar	5.24%	-	5.24%	1.11%	1.88%
Chinese renminbi	5.76%	-	5.76%	4.73%	5.33%
Euro	3.16%	-	3.16%	0.33%	3.06%
Other	8.41%	3.00%	8.05%	5.53%	6.09%
Total	**3.67%**	**3.00%**	**3.67%**	**2.01%**	**3.01%**

Interest-rate sensitivity analysis

Interest-rate sensitivity of the financial debt

As disclosed in note 6.17. 'Interest-bearing debt', the total financial debt of the Group as of 31 December 2015 amounted to € 1 286.8 million (2014: € 1 359.2 million). The following table shows the currency and interest rate profile, i.e. the percentage distribution of the total financial debt by currency and by type of interest rate (fixed, floating).

Currency and interest rate profile	**Long-term**		**Short-term**	
2015	**Fixed rate**	**Floating rate**	**Floating rate**	**Total**
US dollar	0.70%	-	29.70%	30.40%
Chinese renminbi	3.80%	-	0.20%	4.00%
Euro	53.90%	-	2.00%	55.90%
Other	3.20%	0.10%	6.30%	9.60%
Total	**61.70%**	**0.10%**	**38.20%**	**100.00%**

Currency and interest rate profile	**Long-term**		**Short-term**	
2014	**Fixed rate**	**Floating rate**	**Floating rate**	**Total**
US dollar	6.70%	-	29.70%	36.40%
Chinese renminbi	2.80%	-	2.00%	4.80%
Euro	48.40%	-	1.70%	50.10%
Other	1.80%	0.20%	6.70%	8.70%
Total	**59.70%**	**0.20%**	**40.10%**	**100.00%**

On the basis of the annualized daily volatility of the 3-month Interbank Offered Rate in 2015 and 2014, the reasonable estimates of possible interest rate changes, with a 95% confidence interval, are set out in the table below for the main currencies.

Currency	Interest rate at 31 Dec 2015	Reasonably possible changes (+/-)
Chinese renminbi[1]	2.41%	0.40%
Euro	0.00%	0.03%
US dollar	0.61%	0.19%

Currency	Interest rate at 31 Dec 2014	Reasonably possible changes (+/-)
Chinese renminbi[1]	3.75%	0.62%
Euro	0.08%	0.06%
US dollar	0.26%	0.04%

[1] *For the Chinese renminbi, the interest rate is the PBOC benchmark interest rate for lending up to six months.*

Applying the estimated possible changes in the interest rates to the floating rated debt, with all other variables constant, the result for the period before tax would have been € 0.8 million higher/lower (2014: € 0.7 million higher/lower).

Interest-rate sensitivity in relation to hedge accounting

At 31 December 2015, the Group does not apply hedge accounting and no sensitivity analysis was done. At previous year-end, some derivatives were also part of effective cash flow hedges to hedge the interest-rate risk relating to the Eurobond issued in 2005 and expired in March 2015. Last year's sensitivity analysis established that applying the estimated possible increases and decreases of the interest rates to these hedging transactions, with all other variables constant, the hedging reserve in shareholders' equity would not have been changed.

Credit risk

The Group is exposed to credit risk from its operating activities and certain financing activities. In respect of its operating activities, the Group has a credit policy in place, which takes into account the risk profiles of the customers in terms of the market segment to which they belong. Based on activity platform, product sector and geographical area, a credit risk analysis is made of customers and a decision is taken regarding the covering of the credit risk. The exposure to credit risk is monitored on an ongoing basis and credit evaluations are made of all customers. In terms of the characteristics of some steel wire activities with a limited number of global customers, the concentration risk is closely monitored and, in combination with the existing credit policy, appropriate action is taken when needed. In accordance with IFRS 8 §34, none of the specified disclosures on individual customers (or groups of customers under common control) are required, since none of the Group's customers accounts for more than 10% of its revenues. At 31 December 2015, 65.4% (2014: 64.8%) of the credit risk exposure was covered by credit insurance policies and by trade finance techniques. In respect of financing activities, transactions are normally concluded with counterparties that have at least an A credit rating. There are also limits allocated to each counterparty which depend on their rating. Due to this approach, the Group considers the risk of counterparty default to be limited in both operating and financing activities.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its obligations as they come due because of an inability to liquidate assets or obtain adequate funding. To ensure liquidity and financial flexibility at all times, the Group, in addition to its available cash, has several uncommitted short-term credit lines at its disposal in the major currencies and in amounts considered adequate for current and near-future financing needs. These facilities are generally of the mixed type and may be utilized, for example, for advances, overdrafts, acceptances and discounting. The Group also has committed credit facilities at its disposal up to a maximum equivalent of € 50.0 million (2014: € 70.6 million) at floating interest rates with fixed margins. At year-end, nothing was outstanding under these facilities (2014: nil). In addition, the Group has a commercial paper and medium-term note program available for a maximum of € 123.9 million (2014: € 123.9 million). At the end of 2015, no commercial paper notes were outstanding (2014: none). At year-end, none of the Group's outstanding debt was subject to debt covenants (2014: none). The Group has a joint factoring agreement with BNP Paribas Fortis and KBC and has the possibility to borrow up to € 90 million (2014: € 40 million) for two months withdrawals, but no withdrawals were done before year-end (2014: none).

The following table shows the Group's contractually agreed (undiscounted) outflows in relation to financial liabilities. Only net interest payments and principal repayments are included.

