1805
D'Ieteren

DARING TO ADAPT

ACTIVITY REPORT
2014

CONTENTS

This Activity Report does not constitute the annual financial information. This information is entirely comprised in the 2014 Financial and Directors' Report.

KEY INDICATORS

Consolidated results (EUR million)	2005[1]	2006[2]	2007	2008	2009	2010[3]	2011	2012[4]	2013	2014
Sales[5,6]	4,757.3	5,253.7	5,967.1	6,501.2	6,269.7	5,533.8	5,977.3	5,514.5	5,470.5	**5,541.6**
Current operating result[5,7]	255.7	291.6	361.7	375.1	384.7	348.2	377.2	250.2	220.2	**198.6**
Current result, group's share:										
before tax[5,7,8]	118.6	149.3	194.3	191.7	214.2	276.2	305.8	200.2	177.6	**157.2**
after tax[7]	97.6	134.3	166.3	159.0	182.8	234.2	312.0	159.4	136.1	**125.7**
Group's share in the net result for the period[9]	76.2	97.9	127.7	32.2	158.5	218.8	312.6	190.1	114.0	**-11.1**
Financial structure (EUR million)										
Equity of which:	945.5	1,019.2	1,140.2	1,030.8	1,154.6	1,464.7	1,532.1	1,679.2	1,725.2	**1,644.8**
capital and reserves attributable to equity holders	709.9	789.1	917.7	896.1	1,028.5	1,250.6	1,530.5	1,677.4	1,723.6	**1,644.2**
minority interest	235.6	230.1	222.5	134.7	126.1	214.1	1.6	1.8	1.6	**0.6**
Net debt	1,893.1	1,875.8	2,089.6	2,209.7	1,770.2	1,823.0	850.2	491.3	505.3	**597.8**
Data per share[10] (EUR)										
Current result after tax[7,11], group's share	1.77	2.43	3.02	2.89	3.33	4.26	5.65	2.89	2.47	**2.29**
Group's share in the result for the period[9,11]	1.38	1.77	2.32	0.59	2.89	3.97	5.66	3.45	2.07	**-0.20**
Gross dividend per ordinary share	0.240	0.264	0.300	0.300	0.325	0.425	0.800	0.800	0.800	**0.800**
Capital and reserves attributable to equity holders	13.01	14.27	16.59	16.20	18.60	22.61	27.67	30.33	31.17	**29.73**
Share Information[10,11] (EUR)										
Highest share price	23.99	27.25	34.38	24.80	29.92	47.20	49.85	40.64	37.36	**37.68**
Lowest share price	13.85	21.85	23.67	7.22	7.56	28.84	32.73	28.95	29.21	**27.66**
Share price as at 31/12	23.25	26.97	24.60	7.51	27.91	47.20	34.07	30.44	36.20	**29.30**
Average share price	18.53	25.09	29.75	17.53	17.43	36.99	43.22	34.98	34.39	**31.95**
Average daily volume (in number of shares)	49,200	62,070	77,130	80,240	72,140	75,178	78,403	52,650	45,823	**40,302**
Market capitalisation as at 31/12 (EUR million)	1,285.8	1,491.5	1,360.4	415.3	1,543.5	2,610.3	1,884.2	1,683.4	2,002.0	**1,620.4**
Total number of shares issued	55,302,620	55,302,620	55,302,620	55,302,620	55,302,620	55,302,620	55,302,620	55,302,620	55,302,620	**55,302,620**
Average workforce (average full time equivalents)	**18,690**	**20,578**	**26,004**	**28,450**	**29,283**	**26,374**	**26,884**	**25,787**	**27,246**	**28,360**

1 As restated following application of IAS 21 revised.

2 As restated following malpractice identified at Avis Europe in Portugal.

3 Restated following the sale of Avis Europe.

4 After restatement following the retrospective application of IAS 19 revised relating to post-employment advantages.

5 Excluding in 2006 and 2007 the discontinued operation in Greece (application of IFRS 5).

6 Following the amendment to IAS 16, sales include from 2008 onwards the disposal proceeds of non-repurchase vehicles.

7 Before unusual items and re-measurements.

8 Following the creation of Volkswagen D'Ieteren Finance, whose results are accounted for using the equity method, and in order to reflect all the group's activities, the current result before tax, group's share, includes from 2012 the group's share in the current result before tax of the entities accounted for using the equity method.

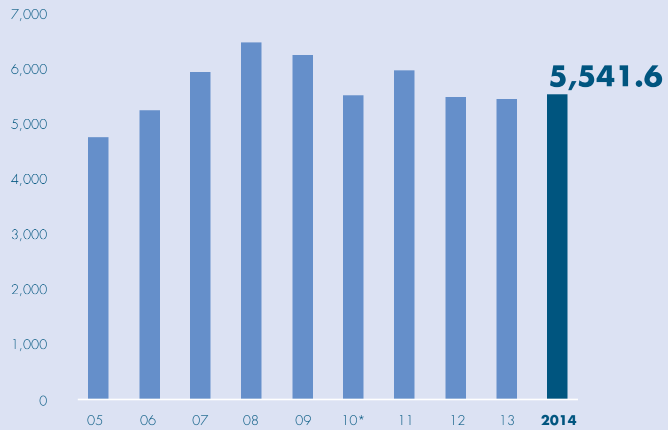
9 Result attributable to equity holders of D'Ieteren, as defined by IAS 1.

10 Restated following the 10-to-1 share split in 2010.

11 Calculated in accordance with IAS 33.

SALES SINCE 2005

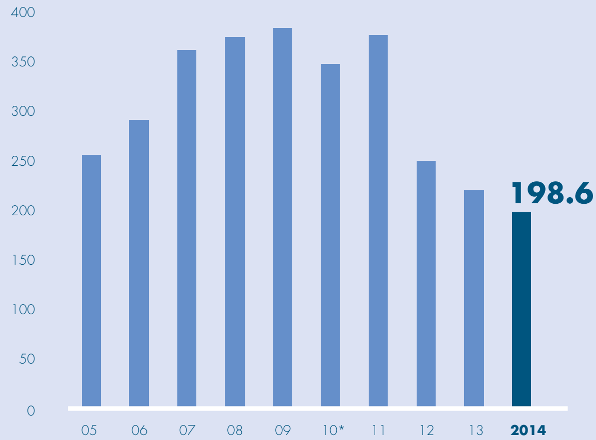
(EUR million)



*Restated following the sale of Avis Europe.

CURRENT OPERATING RESULT SINCE 2005

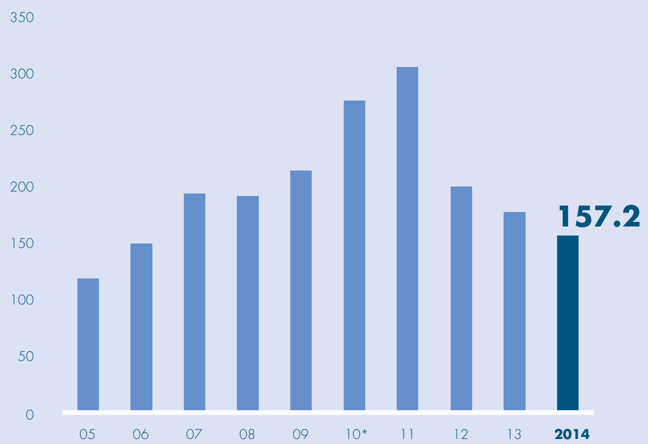
(EUR million)



*Restated following the sale of Avis Europe.

CURRENT RESULT BEFORE TAX, GROUP'S SHARE, SINCE 2005

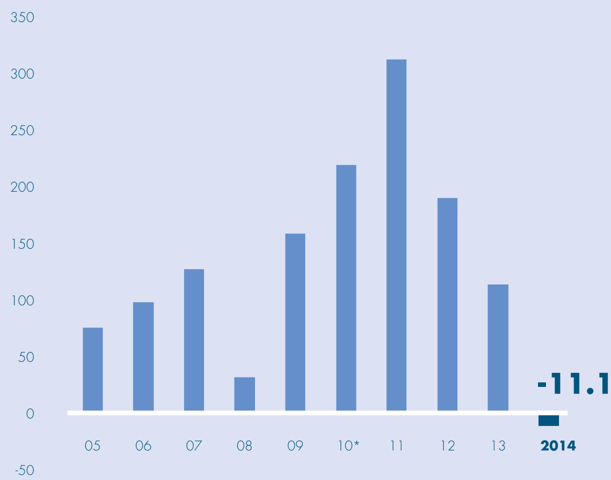
(EUR million)



*Restated following the sale of Avis Europe.

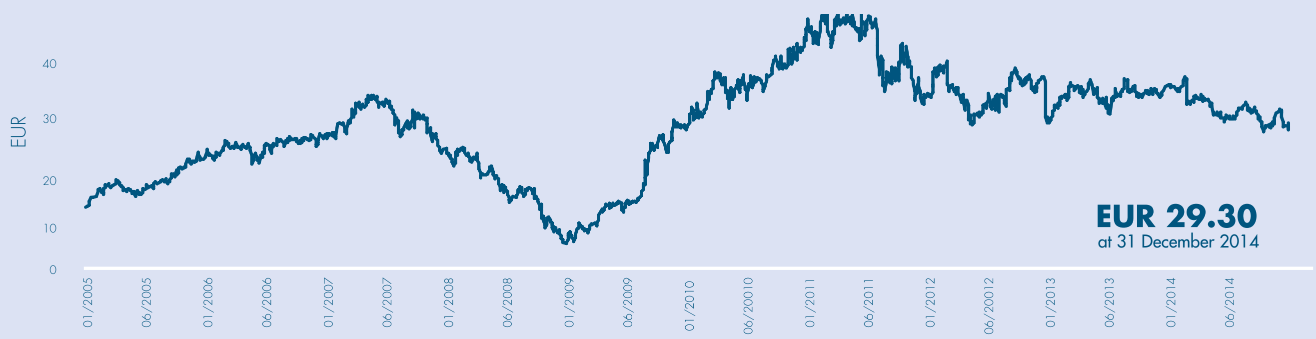
GROUP'S SHARE IN THE NET RESULT FOR THE PERIOD SINCE 2005

(EUR million)



*Restated following the sale of Avis Europe.

D'IETEREN'S SHARE PRICE SINCE 2005



D'IETEREN AT A GLANCE

D'Ieteren is a group of services to the motorist founded in 1805, serving some 12 million corporate and end customers in 34 countries in two areas:

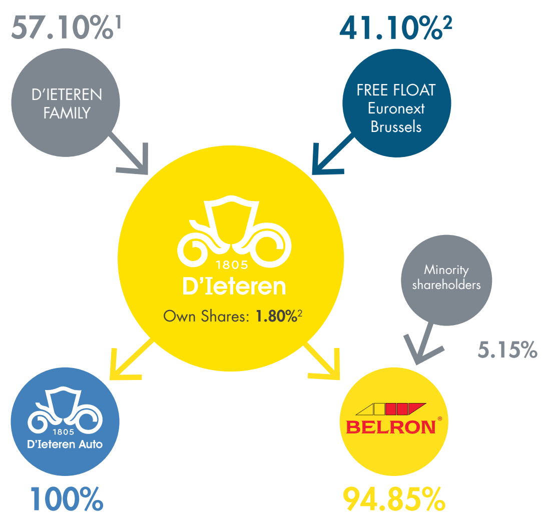
D'IETEREN AUTO distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Porsche and Yamaha vehicles across Belgium. It is the country's number one car distributor, with a market share of more than 22% and 1.2 million vehicles of the distributed makes on the road.

Sales in 2014: 2.7 billion euro.

BELRON (94.85% owned) is the worldwide leader in vehicle glass repair and replacement. Some 2,400 branches and 9,400 mobile vans, trading under more than 10 major brands including Carglass®, Safelite® AutoGlass and Autoglass® serve customers in 34 countries.

Sales in 2014: 2.9 billion euro.

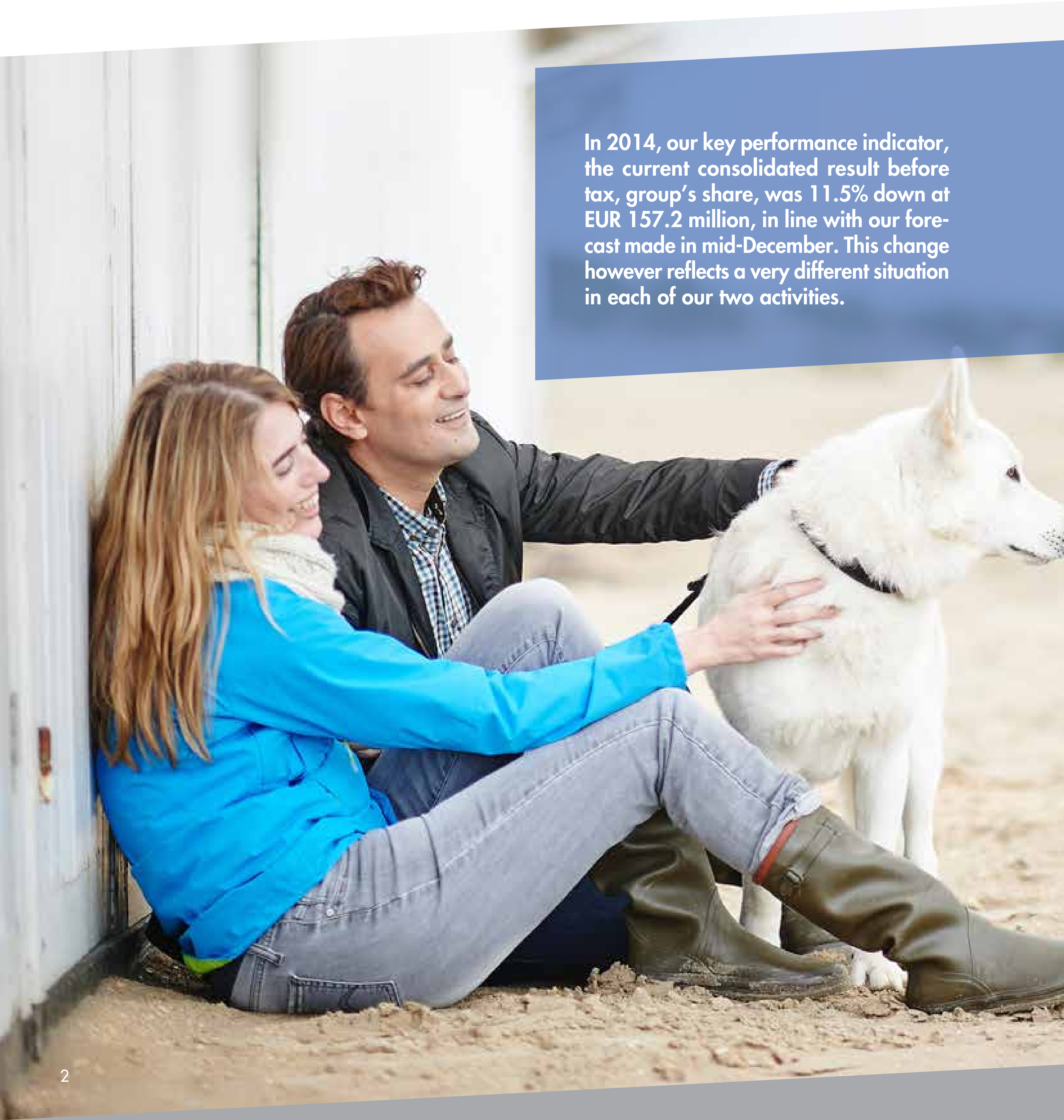
A FAMILY-CONTROLLED, PUBLICLY LISTED COMPANY…



[1] In voting rights: 60.66%.
[2] At 31 December 2014.

…WITH AN INTERNATIONAL PRESENCE

DARING TO ADAPT



In 2014, our key performance indicator, the current consolidated result before tax, group's share, was 11.5% down at EUR 157.2 million, in line with our forecast made in mid-December. This change however reflects a very different situation in each of our two activities.

In **automobile distribution**, in a roughly stable market, D'Ieteren Auto ended the year with an aggregate market share – excluding registrations of less than 30 days – of 22.67%, which is the third best result in its history. Market shares for both Škoda and Porsche reached an all-time high. Volkswagen, with a market share above 10%, retains its position as market leader in Belgium. D'Ieteren Auto sales were up by 1.3% and its current operating result rose by 14.1%.