2015 in thousands of €	**2016**	**2017**	**2018-2020**	**2021 and thereafter**
Financial liabilities - principal				
Trade payables	*-456 783*	-	-	-
Other payables	*-141 539*	*-820*	-	-
Interest-bearing debt	*-494 714*	*-13 343*	*-778 773*	-
Derivatives - gross settled	*-512 735*	-	*-11 872*	-
Financial liabilities - interests				
Interest-bearing debt	*-36 401*	*-22 744*	*-39 025*	-
Derivatives - net settled	-	-	-	-
Derivatives - gross settled	*-7 240*	*-1 153*	*-1 153*	-
Total undiscounted cash flow	**-1 649 412**	**-38 060**	**-830 823**	**-**

2014 in thousands of €	**2015**	**2016**	**2017-2019**	**2020 and thereafter**
Financial liabilities - principal				
Trade payables	*-389 254*	-	-	-
Other payables	*-179 433*	*-815*	-	-
Interest-bearing debt	*-449 136*	*-282 823*	*-580 170*	*-47 081*
Derivatives - gross settled	*-607 477*	*-12 988*	-	-
Financial liabilities - interests				
Interest-bearing debt	*-38 855*	*-30 604*	*-49 726*	*-2 168*
Derivatives - net settled	*-1 796*	-	-	-
Derivatives - gross settled	*-9 453*	*-1 279*	-	-
Total undiscounted cash flow	**-1 675 404**	**-328 509**	**-629 896**	**-49 249**

All instruments held at the reporting date and for which payments had been contractually agreed are included. Forecasted data relating to future, new liabilities has not been included. Amounts in foreign currencies have been translated at the closing rate at the reporting date. The variable interest payments arising from the financial instruments were calculated using the applicable forward interest rates.

Hedging

All financial derivatives the Group enters into, relate to an underlying transaction or forecasted exposure. In function of the expected impact on the income statement and if the stringent IAS 39 criteria are met, the Group decides on a case-by-case basis whether hedge accounting will be applied. The following sections describe the transactions whereby hedge accounting is applied and transactions which do not qualify for hedge accounting but constitute an economic hedge.

Hedge accounting

At 31 December 2015, the Group does not apply hedge accounting. At previous year-end, some derivatives were still part of effective cash flow hedges and fair value hedges relating to the Eurobond issued in 2005. In 2005, Bekaert Corporation, a USA based entity, issued a fixed rated € 100.0 million Eurobond expiring in March 2015. Simultaneously, the entity also entered into two € 50.0 million cross-currency interest-rate swaps to convert half of the fixed euro payments into floating US dollar payments and the other half of the fixed euro payments into fixed US dollar payments.

Fair value hedges

During 2005, the entity reduced its floating US dollar exposure from € 50.0 million to € 30.9 million. The Group designated the portion of € 30.9 million from the 2005 Eurobond as a hedged item in a fair value hedge (the remaining € 69.1 million being treated as a hedged item in a cash flow hedge – see next section). The changes in fair values of the hedged items resulting from changes in the spot rate USD/EUR were offset against the changes in fair value of the cross-currency interest-rate swaps. Credit risks were not addressed or covered by this hedging. Fair value hedges affected the income statement as shown below:

2015 in thousands of €	**Hedged item**	**Hedging instrument**	**Recognized in income statement**
Fair value hedges	Fair value changes	Fair value changes	
Currency and interest-rate risk on financing cash flows	*-2 424*	*2 445*	*21*
Interest expense adjustments	*-*	*-*	*144*
Total	**-2 424**	**2 445**	**165**

2014 in thousands of €	**Hedged item**	**Hedging instrument**	**Recognized in income statement**
Fair value hedges	Fair value changes	Fair value changes	
Currency and interest-rate risk on financing cash flows	*4 829*	*-4 815*	*14*
Interest expense adjustments	*-*	*-*	*909*
Total	**4 829**	**-4 815**	**923**

Cash flow hedges

The currency and interest-rate risk resulting from the remaining € 69.1 million of the 2005 Eurobond (see previous section on fair value hedges) was hedged using a cross-currency interest-rate swap for € 50.0 million and a combination of a cross-currency interest-rate swap and an interest-rate swap for € 19.1 million. These financial derivatives converted fixed euro payments into fixed US dollar payments. The Group designated the related portion of the Eurobond as a hedged item. The objective of the hedge was to eliminate the risk from payment fluctuations as a result of changes in the exchange and interest rates. Credit risks were not addressed or covered by this hedging. Cash flow hedges directly affected equity via other comprehensive income and also affected the income statement, as shown below:

2015 in thousands of €	**Hedged item**	**Hedging instrument**	**Recognized in income statement**	**Recognized in equity (OCI)**
Cash flow hedges	Spot price changes	Fair value changes		
Currency and interest-rate risk on financing cash flows	*-5 873*	*6 034*	*161*	*-* [1]
Interest expense adjustments	*-*	*-*	*-326*	*-*
Amortization of discontinued hedges (recycled to profit or loss)	*-*	*-*	*-14*	*14*
Total	**-5 873**	**6 034**	**-179**	**14**

[1] *The hedging reserve has been recycled to income statement when the hedged item and the hedging instruments were settled.*

As for the discontinued hedge which also related to the Eurobond issued in 2005 and expired in 2015, any related amounts previously kept in the hedging reserve have been fully recycled to the income statement.

2014 in thousands of €	**Hedged item**	**Hedging instrument**	**Recognized in income statement**	**Recognized in equity (OCI)**
Cash flow hedges	Spot price changes	Fair value changes		
Currency and interest-rate risk on financing cash flows	*8 582*	*-7 896*	*-*	*686*
Interest expense adjustments	*-*	*-*	*-797*	*-*
Amortization of discontinued hedges (recycled to interest expense)	*-*	*-*	*69*	*69*
Total	**8 582**	**-7 896**	**-728**	**755**

Since both the hedging instruments and hedged items expired in March 2015, the hedging reserve amounts to zero at the balance sheet date (2014: € 0.1 million).

Economic hedging and other free-standing derivatives

The Group also uses financial instruments that represent an economic hedge but for which no hedge accounting is applied, either because the criteria to qualify for hedge accounting defined in IAS 39 'Financial Instruments: Recognition and Measurement' are not met or because the Group has elected not to apply hedge accounting. These derivatives are treated as free-standing instruments held for trading.

- The Group uses cross-currency interest-rate swaps and forward exchange contracts to hedge the currency risk on intercompany loans involving two entities with different functional currencies. Until now, the Group has elected not to apply hedge accounting as defined in IAS 39. Since nearly all cross-currency interest-rate swaps are floating-to-floating, the fair value gain or loss on the financial instruments is expected to offset the foreign-exchange result arising from the remeasurement of the intercompany loans. The major currencies involved are US dollars, euros and Russian rubles.
- To manage its interest-rate exposure, the Group uses interest-rate swaps to convert its floating-rate debt to a fixed rate debt. Except for an interest-rate swap for USD 25.0 million which expired in 2015, none of these interest-rate derivatives were designated as hedges as defined in IAS 39.
- The Group uses forward exchange contracts to limit currency risks on its various operating and financing activities. Since the Group has not designated its forward exchange contracts as cash flow hedges, the fair value change is recorded immediately under other financial income and expenses.
- In June 2014, the Company issued a convertible bond of € 300.0 million. The characteristics of this convertible bond are such that its conversion option constitutes an embedded derivative which, in accordance with IAS 39, is separated from the host contract. The fair value of the conversion derivative amounted to € 5.8 million at 31 December 2015 (2014: € 7.9 million), as a result of which a gain of € 2.1 million was recognized in other financial income. Since the host contract (the plain vanilla debt without the conversion option) is recognized at amortized cost using the effective interest method, this gain is more than offset by interest expense adjustments of € 6.1 million (2014: € 3.2 million).
- The put option relating to the 2014 business combination with Maccaferri qualifies as a financial liability at fair value through profit or loss and is reported as a non-current derivative liability. The change in fair value recorded in other financial income and expenses amounted to a loss of € 0.3 million (2014: loss of € 0.1 million).

Derivatives

The following table analyzes the notional amounts of the derivatives according to their maturity date. For derivatives designated for hedge accounting as set out in IAS 39, a distinction is made depending on whether these are part of a fair value hedge (FVH) or cash flow hedge (CFH):

2015 in thousands of €	**Due within one year**	**Due between one and 5 years**	**Due after more than 5 years**
Held for trading			
Forward exchange contracts	370 847	-	-
Cross-currency interest-rate swaps	561 109	11 872	-
Conversion derivative	-	300 000	-
Total	**931 956**	**311 872**	**-**

2014 in thousands of €	**Due within one year**	**Due between one and 5 years**	**Due after more than 5 years**
Hedge accounting			
Interest-rate swaps / CFH	20 591	-	-
Cross-currency interest-rate swaps / CFH	74 475	-	-
Cross-currency interest-rate swaps / FVH	33 292	-	-
Held for trading			
Forward exchange contracts	429 921	-	-
Interest-rate swaps	32 946	-	-
Cross-currency interest-rate swaps	383 918	32 256	-
Conversion derivative	-	300 000	-
Total	**975 143**	**332 256**	**-**

The following table summarizes the fair values of the various derivatives carried. For derivatives designated for hedge accounting as set out in IAS 39, a distinction is made depending on whether these are part of a fair value hedge (FVH) or cash flow hedge (CFH):

Fair value of current and non-current derivatives in thousands of €	**Assets**		**Liabilities**	
	2014	**2015**	**2014**	**2015**
Financial instruments				
Hedge accounting				
Interest-rate swaps /CFH	-	-	141	-
Cross-currency interest-rate swaps / FVH	-	-	2 235	-
Cross-currency interest-rate swaps / CFH	-	-	5 373	-
Held for trading				
Forward exchange contracts	2 637	3 900	7 625	4 525
Interest-rate swaps	-	-	235	-
Cross-currency interest-rate swaps	21 521	11 744	33 631	17 711
Put options relating to non-controlling interests [1]	-	-	-	8 559
Conversion derivative	-	-	7 921	5 825
Total	**24 158**	**15 644**	**57 161**	**36 620**
Non-current	5 944	5 897	7 921	14 384
Current	18 214	9 747	49 240	22 236
Total	**24 158**	**15 644**	**57 161**	**36 620**

[1] *Gross liability mainly relating to the commercial partnership with Maccaferri for underground solutions announced in June 2014.This item has been reclassified from non-current provisions.*

The Group has no financial assets and financial liabilities that are presented net in the balance sheet due to set-off in accordance with IAS 32. The Group enters into ISDA master agreements with its counterparties for all of its derivatives, allowing the counterparties to net derivative assets with derivative liabilities when settling in case of default. Under these agreements, no collateral is being exchanged, neither in cash nor in securities.

The potential effect of the netting of derivative contracts is shown below:

Effect of enforceable netting agreements	**Assets**		**Liabilities**	
in thousands of €	**2014**	**2015**	**2014**	**2015**
Total derivatives recognized in balance sheet	24 158	15 644	57 161	36 620
Enforceable netting	-15 576	-5 847	-15 576	-5 847
Net amounts	**8 582**	**9 797**	**41 585**	**30 773**

Additional disclosures on financial instruments by class and category

The following tables list the different classes of financial assets and liabilities with their carrying amounts and their respective fair values, analyzed by their measurement category in accordance with IAS 39, ‘Financial Instruments: Recognition and Measurement’.

Cash and cash equivalents, short-term deposits, trade and other receivables, bills of exchange received, loans and receivables primarily have short terms to maturity; hence, their carrying amounts at the reporting date approximate the fair values. Trade and other payables also generally have short terms to maturity and, hence, their carrying amounts also approximate their fair values. The Group has no exposure to collateralized debt obligations (CDOs).