In **vehicle glass repair and replacement**, Belron faced very different situations depending on geographical areas, in the main due to the impact of an exceptionally mild winter in Europe and an extremely severe winter in the US. Thus, despite organic sales growth of 1.3%, the marginal contribution from the significant sales uplift in the US could only partially offset the impact of the declines in Europe, which explains the 16.3% downturn in Belron's current operating result.

Last year both activities made **substantial investments** to ensure their development and secure their future. D'Ieteren Auto acquired ten Beerens and three Claessens dealerships, all located on the Brussels-Antwerp axis, in January and May 2014 respectively. The cost of these acquisitions was approximately EUR 31 million (real estate and net debt included). On its side, Belron invested EUR 14 million in acquisitions to strengthen its presence in the main in the US, Spain, Italy and Canada. A dividend of EUR 44 million was also paid to D'Ieteren's shareholders. The group's consolidated net financial debt increased to EUR 597.8 million in December 2014. The **financial position** remains particularly healthy given an equity of over EUR 1.6 billion.

The Board of Directors has therefore decided to propose to the General Meeting the payment of an **unchanged gross dividend of EUR 0.80**, in line with its dividend policy of ensuring, absent major unforeseen events, a stable dividend or, results permitting, a steadily growing dividend from the level of 2011.

In 2015, D'Ieteren Auto expects to operate in a stable automotive market compared with 2014. In this context, the market share should remain at the same level as 2014. In the case of Belron, moderate organic sales growth is anticipated in a market where unfavourable underlying trends are likely to continue. After an initial mild period, winter conditions in Northern Europe became harsher, and North America experienced a relatively severe winter. The benefits from the restructuring expenses incurred at the end of 2014 are expected to flow through in 2015. D'Ieteren consequently expects an increase in its 2015 current consolidated result before tax, group's share, in excess of 10% on 2014.

The environment in which the group's two activities operate is characterized by stability (D'Ieteren Auto) or by a mixed trend in underlying market outlooks (Belron). A key objective is therefore to adapt their capacity to market conditions. Both group activities launched a series of major **profitability improvement** measures from 2014. At D'Ieteren Auto, the new organization of its distribution network is now in place and is based on the division of the territory into homogeneous market areas in order to improve the profitability of the independent dealers through an enhanced competitive position and economies of scale. In November 2014, the 27 market areas were defined and the "market area leaders" – the independent dealers who will manage their respective market area – were selected. In addition, the footprint of D'Ieteren Auto's corporately-owned dealerships is currently being optimized. The activities of two dealerships have already been relocated at the end of 2014. In the case of Belron, a string of profitability improvement measures were announced in December 2014, including the transformation of the UK operating model, the closure of the heavy commercial vehicles business in Germany, the restructuring of certain branches and back-offices in the Netherlands and Italy and the discontinuation of the wholesale business combined with branch closures in China. Good progress has been made on all of these actions since they were announced.

The objectives for 2019, announced at the end of August 2014, remain unchanged. At D'Ieteren Auto, assuming a stable market share and a slight improvement in the average value per new vehicle sold, we aim for an annual average sales growth by around 2.0% between 2014 and 2019. The operating margin should reach approximately 2.5% by 2019. At Belron, assuming normalised winter weather, we expect average sales to grow annually by around 3.0% between 2014 and 2019, plus a 1% acquisition growth. Moreover, Belron aims for an operating margin of around 8.0% by 2019.

In the longer term, the D'Ieteren group continues to seek to invest its available financial resources in order to ensure its long-term growth, on the one hand through its current activities and on the other hand through the acquisition of one or several new ones. The selection of this activity will be made through criteria such as the quality of the sector and its long-term perspectives, the quality, leadership and growth potential of the considered investment and the low risk of technological or regulatory changes. The focus is not solely on automotive-related activities. We are also considering the possibility of making acquisitions alone or in partnership. From

a practical viewpoint, the search process consists of proactive searching in segments meeting our criteria while also remaining open to market opportunities.

Finally, we remain aware that we have the responsibility to **conduct our business in an ethical and professional manner, while at the same time paying close attention to social and environmental challenges***. For this reason, D'Ieteren ensures that it reduces the impact of its activities on the environment, plays an active role in the development of the communities in which it operates, as well as maintains long-lasting relationships with all its customers, staff, partners and investors. Each business organises its own corporate responsibility policy independently so as to best meet the specific challenges it faces, while at the same time complying with the rules and values of the group. In 2014, more than ever, corporate social responsibility has been at the heart of our two activities. The pages 38 to 55 show the efforts that were made last year at D'Ieteren in terms of environment, ethics, enhancing staff skills and supporting the local communities.

We would like to congratulate the proactive teams in both our businesses on what they achieved last year under very difficult circumstances. We would also like to thank our customers, partners and shareholders for their loyalty and trust.

Axel Miller	Roland D'Ieteren
Chief Executive Officer	Chairman

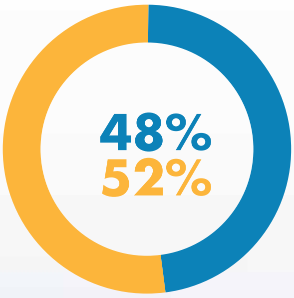
*D'Ieteren complies with the reporting standard of the Global Reporting Initiative (GRI) on sustainable development – see page 97 of the 2014 Financial and Directors' Report. This report meets the level C standards.

KEY FIGURES

BY ACTIVITY

EXTERNAL SALES

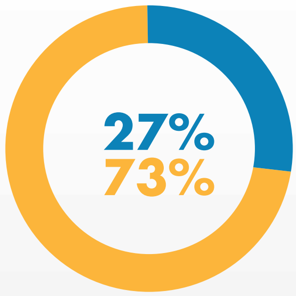
5,541.6
EUR million



(EUR million)	2013	2014	Change
D'Ieteren Auto	2,627.4	2,660.5	+1.3%
Belron	2,843.1	2,881.1	+1.3%
Total	**5,470.5**	**5,541.6**	**+1.3%**

CURRENT OPERATING RESULT*

198.6
EUR million



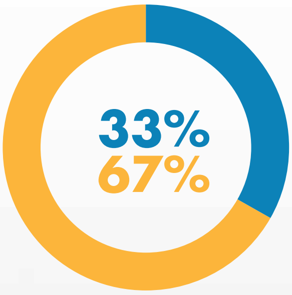
(EUR million)	2013	2014	Change
D'Ieteren Auto	46.7	53.3	+14.1%
Belron	173.5	145.3	-16.3%
Total	**220.2**	**198.6**	**-9.8%**

* Before unusual items and re-measurements.

CURRENT RESULT BEFORE TAX*, GROUP'S SHARE

157.2

EUR million



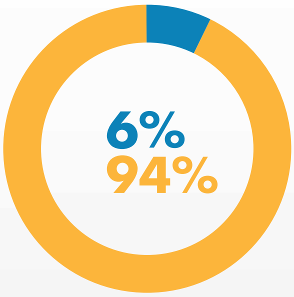
(EUR million)	2013	2014	Change
D'Ieteren Auto	47.1	52.5	+11.5%
Belron	130.5	104.7	-19.8%
Total	**177.6**	**157.2**	**-11.5%**

* Before unusual items and re-measurements.

AVERAGE WORKFORCE

28,360

average full time equivalents



(average full time equivalents)	2013	2014	Change
D'Ieteren Auto	1,601	1,818	+13.6%
Belron	25,645	26,542	+3.5%
Total	**27,246**	**28,360**	**+4.1%**

KEY EVENTS 2014

92nd BRUSSELS MOTOR SHOW

Held from 16 to 26 January, this major event attracts around 585,000 visitors. D'Ieteren Auto presents a number of standout new models including the Volkswagen XL1, e-up! and e-Golf, the Audi A3 Convertible, the Škoda Rapid Spaceback and the SEAT Leon ST.

JANUARY

TEAMWORK ACROSS CONTINENTS

Almost 60 technicians from Europe travel to the USA to help meet high demand due to the abnormally cold winter in the Eastern and Central United States. In New York City temperatures dropped to their lowest level in almost a decade, and seven states registered a top 10 coldest winter. In addition, snowfall approached record high levels in many of the major metropolitan areas across the country.

MARCH

BEST OF BELRON

Following a series of national and regional competitions, the Best of Belron competition takes place in Rome on 21 and 22 May, showcasing the world class expertise of Belron's technicians. The event is held every two years and is a celebration of the technical and innovative skills and training within Belron (see page 33).

MAY

RESHAPING THE DISTRIBUTION NETWORK

D'Ieteren Auto announces its intention to reshape its distribution network by dividing it into homogeneous market areas organised in order to improve the profitability of the independent dealers through an improved competitive position and economies of scale. In late February D'Ieteren Auto had already announced its intention to rethink the footprint and structure of the D'Ieteren Car Centers, its corporately-owned dealerships in the Brussels area, in order to improve their financial and commercial performance (further details on pages 13 to 17).

AUGUST

D'IETEREN AUTO STRENGTHENS ITS PRESENCE ON THE BRUSSELS-ANTWERP AXIS

D'Ieteren signs a letter of intent to acquire a dealership held by the Claessens group in Wilrijk (effective in May) as well as to acquire a controlling interest in the three dealerships held by the ACM group in the Malines region (see page 18).

MARCH

TWO DEPUTY CHAIRMEN

Nicolas D'Ieteren and Olivier Périer succeed Maurice Périer, who has reached the age limit, as Chairmen of the Board of Directors of the group.

APRIL

BELRON TRIATHLON

Belron employees from 22 countries gather at the 2012 Olympic venue of Dorney Lake (UK) on 27 September. This global effort sees over 1,000 individuals swimming, cycling and running in aid of Afrika Tikkun (see pages 54-55).

SEPTEMBER

BECSA AWARDS

The 'Belron Exceptional Customer Service Awards' are a popular accolade that recognise employees from all over the world who go above and beyond their daily role. On 11 November Belron's CEO Gary Lubner announces 22 award winners from 13 countries, from an outstanding list of nominations (see page 53).

NOVEMBER

ALL-TIME THIRD BEST MARKET SHARE

The makes distributed by D'Ieteren Auto rack up an aggregate market share of 21.78%, the third best performance ever! Škoda and Porsche both achieve a record market share, whereas Volkswagen remains the preferred brand of Belgian car owners and the only one to top 10% in terms of annual market share.

DECEMBER

ACTING NOW TO WRITE THE FUTURE

D'Ieteren Auto

D'IETEREN AUTO

ACTING NOW TO WRITE THE FUTURE

2014 was an important year for D'Ieteren Auto. It marked the launch of a new strategy, under which the company is seeking to adapt its distribution network to a rapidly changing automotive market and the challenges of the future. By 2020, the entire organisation of D'Ieteren Auto will take on a new face. The distribution network will be arranged into homogeneous market areas, the corporately-owned dealerships will be concentrated at a limited number of locations, and the company's sales and after-sales processes will have been overhauled. These changes will enable us to better meet the demands of both corporate and end customers while turning the network more profitable.

BELGIUM VS EUROPEAN TOP-5 CAR MARKETS

(2009-2014 new car registrations)

Total European Union[1] **-11.65%**

Belgium ***+1.42%***

Germany	-20.24%
United Kingdom	+24.13%
France	-22.00%
Italy	-37.04%
Spain	-10.23%
Total European Union[1]	**-11.65%**
Belgium	***+1.42%***

[1] Excluding data for Croatia, Cyprus and Malta.

Source: ACEA

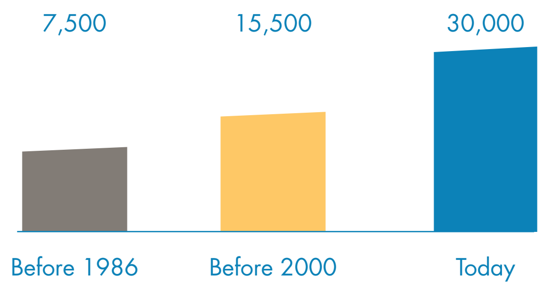
A CHANGING MARKET

The Belgian automotive market, which currently accounts for around 5.5 million vehicles in circulation, has remained resilient despite the difficult economic climate that significantly impacted the majority of its European neighbours over the last five years. This is largely down to the dynamic nature of the fleet market, which accounted for around half of new car registrations in 2014. However, the market is not expected to grow anymore between now and 2020.

This stagnation is compounded by major challenges that have arisen in recent years, relating in particular to the economic environment, customer behaviour and technological progress:

- Smaller vehicles: as a result of the economic crisis, mobility issues and environmental imperatives, smaller vehicles are gaining an ever-increasing share of the overall product mix, thereby driving down profitability for dealerships;
- Price pressure: over-capacity in Europe demands additional efforts to sell high volumes;
- More demanding customers: additional investment and highly skilled staff are needed to meet customer demands for a higher quality experience and more complex product ranges;

MAXIMUM NUMBER OF KILOMETERS BETWEEN SERVICES



- **Technological advances**: the growing share of vehicles with connected technology and alternative fuel sources (hybrid, electric, etc.) are gradually changing the role of the dealer.

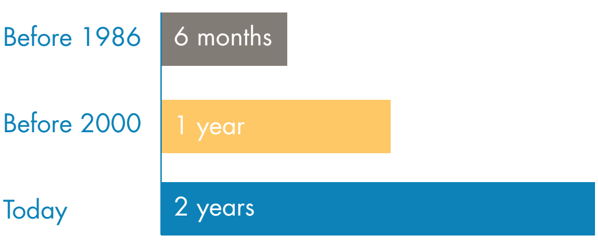
Meanwhile, the **after-sales** market continues to be eroded as vehicles become more reliable and servicing and repair are required less frequently. This will lead to a decrease in workload for mechanics and stagnation in the sales of spare parts.

THE NEED TO ADAPT

These recent changes and market forecasts are having a visible impact on the profitability of the D'Ieteren Car Centers (the corporately-owned dealerships located in Brussels and its outskirts), and of the network of independent dealerships.

If suitable measures are not taken, D'Ieteren Auto could see its overall profit fall, and large parts of its distribution network could suffer losses. For this reason, the company has decided to make fundamental changes to its organisation, and to announce a range of initiatives, spread over time, in an effort to increase its profitability and maintain its market-leading position.

AVERAGE PERIOD BETWEEN TWO SERVICES



D'Ieteren Auto

OUR BUSINESS

Boasting a more than 65-year relationship with the Volkswagen group, D'Ieteren Auto imports and **distributes the vehicles** of Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti and Porsche across Belgium, along with spare parts and accessories. It is the country's number one car distributor, with a market share of more than 22% and 1.2 million vehicles of the distributed makes on the road. D'Ieteren Auto manages a network of some 250 independent dealers and corporately owns 22 locations, mainly on the Brussels-Antwerp axis. It also sells **used vehicles** through two My Way centres on the outskirts of Brussels and some 140 dealerships affiliated to the My Way Authorized Distributors network. In addition, D'Ieteren Auto provides car financing and long-term car rental services through a joint venture between D'Ieteren and Volkswagen Financial Services. Finally, it distributes Yamaha products in Belgium and the Grand Duchy of Luxembourg through **D'Ieteren Sport**.

KOEN VAN MINNEBRUGGEN,

Network Manager at D'Ieteren Auto

"We officially announced the new strategy to our dealers at a convention in May 2014. In November, we released final details of the market areas and appointed the market area leader, via a charter, to manage the implementation of the strategy within his/her area. As negotiations have unfolded and ideas have matured, we've seen more and more dealerships sign up to this strategy and recognise its importance in guaranteeing the sustainability of their businesses. It is important to stress that this strategy is not a revolution, but rather an evolution. We need as many dealers as possible on board to drive the new strategy and keep the business firmly rooted at local level. The market area leaders have already held meetings with other dealers in their market area, and substantial progress is being made on various partnerships."

Dividing the territory into market areas

The market area strategy is based primarily on the customer. However, customers don't need the same proximity when buying a car and when looking for servicing or repairing a car. On the basis of this observation, D'Ieteren Auto has identified the true potential of the sales and after-sales markets in Belgium and decided to reorganise its network of some 250 independent dealers.

This overhaul is designed to meet two key objectives:

- To enable independent dealerships to tap into the potential of a particular area by implementing a consistent sales policy.
- To capitalise on potential synergies and deliver economies of scale, in particular by combining certain activities on locations hosting several makes where possible and by centralising functions and assets per area.

The strategy is founded on the following five principles:

1. The division of the Belgian territory into 27 homogeneous market areas, identified on the basis of customer needs and dealership business potential.

2. Volkswagen, Volkswagen Commercial Vehicles, Audi, SEAT and Škoda, as well as all activities, will be represented in each market area.