The following abbreviations are used for IAS 39 categories:

Abbreviation	**Category in accordance with IAS 39**
L&R	Loans & Receivables
AfS	Available for Sale
FAFVTPL	Financial Assets at Fair Value Through Profit or Loss
FLMaAC	Financial Liabilities Measured at Amortized Cost
Hedge accounting	Hedge accounting
FLFVTPL	Financial Liabilities at Fair Value Through Profit or Loss
n.a.	Not applicable

2015 in thousands of €	**Category in accordance with IAS 39**	**Carrying amount 2015**	**Fair value 2015**
Assets			
Cash and cash equivalents	L&R	401 771	401 771
Short-term deposits	L&R	10 216	10 216
Trade receivables	L&R	686 364	686 364
Bills of exchange received	L&R	68 005	68 005
Other receivables	L&R	97 766	97 766
Loans and receivables	L&R	51 428	51 428
Available-for-sale financial assets	AfS	15 626	15 626
Derivative financial assets			
- without a hedging relationship	FAFVTPL	15 644	15 644
Liabilities			
Interest-bearing debt			
- finance leases	n.a.	3 764	3 764
- credit institutions	FLMaAC	452 026	452 026
- bonds	FLMaAC	831 040	869 422
Trade payables	FLMaAC	456 783	456 783
Other payables	FLMaAC	142 359	142 359
Derivative financial liabilities			
- without a hedging relationship	FLFVTPL	36 620	36 620
Aggregated by category in accordance with IAS 39			
Loans and receivables	L&R	1 315 550	1 315 550
Available-for-sale financial assets	AfS	15 626	15 626
Financial assets at fair value through profit or loss	FAFVTPL	15 644	15 644
Financial liabilities measured at amortized cost	FLMaAC	1 882 208	1 920 590
Financial liabilities at fair value through profit or loss	FLFVTPL	36 620	36 620

2014 in thousands of €	**Category in accordance with IAS 39**	**Carrying amount 2014**	**Fair value 2014**
Assets			
Cash and cash equivalents	L&R	458 542	458 542
Short-term deposits	L&R	14 160	14 160
Trade receivables	L&R	707 569	707 569
Bills of exchange received	L&R	114 118	114 118
Other receivables	L&R	106 627	106 627
Loans and receivables	L&R	42 523	42 523
Available-for-sale financial assets	AfS	9 979	9 979
Derivative financial assets			
- without a hedging relationship	FAFVTPL	24 157	24 157
- with a hedging relationship	Hedge accounting	-	-
Liabilities			
Interest-bearing debt			
- finance leases	n.a.	1 548	1 548
- credit institutions	FLMaAC	426 154	426 154
- credit institutions	Hedge accounting		
- bonds	Hedge accounting	100 184	100 594
- bonds	FLMaAC	823 740	868 376
Trade payables	FLMaAC	390 943	390 943
Other payables	FLMaAC	143 497	143 497
Derivative financial liabilities			
- without a hedging relationship	FLFVTPL	49 411	49 411
- with a hedging relationship	Hedge accounting	7 750	7 750
Aggregated by category in accordance with IAS 39			
Loans and receivables	L&R	1 443 539	1 443 539
Available-for-sale financial assets	AfS	9 979	9 979
Financial assets -hedge accounting	Hedge accounting	-	-
Financial assets at fair value through profit or loss	FAFVTPL	24 157	24 157
Financial liabilities measured at amortized cost	FLMaAC	1 784 334	1 828 970
Financial liabilities - hedge accounting	Hedge accounting	107 934	108 344
Financial liabilities at fair value through profit or loss	FLFVTPL	49 411	49 411

Financial instruments by fair value measurement hierarchy

The fair value measurement of financial assets and financial liabilities can be characterized in one of the following ways:

- *'Level 1'* fair value measurement: the fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices in these active markets for identical assets and liabilities. This mainly relates to available-for-sale financial assets such as the investment in Shougang Concord Century Holdings Ltd (see note 6.5. 'Other non-current assets').
- *'Level 2'* fair value measurement: the fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This mainly relates to derivative financial instruments. Forward exchange contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates with matching maturities. Interest-rate swaps are measured at the present value of future cash flows estimated and discounted using the applicable yield curves derived from quoted interest rates. The fair value measurement of cross-currency interest-rate swaps is based on discounted estimated cash flows using quoted forward exchange rates, quoted interest rates and applicable yield curves derived therefrom.
- *'Level 3'* fair value measurement: the fair value of the remaining financial assets and financial liabilities is derived from valuation techniques which include inputs that are not based on observable market data. The share conversion option in the convertible bond issued in June 2014 is a non-closely related embedded derivative that has to be separated from the host debt instrument and measured at fair value through profit or loss. The main inputs in the valuation model for this conversion option are the Bekaert share price (level 1), the reference swap rate and Bekaert's credit spread (level 2), as well as the volatility of the Bekaert share (level 3). Consequently, the conversion option is classified as a level-3 financial instrument. Similarly, the fair value of the put option relating to non-controlling interests has not been based on observable market data, but on the business plan that was agreed between the partners in the business combination with Maccaferri. The fair value was established using discounted cash flows.

Main inputs to the option pricing model

	At issue date	At 31 Dec 2014	At 31 Dec 2015
Level 1 inputs			
Share price	€ 27.97	€ 26.35	€ 28.39
Level 2 inputs			
Reference swap rate	0.54%	0.25%	0.01%
Credit spread	210 bps	200 bps	200 bps
Level 3 inputs			
Volatility	25.40%	22.00%	20.00%

Outcome of the model
in thousands of €

	At issue date	At 31 Dec 2014	At 31 Dec 2015
Fair value of the convertible debt	300 000	286 379	298 014
Fair value of the plain vanilla debt	278 700	278 458	292 189
Fair value of the conversion option	21 300	7 921	5 825

The carrying amount (i.e. the fair value) of the level-3 derivative liability representing the conversion option has evolved as follows:

Level-3 Derivative liability: Conversion option in thousands of €	**2014**	**2015**
At 1 January	-	7 921
At issue of the convertible debt (10 June 2014)	21 300	-
(Gain) /loss in fair value	-13 379	-2 096
At 31 December	7 921	5 825

The following table shows the sensitivity of the fair value calculation to the most significant level-3 input.