3. Where necessary, the Volkswagen, Volkswagen Commercial Vehicles, SEAT and Škoda workshops and spare parts and accessory warehouses will be grouped together at the same site, in accordance with factory-imposed standards, to maximise potential operational synergies. The showrooms and receptions, meanwhile, will remain dedicated to a single brand. The Audi brand will retain its distinct positioning in the sales, after-sales and used vehicle activities. This strategy involves the relocation and grouping of certain sites. Some functions, chiefly in back-office, will be centralised within a given market area.

4. Each area will be managed by an independent dealer known as the "market area leader".

5. Dealerships must remain firmly rooted in the local socio-economic environment in order to maintain close relationships with their customers.

This ambitious project will be implemented gradually until 2020, with no interruption to activities and with the constant oversight of D'Ieteren Auto.

The market area strategy is expected to enable dealerships to achieve a result before tax representing an average of 2% of sales by 2020, compared with around 0.4% last year. While this improvement will enhance network profitability, it will also significantly reduce the financial support that D'Ieteren Auto needs to provide to the independent dealers.

CHRISTOPHE MAZUIN,

Market area leader, Namur

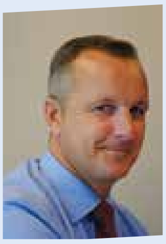
"The market area strategy is the perfect fit for my region, since it is designed with customer requirements in mind. I'm a firm believer in this strategy, especially because it is fully aligned with the factory policies of our brands. The cluster approach is ideal for promoting synergies and standardising processes, and we will have to make changes to our structure to implement these. The challenge before us is to create an effective organisational structure that benefits the entire group, while retaining the local, human touch within each entity."

AUTOPART: IMPROVED MANAGEMENT OF SPARE PART INVENTORIES

AutoPart is an automatic fast-rotation spare part delivery programme developed by the Volkswagen group, based on each dealership's specific needs. In practical terms, the D'Ieteren Auto Group Service department receives details of dealership stock movements on a daily basis. AutoPart uses historical data from the last six months to supply dealerships with fast-rotation spare parts automatically.

GUNTER MAREELS,

Parts & Accessories Sales & Marketing Manager at D'Ieteren Auto



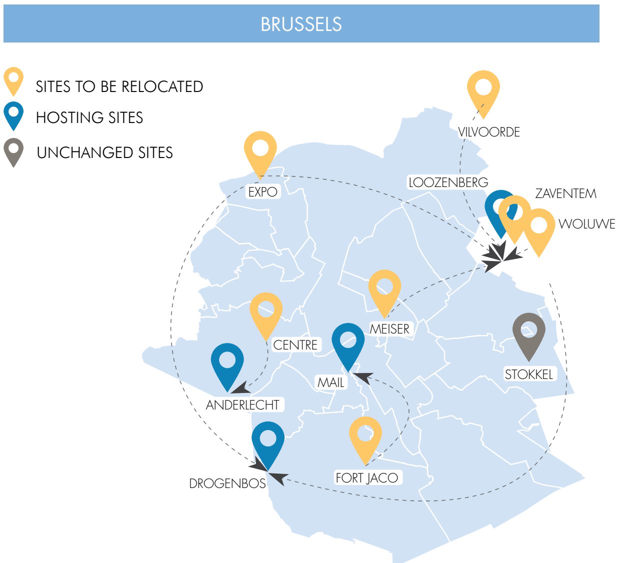
"Among dealerships, we've observed an average increase in the stock-to-repair ratio of 4%, which in turn improves their margins. This improved management process also benefits customers, with fewer of them now having to take courtesy cars. As at the end of 2014, a total of 143 dealerships were already using AutoPart. By the end of this year, the programme is expected to be rolled out across the entire network, including the D'Ieteren Car Centers."

The robotic forklift truck known as "Droppi" made its appearance at the D'Ieteren Auto spare parts and accessories warehouse in 2014. This automated, autonomous robot is responsible for collecting delicate goods located in difficult-to-access areas. It is extremely accurate, meaning that it does not cause any damage whatsoever, and operates 24 hours a day.

Placing the D'Ieteren Car Centers back on a firm financial footing

The market area strategy naturally also applies to the D'Ieteren Car Centers (all grouped within a single market area). In this case, there is an additional objective: to overcome their financial issues.

The first aspect of the project relates to the geographical location of these dealerships. By 2018, all D'Ieteren Car Centers activities will be concentrated at four major sites: Loozenberg (Zaventem), Drogenbos, Mail (Ixelles) and Anderlecht. Furthermore, the body shops at the Mail and Centre (Anderlecht) sites will be transferred to a new, larger site at a location yet to be determined. The decisions on these groupings and locations have been made on the basis of the potential sales and after-sales markets in the Brussels area. The ultimate aim of the



MARCEL NEVENS,

Brand Manager at D'Ieteren Auto

"As expected, the Vilvoorde and Fort Jaco (Uccle) sites closed their doors during the last two months of 2014. All activities at these sites have been relocated to the Meiser (Schaerbeek), Woluwe (Woluwe-Saint-Etienne), Loozenberg and Mail sites. I'm delighted with how smoothly these changes have been made. Firstly, we are ahead of the initial timetable. Secondly, we've done our very best to look after our employees. All of our staff have been relocated, and 90% are now working in their first-choice location."

project is to deliver an optimal response to the ever-changing demands of motorists, and to make use of the most functional sites, with optimised sales and after-sales workflows. This, in turn, will help to increase productivity, promote synergies and, eventually, improve sales performance. The reduction in the number of sites will have no impact on total business volumes. However, it is expected to boost customer satisfaction through the provision of modern facilities aligned with customer expectations.

At the same time, D'Ieteren Auto is reviewing its sales and after-sales processes with a view to developing a more effective service. This reflection process is focusing on elements such as centralising the new vehicle preparation process prior to delivery by the D'Ieteren Car Centers, or centralising the inventories of new vehicles used for customer test drives or as courtesy cars. The workshop organisation will also be modified, and this organisation will be implemented at the new body shop, followed by the Loozenberg site.

This reshaping should not lead to mass redundancies thanks to internal redeployment supported by suitable training, voluntary departures and early retirement scheduled over the next five years.

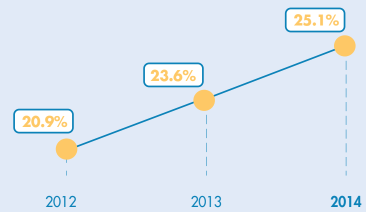
The five-year project will be supported by a total gross investment of EUR 27 million over this period.

VOLKSWAGEN D'IETEREN FINANCE CONTINUES TO GROW

Volkswagen D'Ieteren Finance, the joint venture between D'Ieteren and Volkswagen Financial Services, continued to grow in 2014. It achieved a penetration rate of 25% in new vehicle registrations for the makes distributed by D'Ieteren Auto (more than 32% in the end customer segment and almost 20% in the corporate segment). As at the end of 2014, Volkswagen D'Ieteren Finance had a portfolio of around 83,000 contracts, an increase of 8% compared with 2013. This outstanding performance was boosted by the launch of two new products:

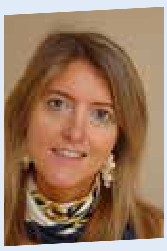
- Almost 5,000 Wecare contracts, a 3 to 12-year maintenance policy covering servicing, mechanical repairs and wear and tear costs, with fixed monthly instalments;
- More than 2,500 car insurance policies, the result of a partnership between Volkswagen D'Ieteren Finance and Actel (P&V Group).

VOLKSWAGEN D'IETEREN FINANCE PENETRATION RATE



CAROLINE DE WAELE,

Marketing Supervisor at Volkswagen D'Ieteren Finance



"With the introduction of Wecare and car insurance policies, dealers are now able to sell "all-in" new vehicle packages to both end and corporate customers. This is an additional string to dealerships' bows when it comes to developing customer loyalty and boosting their profit margins. Customers, meanwhile, get the benefit of a "carefree" purchase with a simple and effective "all-in-one" package."

THE BRUSSELS-ANTWERP AXIS

Since late 2013, D'Ieteren Auto has acquired several dealerships previously held by independent dealers, located on the Brussels-Antwerp axis. This is considered a strategically important area, given the high number of company cars in this area.