Sensitivity analysis in thousands of €	**Change**	**Impact on derivative liability**	
Volatility	3.5%	increase by	3 786
	-3.5%	decrease by	-3 099

The fair value of all financial instruments measured at amortized cost in the balance sheet, either in accordance with IAS 39 or with IAS 17, has been determined using level-2 fair value measurement techniques. The following table provides an analysis of financial instruments measured at fair value in the balance sheet, in accordance with the fair value measurement hierarchy described above:

2015 in thousands of €	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets - hedge accounting				
Derivative financial assets	-	-	-	-
Financial assets at fair value through profit or loss				
Derivative financial assets	-	*15 644*	-	*15 644*
Available-for-sale financial assets				
Equity investments	*6 193*	*8 514*	-	*14 707*
Total assets	**6 193**	**24 158**	**-**	**30 351**
Financial liabilities - hedge accounting				
Interest-bearing debt	-	-	-	-
Derivative financial liabilities	-	-	-	-
Financial liabilities at fair value through profit or loss				
Put option relating to non-controlling interests	-	-	*8 559*	*8 559*
Derivative financial liabilities	-	*22 236*	*5 825*	*28 061*
Total liabilities	**-**	**22 236**	**14 384**	**36 620**

2014 in thousands of €	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets - hedge accounting				
Derivative financial assets	-	-	-	-
Financial assets at fair value through profit or loss				
Derivative financial assets	-	*24 157*	-	*24 157*
Available-for-sale financial assets				
Equity investments	*8 495*	*503*	-	*8 998*
Total assets	**8 495**	**24 660**	**-**	**33 155**
Financial liabilities - hedge accounting				
Interest-bearing debt	-	*31 076*	-	*31 076*
Derivative financial liabilities	-	*7 750*	-	*7 750*
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	-	*41 490*	*7 921*	*49 411*
Total liabilities	**-**	**80 316**	**7 921**	**88 237**

There were no transfers between level 1 and 2 in the period.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the net debt and equity balance. The Group's overall strategy remains unchanged from 2014.

The capital structure of the Group consists of net debt, as defined in note 6.17. 'Interest-bearing debt', and equity (both attributable to the Group and to non-controlling interests).

Gearing ratio

The Group's Audit and Finance Committee reviews the capital structure on a semi-annual basis. As part of this review, the committee assesses the cost of capital and the risks associated with each class of capital. The Group has a target gearing ratio of 50% determined as the proportion of net debt to equity.

Gearing in thousands of €	**2014**	**2015**
Net debt	852 959	831 964
Equity	1 566 212	1 515 911
Net debt to equity ratio	**54.5%**	**54.9%**

7.4. Contingencies and commitments

As at 31 December, the important contingencies and commitments were:

in thousands of €	2014	2015
Contingent liabilities	22 548	29 031
Commitments to purchase fixed assets	19 129	13 796
Commitments to invest in venture capital funds	5 038	3 644

The contingent liabilities mainly relate to environmental obligations. Most of them are covered by bank guarantees.

The entities of the Group are subjected to regular tax audits in their jurisdictions. While the ultimate outcome of tax audits is not certain, Bekaert has considered the merits of its filing positions in an overall evaluation of potential tax liabilities and concludes that the Group has adequate liabilities recorded in its consolidated financial statements for exposures on these matters. Accordingly, Bekaert also considers it unlikely that potential tax exposures over and above the amounts currently recorded as liabilities in the consolidated financial statements will be material to its financial condition (see note 6.4. 'Investments in joint ventures and associates' for tax contingencies relating to the Brazilian joint ventures).

The Group has entered into several rental contracts classified as operating leases mainly with respect to vehicles and buildings, predominantly in Europe. A large portion of the contracts contain a renewal clause, except those relating to most of the vehicles and the equipment. The assets are not subleased to a third party.

Future payments in thousands of €	2014	2015
Within one year	13 871	17 101
Between one and five years	26 016	30 488
More than five years	1 018	749
Total	**40 905**	**48 338**

Expenses in thousands of €	2014	2015
Vehicles	9 850	10 369
Industrial buildings	3 063	4 228
Equipment	2 770	3 809
Offices	3 394	3 528
Land	377	18
Other	952	1 306
Total	**20 406**	**23 258**

2015 in years	**Weighted average lease term**
Vehicles	4
Industrial buildings	5
Equipment	3
Offices	4
Land	1
Other	1

2014 in years	**Weighted average lease term**
Vehicles	4
Industrial buildings	2
Equipment	3
Offices	4
Land	1
Other	1

During 2015 Bekaert Corporation (the ‘Company’) completed building construction, restoration, and modernization of its plant in Rome, Georgia, USA (the ‘Project’). In connection with the Project the Company obtained property tax abatements through a Payment-In-Lieu-of-Taxes (‘PILOT’) program available through the local tax authority (the ‘Authority’) on its new real and personal property for periods of five and eight years. The PILOT program involved the purchase by the Company of USD 39.5 million of 4.25% Industrial Development Revenue Bonds (the ‘Bonds’) issued by the Authority, the proceeds of which were used by the Authority to purchase the Project and lease it back to the Company at a rental rate equal to the amount of the interest on the Bonds (the ‘Lease’). At the conclusion of the Lease and maturity of the Bonds, the Project will be purchased back by the Company from the Authority and the Bonds will mature and be paid to the Company. For the 2015 period both interest income on the Bonds and rent expense on the Project were USD 0.1 million. Following the provisions of SIC 27 ‘Evaluating the Substance of Transactions involving the Legal Form of a Lease’ these transactions are deemed to be without economic substance and, accordingly, are not included in the financial statements.

7.5. Related parties

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated in the consolidation and are accordingly not disclosed in this note. Transactions with other related parties are disclosed below.