The company completed the acquisition of a total of 12 dealerships that formerly belonged to two dealers (Beerens and Joly) who wished to withdraw from the business, and were purchased in November 2013 and late January 2014 respectively. In May 2014, D'Ieteren also acquired all of the Claessens group's Volkswagen, Audi and SEAT dealerships in Wilrijk, as well as signing a letter of intent to acquire a controlling interest in the ACM group's Volkswagen, Audi and Škoda dealerships in Mechelen. The former management teams continue to operate all of these dealerships, with the exception of the Beerens dealerships, where an independent manager has been appointed.

The dealerships acquired by D'Ieteren Auto will be incorporated into the various market areas, in line with the strategy outlined in the previous pages. However, these dealerships are a special case since D'Ieteren Auto will hold a majority stake in them, while most of the distribution network will remain in the hands of independent dealers. D'Ieteren Auto has no plans to extend its dealership acquisition strategy beyond the Brussels-Antwerp axis.

JEAN-YVES VILLERS,

Head of Porsche Classic

"After 30 years as a mechanic at Porsche, I now have the chance to pass on my expertise to others and keep the "traditional techniques" alive. The Classic department handles a wide range of vehicles, from the Porsche 356 to the last 993 with the air-cooled engine. Porsche Classic customers are passionate about their cars. We give them advice about keeping their vehicle in the very best condition. Where a spare part's production has been discontinued, we develop solutions to manufacture the part in our own workshop, using traditional techniques. This way of working has excellent prospects!"

PORSCHE REVISITS ITS «CLASSICS»

More than 70% of all Porsches ever sold are still on the road today. D'Ieteren Auto has opened a brand new specialist workshop, the Porsche Classic Centre, for vehicles aged 12 years or older.

In order to be eligible for «classic» status, a Porsche must be at least 12 years old. Although this might be a ripe old age for some makes, it is not uncommon for the Stuttgart-based brand – some 13,000 cars in Belgium alone fall into this category! The «Classic» market is growing at an impressive pace, with rising volumes across all elements of the sector, from spare parts and accessories to the volume of vehicles. Classic Porsches are steeped in passion and heritage, and it is only natural that their owners should want them preserved in immaculate condition.

In response to this substantial demand, D'Ieteren Auto has opened one of Europe's first Porsche Classic Centres at its Porsche Centre Brussels in Drogenbos. This workshop features four ramps and a stock of spare parts and accessories, and is staffed by four specialist mechanics and one administrative employee.

The Porsche Classic Centre in Drogenbos is being run on a pilot basis and will be assessed during the course of this year. If the outcome is positive, further specialist workshops of this type may be opened at other Porsche sites in Belgium.

QUESTIONS TO DENIS GORTEMAN

CEO OF D'IETEREN AUTO

I would like to highlight the great professionalism of our people who continue to deliver volume and quality while adapting the structure of our dealerships.

In 2014, in a flat market, D'Ieteren Auto's total net market share has reached 22.67%, its third best level of all time. How did you achieve this result? And how did the quality of service to the customers evolve during the year?

Except the Porsche Macan, no significant new models were put on the market last year. This clearly means that our excellent market share level reflects the talent of our teams to take advantage of all the business opportunities, without ever sacrificing the profitability that all companies need to seek. I would like to congratulate them because in addition, Volkswagen finished first in the NCBS ranking, an independent study focussing on customer satisfaction with all the brands in Belgium. Volume, quality and profitability were thus delivered in 2014.

An ambitious plan to reshape the distribution network, which concerns not only the D'Ieteren Car Centers but also all the independent dealers you work with, has been launched. What are your expectations for this project? And are you satisfied with its evolution during 2014 and at the beginning of this year?

I'm very happy with the current situation. During a convention in May 2014, we announced our intention to reshape the distribution networks to all of our dealers. This message, tough but necessary, was positively received by most of our partners, demonstrating their maturity. We have observed a similar maturity in our own dealerships and once again, I would like to highlight the great professionalism of our people who continue to deliver volume and quality while adapting the structure of our dealerships.

What do you expect of 2015 in terms of market and market share? Will you initiate new commercial or strategic projects?

We expect both a stable market and market share in 2015. Of course, the arrival of the Passat will enable Volkswagen to grow somewhat in the fleet segment but at the same time Audi, whose A4 model has entered its eighth and final year, should lose a few points. Škoda and SEAT are also expected to remain stable, while Porsche will probably grow some more thanks to the full-year impact of the Macan. In 2015, we will continue to develop our leading customer loyalty products, such as car financing, leasing, Wecare and insurance products. In my view, a good sale needs to be accompanied by additional services which allow our customers to get the most out of our dealers' skills.

2014 RESULTS

IN A NUTSHELL

Extracts from the press release published on 26 February 2015

- Excluding registrations of less than 30 days in order to better reflect the actual market situation, the new car registrations in Belgium rose by 0.7% year-on-year to 458,247 units. Including these registrations, the Belgian market totalled 482,939 new car registrations, slightly down year-on-year (-0.6%).

- Excluding registrations of less than 30 days, the market share of the makes distributed by D'Ieteren Auto reached 22.67% in 2014 (vs 22.39% the previous year). Including these registrations, the market share equalled 21.78% (vs 21.15% in 2013). Volkswagen remained the Belgian market leader with a market share exceeding 10%. The market shares of Škoda and Porsche both reached a record high.

- New vehicle sales amounted to EUR 2,316.5 million compared to EUR 2,319.3 million in 2013, the slight decline being mainly attributable to a reduction in inventories at the independent dealers. Total sales amounted to EUR 2,660.5 million (EUR 2,627.4 million in 2013, +1.3%) as the 0.2% organic decline was more than offset by the 1.5% increase from the acquisition of independent dealerships late 2013 and in H1 2014.

- The operating result reached EUR 49.9 million (EUR 43.0 million in 2013):

  - Current operating result, excluding unusual items and re-measurements, amounted to EUR 53.3 million (+14.1%). The improvement reflects lower marketing costs and a positive product mix effect.

  - The unusual items and re-measurements comprised in the operating result reached EUR -3.4 million.

- The current result before tax, group's share, reached EUR 52.5 million (EUR 47.1 million in 2013), up 11.5%.

- 2015 forecast of a nearly flat Belgian market at circa 485,000 new car registrations. On this basis, D'Ieteren Auto aims at a stable annual market share.

- D'Ieteren Auto has completed the acquisition of two Joly, ten Beerens and three Claessens dealerships, all located on the Brussels-Antwerp axis, respectively in November 2013, January 2014 and May 2014. Moreover, a new structure is being set up for the distribution network, dividing the territory into a number of homogeneous market areas. Finally, the footprint of the corporately-owned dealerships is being optimized.

All of D'Ieteren's press releases can be found at the following address:
www.dieteren.com/en/newsroom/press-releases

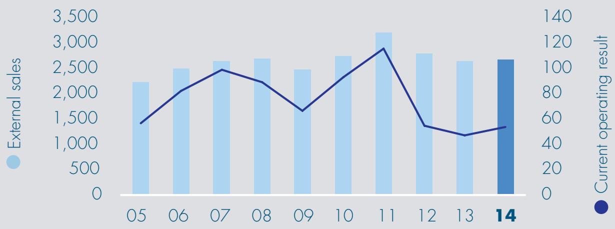
KEY FIGURES

D'IETEREN AUTO

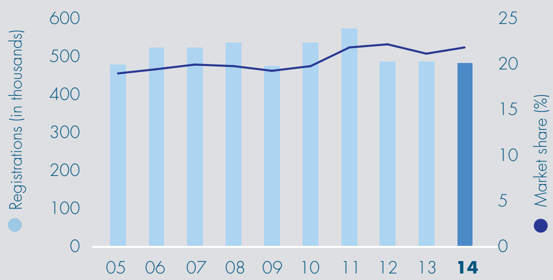
(EUR million)	2005	2006	2007	2008	2009	2010	2011	2012[1]	2013	2014
New vehicles delivered (in units)	103,239	112,944	120,774	119,967	99,241	117,951	136,199	120,157	112,877	**111,667**
External sales	2,227.2	2,491.4	2,642.4	2,679.4	2,453.8	2,732.9	3,208.3	2,787.3	2,627.4	**2,660.5**
Current operating result[2,3]	56.1	81.9	98.7	88.5	65.8	92.6	114.9	54.2	46.7	**53.3**
Current operating margin	*2.5%*	*3.3%*	*3.7%*	*3.3%*	*2.7%*	*3.4%*	*3.6%*	*1.9%*	*1.8%*	***2.0%***
Current result, group's share										
before tax[2,3]	36.1	59.5	74.7	60.6	42.9	64.9	92.7	52.5	47.1	**52.5**
after tax[2,3]	35.2	57.0	65.2	59.3	41.9	62.0	98.0	48.5	43.0	**49.7**
Average workforce (average full time equivalents)	1,505	1,571	1,601	1,650	1,565	1,584	1,685	1,587	1,601	**1,818**

[1] After restatement following the retrospective application of IAS 19 revised relating to post-employment advantages.
[2] Before unusual items and re-measurements.
[3] The Automobile Distribution segment includes all costs related to the corporate activities, including (concerning the current result) the finance costs resulting from the investment in the vehicle glass segment.