Transactions with joint ventures in thousands of €	**2014**	**2015**
Sales of goods	36 930	15 224
Purchases of goods	19 654	17 916
Services rendered	-	237
Royalties and management fees received	10 125	8 956
Interest and similar income	169	690
Dividends received	19 881	17 674

Outstanding balances with joint ventures in thousands of €	**2014**	**2015**
Trade receivables	11 251	2 542
Other current receivables	443	869
Trade payables	3 892	2 411
Other current payables	185	-

None of the related parties have entered into any other transactions with the Group that meet the requirements of IAS 24, ‘Related Party Disclosures’.

Key Management includes the Board of Directors, the CEO, the members of the Bekaert Group Executive and the Senior Vice Presidents (see last page of the Financial Review).

Key Management remuneration in thousands of €	**2014**	**2015**
Number of persons	40	41
Short-term employee benefits		
Basic remuneration	*7 043*	*6 887*
Variable remuneration	*4 227*	*2 349*
Remuneration as directors of subsidiaries	*936*	*679*
Post-employment benefits		
Defined-benefit pension plans	*712*	*518*
Defined-contribution pension plans	*967*	*608*
Share-based payment benefits	2 376	2 376
Total gross remuneration	**16 261**	**13 417**
Average gross remuneration per person	407	327
Number of options and stock appreciation rights granted	251 500	267 000

The disclosures relating to the Belgian Corporate Governance Code are included in the Corporate Governance Statement of this annual report.

7.6. Events after the balance sheet date

- An offer of 232 750 options was made on 17 December 2015 under the terms of the SOP 2015-2017 stock option plan. 227 250 of those options were accepted, and were granted on 15 February 2016. Their exercise price is € 26.375. The granted options represent a fair value of € 1.7 million.

- Under the terms of the USA SAR plans, a regular offer of 20 250 Stock Appreciation Rights was made on 17 December 2015. 20 250 of those rights were accepted, and will be granted when the acceptance term expires on 25 March 2016. Their exercise price is € 28.385. The granted rights represent a fair value of € 0.2 million.

- Under the terms of the other SAR plans, a regular offer of 38 500 Stock Appreciation Rights was made on 17 December 2015. All of those rights were accepted, and were granted on 15 February 2016. Their exercise price is € 26.375. The granted rights represent a fair value of € 0.3 million.

- A total of 203 710 treasury shares have been disposed of as a result of stock options under the terms of the SOP 2010-2014 stock option plan being exercised since 1 January 2016.

7.7. Services provided by the statutory auditor and related persons

During 2015, the statutory auditor and persons professionally related to him performed additional services for fees amounting to € 1 131 782.

These fees essentially relate to further assurance services (€ 49 037), tax advisory services (€ 969 776) and other non-audit services (€ 112 969).

The additional services were approved by the Audit and Finance Committee.

The audit fees for NV Bekaert SA and its subsidiaries amounted to € 1 897 308.

7.8. Subsidiaries, joint ventures and associates

Companies forming part of the Group as at 31 December 2015

Subsidiaries

Industrial companies	*Address*	*%*
EMEA		
Bekaert Bohumín sro	Bohumín, Czech Republic	100
Bekaert Combustion Technology BV	Assen, Netherlands	100
Bekaert Figline SpA	Milano, Italy	100
Bekaert Hlohovec as	Hlohovec, Slovakia	100
Bekaert Izmit Çelik Kord Sanayi ve Ticaret AS	Izmit, Turkey	100
Bekaert Kartepe Çelik Kord Sanayi ve Ticaret AS	Kartepe, Turkey	100
Bekaert Petrovice sro	Petrovice, Czech Republic	100
Bekaert Sardegna SpA	Assemini, Italy	100
Bekaert Slatina SRL	Slatina, Romania	80
Bekaert Slovakia sro	Sládkovičovo, Slovakia	100
Bekintex NV	Wetteren, Belgium	100
Cold Drawn Products Ltd	Bradford, United Kingdom	100
Industrias del Ubierna SA	Burgos, Spain	100
OOO Bekaert Lipetsk	Gryazi, Russian Federation	100
Solaronics SA	Armentières, France	100
North America		
Bekaert Corporation	Wilmington (Delaware), United States	100
Wire Rope Industries Ltd/Industries de Câbles d'Acier Ltée	Pointe-Claire, Canada	100
Wire Rope Industries USA Inc	Wilmington (Delaware), United States	100
Latin America		
Acma SA	Santiago, Chile	52
Acmanet SA	Talcahuano, Chile	52
Bekaert Cimaf Cabos Ltda	São Paulo, Brazil	100
Bekaert Costa Rica SA	San José-Santa Ana, Costa Rica	58
Bekaert Sumaré Ltda	Sumaré, Brazil	100
BIA Alambres Costa Rica SA	San José-Santa Ana, Costa Rica	58
Ideal Alambrec SA	Quito, Ecuador	58
Industrias Chilenas de Alambre - Inchalam SA	Talcahuano, Chile	52
Procables SA	Callao, Peru	96
Prodinsa SA	Maipú, Chile	100
Productora de Alambres Colombianos Proalco SAS	Bogotá, Colombia	80
Productos de Acero Cassadó SA	Callao, Peru	38
Vicson SA	Valencia, Venezuela	80
Asia Pacific		
Bekaert Ansteel Tire Cord (Chongqing) Co Ltd	Chongqing, China	50
Bekaert Applied Material Technology (Shanghai) Co Ltd	Shanghai, China	100
Bekaert Binjiang Advanced Products Co Ltd	Jiangyin (Jiangsu province), China	90
Bekaert Binjiang Steel Cord Co Ltd	Jiangyin (Jiangsu province), China	90
Bekaert (China) Technology Research and Development Co Ltd	Jiangyin (Jiangsu province), China	100
Bekaert (Huizhou) Steel Cord Co Ltd	Huizhou (Guangdong province), China	100
Bekaert Industries Pvt Ltd	Taluka Shirur, District Pune, India	100
Bekaert Ipoh Sdn Bhd	Kuala Lumpur, Malaysia	100
Bekaert (Jining) Steel Cord Co Ltd	Jining City, Yanzhou district (Shandong Province)	80
Bekaert-Jiangyin Wire Products Co Ltd	Jiangyin (Jiangsu province), China	100
Bekaert Mukand Wire Industries Pvt Ltd	Pune, India	100
Bekaert New Materials (Suzhou) Co Ltd	Suzhou (Jiangsu province), China	100
Bekaert (Qingdao) Wire Products Co Ltd	Qingdao (Shandong province), China	100
Bekaert Shah Alam Sdn Bhd	Kuala Lumpur, Malaysia	100
Bekaert (Shandong) Tire Cord Co Ltd	Weihai (Shandong province), China	100
Bekaert Shenyang Advanced Products Co Ltd	Shenyang (Liaoning province), China	100
Bekaert Toko Metal Fiber Co Ltd	Tokyo, Japan	70
Bekaert Wire Ropes Pty Ltd	Mayfield East, Australia	100
China Bekaert Steel Cord Co Ltd	Jiangyin (Jiangsu province), China	90
PT Bekaert Indonesia	Karawang, Indonesia	100
PT Bekaert Southern Wire	Karawang, Indonesia	100

Sales offices, warehouses and others	Address	%
EMEA		
Bekaert AS	Vejle, Denmark	100
Bekaert Emirates LLC	Dubai, United Arab Emirates	49
Bekaert France SAS	Armentières, France	100
Bekaert Ges mbH	Vienna, Austria	100
Bekaert GmbH	Neu-Anspach, Germany	100
Bekaert Ltd	Bradford, United Kingdom	100
Bekaert Maccaferri Underground Solutions BVBA	Aalst (Erembodegem), Belgium	50
Bekaert Maccaferri Underground Solutions Srl	Zola Predosa, Bologna, Italy	50
Bekaert Middle East LLC	Dubai, United Arab Emirates	49
Bekaert Norge AS	Frogner, Norway	100
Bekaert Poland Sp z oo	Warsaw, Poland	100
Bekaert (Schweiz) AG	Baden, Switzerland	100
Bekaert Svenska AB	Gothenburg, Sweden	100
Leon Bekaert SpA	Milano, Italy	100
OOO Bekaert Wire	Moscow, Russian Federation	100
Rylands-Whitecross Ltd	Bradford, United Kingdom	100
Scheldestroom NV	Zwevegem, Belgium	100
Twil Company	Bradford, United Kingdom	100
North America		
Bekaert Canada Ltd	Vancouver, Canada	100
Bekaert Carding Solutions Inc / Bekaert Solutions de Cardage Inc	Saint John, Canada	100
Bekaert Specialty Films de Mexico SA de CV	Monterrey, Mexico	100
Bekaert Trade Mexico S de RL de CV	Mexico City, Mexico	100
Specialty Films de Services Company SA de CV	Monterrey, Mexico	100
Latin America		
Bekaert Guatemala SA	Ciudad de Guatemala, Guatemala	100
Bekaert Trade Latin America NV	Curaçao, Netherlands Antilles	100
Prodac Contrata SAC	Callao, Peru	38
Prodac Selva SAC	Ucayali, Peru	38
Prodalam SA	Santiago, Chile	52
Prodinsa Ingeniería y Proyectos SA	Santiago, Chile	100
Asia Pacific		
Bekaert Advanced Products (Shanghai) Co Ltd	Shanghai, China	100
Bekaert Japan Co Ltd	Tokyo, Japan	100
Bekaert Korea Ltd	Seoul, Korea	100
Bekaert Management (Shanghai) Co Ltd	Shanghai, China	100
Bekaert Singapore Pte Ltd	Singapore	100
Bekaert Taiwan Co Ltd	Taipei, Taiwan	100
BOSFA Pty Ltd	Port Melbourne, Australia	100
Cempaka Raya Sdn Bhd	Kuala Lumpur, Malaysia	100
PT Bekaert Trade Indonesia	Karawang, Indonesia	100

Financial companies	Address	%
Acma Inversiones SA	Talcahuano, Chile	100
Becare Ltd	Dublin, Ireland	100
Bekaert Building Products Hong Kong Ltd	Hong Kong, China	100
Bekaert Carding Solutions Hong Kong Ltd	Hong Kong, China	100
Bekaert Coördinatiecentrum NV	Zwevegem, Belgium	100
Bekaert do Brasil Ltda	Contagem, Brazil	100
Bekaert Holding Hong Kong Ltd	Hong Kong, China	100
Bekaert Ibérica Holding SL	Burgos, Spain	100
Bekaert Ideal SL	Burgos, Spain	80
Bekaert Investments NV	Zwevegem, Belgium	100
Bekaert Investments Italia SpA	Milano, Italy	100
Bekaert North America Management Corporation	Wilmington (Delaware), United States	100
Bekaert Services Hong Kong Ltd	Hong Kong, China	100
Bekaert Singapore Holding Pte Ltd	Singapore	100
Bekaert Specialty Wire Products Hong Kong Ltd	Hong Kong, China	100
Bekaert Stainless Products Hong Kong Ltd	Hong Kong, China	100
Bekaert Steel Cord Products Hong Kong Ltd	Hong Kong, China	100
Bekaert Strategic Partnerships Hong Kong Ltd	Hong Kong, China	100

Bekaert Wire Products Hong Kong Ltd	Hong Kong, China	100
Bekaert Wire Rope Industry NV	Zwevegem, Belgium	100
Bekaert Xinyu Hong Kong Ltd	Hong Kong, China	100
Blue Subsidiary Ltd	London, United Kingdom	100
Blue Topco Ltd	London, United Kingdom	100
Impala SA	Panama, Panama	52
Industrias Acmanet Ltda	Talcahuano, Chile	52
Inversiones Bekaert Andean Ropes SA	Santiago, Chile	100
InverVicson SA	Valencia, Venezuela	80
Procables Wire Ropes SA	Maipú, Chile	100
Procercos SA	Talcahuano, Chile	52