EVOLUTION OF SALES AND CURRENT OPERATING RESULT OF D'IETEREN AUTO SINCE 2005
(EUR million)



NEW CAR REGISTRATIONS IN BELGIUM AND MARKET SHARE OF D'IETEREN AUTO SINCE 2005

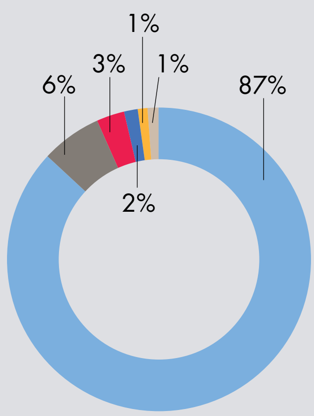


SALES EVOLUTION BY ACTIVITY

(EUR million)	2013	2014 (total)	Change (total)	2014 (organic[1])	Change (organic[1])
New vehicles	2,319.3	**2,316.5**	-0.1%	**2,309.5**	-0.4%
Spare parts and accessories	164.3	**169.7**	+3.3%	**162.4**	-1.1%
D'Ieteren Car Centers (after-sales)	67.0	**81.0**	+20.9%	**67.7**	+1.0%
Used vehicles	23.9	**38.7**	+61.9%	**28.4**	+18.8%
D'Ieteren Sport	25.2	**26.0**	+3.2%	**26.0**	+3.2%
Other	27.7	**28.6**	+3.2%	**28.5**	+2.9%
D'IETEREN AUTO	2,627.4	**2,660.5**	+1.3%	**2,622.5**	-0.2%

[1] Excluding the acquisition of independent dealerships late 2013 and in H1 2014 (see page 18).

TOTAL SALES BREAKDOWN BY ACTIVITY (2014)



NEW MODELS

VOLKSWAGEN
PASSAT

The eighth generation of the Passat represents a new type of premium-oriented business class.

Everything in this car is new: its design, technologies, engines and driver assistant systems. The Passat weighs up to 85 kg less than the previous model, and the fuel consumption has been reduced by as much as 20%.

Audi

AUDI
Q7

With the new Q7, Audi presents its second-generation luxury SUV. Despite smaller exterior dimensions, it offers substantially more interior room.

Its innovative assistance and infotainment systems and more efficient engines with up to 28% lower fuel consumption take the Q7 to the highest level in its segment.

ŠKODA

ŠKODA
SUPERB

The new Škoda Superb features a new, modern and emotive design, characterized by an above the average habitability which was further enhanced.

Generous dimensions, innovative assistance systems for safety, the environment and comfort, and Škoda-typical 'Simply Clever' features have moved the brand's flagship to the upper end of the automotive mid-class segment.

SEAT

SEAT
LEON ST CUPRA

The new SEAT Leon ST Cupra combines performance, dynamic design, great comfort and obvious practicality. With 280hp impressive accelerations are guaranteed in every situation.

Equipped with the latest high-end technology, notably its driver assistance and infotainment systems, this Cupra delivers pure emotions.

BENTLEY

MULSANNE SPEED

Bentley redefines the fastest ultra-luxury driving experience in the world with a new pinnacle flagship.

Through this new setup, the Mulsanne Speed builds on the abilities of the signature Mulsanne model, being able to switch from a fast, reactive and enjoyable car, to a relaxing, comfortable and exceptionally refined limousine.

LAMBORGHINI

AVENTADOR LP 700-4 PIRELLI EDITION

The special series celebrates more than 50 years historical collaboration between the two brands.

The partnership began back in 1963, the year the house of the Raging Bull was established, and since then all Lamborghini cars are equipped with Pirelli tires.

PORSCHE

PANAMERA S E-HYBRID
CAYENNE S E-HYBRID
918 SPYDER

The name Porsche is inseparably linked with legendary sports cars but it's also breaking new ground in the field of environmentally-friendly technologies.

Porsche is thus the first prestige car manufacturer in the world to offer three "plug-in" hybrid models in its range: the Panamera S E-Hybrid, the Cayenne S E-Hybrid and the 918 Spyder. Today's Porsches are distinguished by an even superior level of driving pleasure as well as by continually improving fuel efficiency and green credentials.

YAMAHA

YZF-R1

Seventeen years ago, Yamaha unveiled the original YZF-R1. Light, powerful and agile, the R1 offered a whole new level of performance to the super sport rider.

Two decades later, Yamaha raises the bar once again with the release of its next generation superbike featuring a brand new cross plane engine developing 200hp as well as highly sophisticated Electronic «3D» control packages. Its exclusive design gives the new R1 a 'race-ready' expression that confirms its M1 MotoGP race-bike DNA.

RESPONDING TO MARKET CHALLENGES

BELRON

RESPONDING TO MARKET CHALLENGES

Belron entered 2014 with comprehensive business plans based on an expectation of continuing underlying declines in developed countries' vehicle glass repair and replacement (VGRR) markets. These declines are attributed to a number of factors including miles driven, speed, vehicle type and road conditions. In contrast, VGRR markets in emerging economies were expected to continue to grow.

The underlying market conditions followed the anticipated trends, although the impact of these in the USA and Northern Europe was overshadowed by the effects of different extremes of winter weather. The USA experienced exceptionally cold weather in the Eastern states with several bouts of severe cold and snow. These conditions resulted in extreme growth in the market but adversely impacted operational ability to meet the demand, due to their severity. In contrast, many Northern European markets experienced exceptionally mild and wet winters resulting in a significant reduction in vehicle glass breakage. In the Netherlands it was the warmest start to the year since records began in 1901, Belgium recorded its second warmest winter ever and the UK its wettest and fifth warmest.

Emerging economies have continued to grow but at a lower rate than expected due to economic changes in these countries.

MEETING CHALLENGES HEAD-ON

In response to expected market declines, Belron businesses in every developed country had prepared business plans for the year focused on increasing both market share and operational efficiency. Plans included tailored combinations of marketing and sales activities to achieve market share growth, a continued focus on delivering a superior service to customers and various efficiency initiatives across all areas of operation – notably procurement and logistics.

These plans have been successfully implemented over the year, with certain amendments necessitated by the impact of the weather. Several additional efficiency actions were also initiated in the second half of 2014 in order to further improve profitability.

FOCUSSING ON EFFICIENCY

In the second half of the year, major efficiency actions have been implemented in four countries:

- In the **UK**, Belron has been facing adverse market conditions since 2010, with the vehicle glass repair and replacement market estimated to be down by circa 40% over the period (-11% in 2014) together with price deflation. This has led to an erosion in profitability during the period. In response to this situation, Belron proposes to invest in a technological transformation of the business including moving to a fully mobile operation (see interview on page 30). The changes in the UK should generate annualized savings in excess of EUR 15 million.

- In **Italy**, Belron has decided to implement a number of efficiency improvement measures encompassing merging the back offices of Carglass® Italy and Doctor Glass®, its franchise operation, as well as reducing administrative work in several branches thanks to the roll out of the new remote advisor system.

BELRON®

OUR BUSINESS

Belron is the worldwide leader in vehicle glass repair and replacement. With more than **ten major brands** – including Carglass®, Safelite® AutoGlass and Autoglass® – and a network of subsidiaries and franchisees in 34 countries on five continents, the company covers about 75% of the world's total vehicle park.

2,445 branches and 9,405 mobile units, **available 24/7** in most countries, enable its glass repair and replacement service teams to meet customer demand anywhere, any time. This focus on service quality generates a very high level of customer satisfaction.

Belron has also forged long-term partnerships with many large insurance, lease and fleet companies, enabling it to handle claim events from start to finish and greatly simplifying the administration process.