Joint ventures

Industrial companies	*Address*	*%*
Latin America		
Belgo Bekaert Arames Ltda	Contagem, Brazil	45
BMB-Belgo Mineira Bekaert Artefatos de Arame Ltda	Vespasiano, Brazil	45

Sales offices, warehouses and others	*Address*	*%*
EMEA		
Netlon Sentinel Ltd	Blackburn, United Kingdom	50
Asia Pacific		
Bekaert Engineering (India) Pvt Ltd	New Delhi, India	40

Changes in 2015

1. New investments

Subsidiaries	*Address*	*%*
Bekaert Maccaferri Underground Solutions Srl	Zola Predosa, Bologna, Italy	50
Blue Subsidiary Ltd	London, United Kingdom	100
Blue Topco Ltd	London, United Kingdom	100

2. Subsidiaries acquired through business combinations

Subsidiaries	*Address*	
Bekaert (Jining) Steel Cord Co Ltd	Jining City, Yanzhou district (Shandong Province)	From 0% to 80%
Bekaert Kartepe Çelik Kord Sanayi ve Ticaret AS	Kartepe, Turkey	From 0% to 100%
Bekaert Wire Ropes Pty Ltd	Mayfield East, Australia	From 0% to 65%

3. Disposals

Subsidiaries	*Address*	
Bekaert Carding Solutions NV	Deerlijk, Belgium	From 100% to 0%
Bekaert Carding Solutions Pvt Ltd	Pune, India	From 100% to 0%
Bekaert Tarak Aksesuarlari ve Makineleri Ticaret AS	Istanbul, Turkey	From 100% to 0%
Wuxi Bekaert Textile Machinery and Accessories Co Ltd	Wuxi (Jiangsu province), China	From 100% to 0%

4. Changes in ownership without change in control

Subsidiaries	*Address*	
Acma Inversiones SA	Talcahuano, Chile	From 52% to 100%
Bekaert Applied Material Technology (Shanghai) Co Ltd	Shanghai, China	From 70% to 100%
Bekaert Ipoh Sdn Bhd	Kuala Lumpur, Malaysia	From 55% to 100%
Bekaert-Jiangyin Wire Products Co Ltd	Jiangyin (Jiangsu province), China	From 82% to 100%
Bekaert Shah Alam Sdn Bhd	Kuala Lumpur, Malaysia	From 55% to 100%
Bekaert Singapore Holding Pte Ltd	Singapore	From 55% to 100%
Bekaert Wire Ropes Pty Ltd	Mayfield East, Australia	From 65% to 100%
Cempaka Raya Sdn Bhd	Kuala Lumpur, Malaysia	From 55% to 100%
Procables SA	Callao, Peru	From 50% to 96%
Procables Wire Ropes S.A.	Maipú, Chile	From 52% to 100%
Prodinsa Ingeniería y Proyectos SA	Santiago, Chile	From 52% to 100%
Prodinsa SA	Maipú, Chile	From 52% to 100%
PT Bekaert Southern Wire	Karawang, Indonesia	From 55% to 100%
Wire Rope Industries Ltd/Industries de Câbles d'Acier Ltée	Pointe-Claire, Canada	From 52% to 100%

5. Changes in ownership with change in control

Subsidiaries	*Address*	
BOSFA Pty Ltd	Port Melbourne, Australia	From 50% to 100%

6. Transfer of control

	Address
Bekaert (Xinyu) New Materials Co Ltd	Xinyu City (Jiangxi province), China
Bekaert Xinyu Metal Products Co Ltd	Xinyu City (Jiangxi province), China

7. Mergers / conversions

Subsidiaries	*Merged into*
Acma Inversiones Canada SA	Procables Wire Ropes SA

8. Name changes

New name	Former name
Bekaert Applied Material Technology (Shanghai) Co Ltd	Shanghai Bekaert-Ergang Co Ltd
Bekaert Figline SpA	Bekaert Figline Srl
Bekaert Ipoh Sdn Bhd	Bekaert Southern Wire Sdn Bhd
Bekaert Shah Alam Sdn Bhd	Bekaert Southern Speciality Wire Sdn Bhd
Bekaert Singapore Holding Pte Ltd	Bekaert Southern Wire Pte Ltd
Inversiones Bekaert Andean Ropes SA	Inversiones Bekaert Andean Ropes Ltda

9. Closed down

Companies	Address
Barnards Unlimited	Bradford, United Kingdom
Bekaert Carding Solutions Ltd	Bradford, United Kingdom
Bekaert Carding Solutions SAS	Armentières, France
Bekaert Sàrl	Luxemburg, Luxemburg
Lane Brothers Engineering Industries	Bradford, United Kingdom
Sentinel Garden Products Ltd	Bradford, United Kingdom
Sentinel Wire Fencing Ltd	Bradford, United Kingdom
Sentinel (Wire Products) Ltd	Bradford, United Kingdom
Solaronics GmbH	Achim, Germany
Tinsley Wire Ltd	Bradford, United Kingdom

In accordance with Belgian legislation, the table below lists the registered numbers of the Belgian companies.

Companies	Company number
Bekaert Coördinatiecentrum NV	BTW BE 0426.824.150 RPR Kortrijk
Bekaert Investments NV	BTW BE 0406.207.096 RPR Kortrijk
Bekaert Maccaferri Underground Solutions BVBA	BTW BE 0561.750.457 RPR Dendermonde
Bekaert Wire Rope Industry NV	BTW BE 0550 983 358 RPR Kortrijk
Bekintex NV	BTW BE 0452.746.609 RPR Dendermonde
NV Bekaert SA	BTW BE 0405.388.536 RPR Kortrijk
Scheldestroom NV	BTW BE 0403.676.188 RPR Kortrijk