	2013	2014
Mobile Units	8,605	**9,405**
Branches	2,377	**2,445**

DARREN REDWOOD,

Operations and Supply Chain Director Autoglass® UK, on evolving to a new operating model fit for the future:

"We are in the process of bringing in a number of changes that will better equip us to meet the challenges of the changing market, both present and future.

Twenty years ago, we had 215 fitting branches; branches took all of our customers' calls and we carried out over half of our jobs in those branches. The way we operate today is very different. The rate of mobile jobs has increased to nearly 90%, with customers contacting us in different ways – not only by phone but also online, via webchat and through social media.

With our mobile rate being so high, we are making our whole operating model more mobile and flexible. Existing fitting branches are being replaced with an increased number of stock locations, which will be situated closer to our customers. At the same time, we are centralising administrative functions and introducing field-based operational managers, as well as establishing more flexibility in how our technicians operate.

We have also realigned the roles of many of our head office support staff to better fit a centrally managed workforce and customer base.

These proposals are all designed to preserve and strengthen our position in the market, delivering a profitable business on a long term, sustainable basis."

- In the **Netherlands**, the vehicle glass repair and replacement market has halved in the last five years following the roll out of a new road surfacing technology that resulted in the vehicle glass breakage rate reverting to the European average while it was previously significantly higher. Profit improvement measures are being implemented both centrally and in the field operations.

- In **Germany**, the business ran a separate activity offering glass repair and replacement for heavy commercial vehicles, notably buses and coaches. The profitability of this business has deteriorated in recent years due to the contraction in this market segment and was negative by EUR 3.5 million in 2014. The decision has been made to close this business.

Several further efficiency actions were undertaken during the year. Belron continued to tender its global glass purchases, increasing the sourcing of glass from low-cost countries while enhancing quality assurance processes.

In the USA, a new forecasting tool, 'Flexforce', has been bringing impressive results by accurately forecasting demand and more efficiently scheduling technicians. Another project initiated during the year targeted call centre efficiency by identifying the causes of multiple or unnecessary calls and identifying effective ways of reducing them, improving the customer's experience as well as business efficiency.

A new productivity model, 'Our People's Time Index' (OPTI), was introduced to improve the productivity and efficiency of technicians. This model analyses the time spent by technicians in order to identify opportunities for improvement (see interview on page 31).

CREATING SUPERIOR CUSTOMER EXPERIENCES

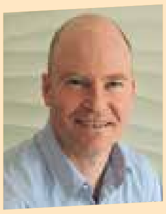
Belron has been highly successful in its continuing focus on delivering consistently superior service to customers. Nine countries set record customer service levels over 2014, measured using the 'net promoter' scoring methodology. The overall net promoter score for the group consistently exceeded 80% in 2014. Such a net promoter score is a great achievement, indicating that Belron's commitment to the best service is inspiring customers who will not only return but also refer others.

The exhilarating Best of Belron competition took place in Rome in May, showcasing the world class expertise of Belron's technicians. Following a series of regional and country competitions, 29 technicians from across the globe demonstrated their exceptional skill in front of over 1,000 guests including colleagues, media, suppliers and partners from across the insurance and fleet sectors. The competition is held every two years and demonstrates Belron's one-way approach to fitting and repairing glass, known as 'the Belron Way of Fitting'. It exemplifies Belron's exceptionally high standards, while inspiring all Belron technicians to achieve the same levels of excellence as the winner (see interview on page 33).

Belron ensures it stays at the forefront of industry developments with high levels of innovation and expertise. Vehicle manufacturers are incorporating more technology, for example new active safety and driver assistance features, on cars. Windscreens have become the focus for some of these new developments, bringing a number of challenges. With renowned technical proficiency, Belron has made significant progress during the

PETER ROHRS,

Head of Global Operations Development, on the benefits delivered by the 'Our People's Time Index' (OPTI) productivity model:



"OPTI gives great insight into where the time of our Operations Field Workforce is being spent, monitoring core activities such as fitting, travelling, customer service and administration tasks as well as identifying time being spent on 'wasteful' activities, for example rescheduling customer appointments due to having the wrong piece of glass, or warranty repairs.

We have now developed an enhanced version (OPTISmart) which measures actual time spent on tasks through tools including handheld mobile devices, vehicle tracking systems and a simple application that allows the tracking of actual time spent on tasks in a branch. Comparing the actual time spent on activities to planned time is allowing us to identify additional inefficiencies in our processes. By drilling into the detail we are able to easily identify how we can be even more efficient, while at the same time delivering better service for our customers. This is really exciting because we now have better Key Performance Indicators and insights that identify where we need to focus our efforts. OPTISmart is already live, or under implementation, in ten countries and we continue to support the roll-out and best practice sharing across Belron."

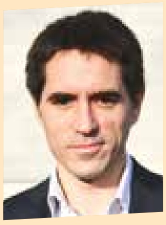
year in responding to these developments to ensure the safety of customers.

To give customers a seamless online experience, a programme of work was initiated to further improve websites. This has included refreshing sites with an updated look and feel, as well as a range of improvements to mobile sites. In addition, new online booking systems allow customers to make a full end-to-end online booking rather than submitting a request that generates a call back. Online booking is live in the Netherlands and USA, with a wider roll-out in progress.

Belron also achieved many service improvements for insurance partners during 2014, including offering enhanced claims management services.

OSCAR TRUJILLO,

Sales & Marketing Director at Carglass® Spain, on enhanced services for insurance partners:



"We have a number of very successful partnerships with our insurance clients. One example that stands out for innovation is with a leading insurance group where we are going beyond previous brand partnerships, with a higher level of integration at many levels.

By sharing our brands we can increase brand awareness and offer policy holders the benefit of our experience and technical knowledge. Plans are already in place to contact all customers of the insurance company, emphasising the importance of windscreen repair and highlighting the benefits we offer.

By working together we will create a seamless digital process, embedding our booking systems so that an insurance policyholder can start his/her glass claim in their insurers' digital environment and complete it in the Carglass® system. Having connected systems also means that checks and payments are fully automated, saving a considerable amount of administration.

We are also developing a programme for managing glass claims that is embedded within the insurers' IT system. When an insurance agent enters information regarding a glass claim we receive the information and take care of the rest – while the insurance agents still have full overview of the status of the claim. This level of integration should reap excellent partnership benefits."

INNOVATIVE STEPS TO A LARGER SHARE OF THE MARKET

Belron has continued to focus on growing its market share through a combination of marketing and sales activities. More promotions were undertaken during 2014 than in previous years, enabling additional value to be delivered to customers.

2014 also saw a step-change in the use of digital marketing, including leveraging customer reviews and maximising the group's online presence through search engine optimisation.

Belron has continued to expand its footprint through the use of new branch concepts, such as the highly innovative mobile branch roll-out in France. Additionally, several acquisitions were made during the year which have been successfully integrated into existing business operations, notably the former Guardian business in Spain and the USA.

REFINING THE STRATEGY FOR EMERGING MARKETS

Belron has continued to invest in selected emerging markets, testing different operating models and business strategies. The approach for these markets has not yet been fully developed and specific market challenges and opportunities continue to be examined. In the second half of the year 31 non-profitable locations were closed or sold in China, reducing Belron's footprint to 8 branches. Belron entered the Chinese market in 2009 and expanded its network through a number of acquisitions, all of the businesses having both a wholesale glass and a fitting activity. Experience has shown that the company's high business standards were not compatible with the carrying out of a profitable wholesale business in the region. Given the relative size of this activity in many of the existing branches, the discontinuation of the wholesale business meant that these were no longer viable in the long term.

HERVÉ SILVY-LELIGOIS,

Belron Marketing Manager, on exciting developments in digital marketing:

"2014 has been an exciting year in terms of digital marketing, with a range of approaches being developed to help reinforce Belron's position as a market leader. As with traditional marketing, our digital strategy is an ongoing process of learning, identifying best practice and monitoring changes in consumer behaviour. Safelite® in the USA has been instrumental in developing much of this activity for the group.

We have made excellent progress in maximising potential from search engines, in particular Google, and capitalising on their influence over consumer behaviour. Work has included a focused drive on search engine optimisation to ensure our websites always appear at the top of relevant search results. This approach, combined with targeted 'pay per click' advertising helps make us the world's natural choice for vehicle glass repair and replacement.

A further transformation was to focus on increasing the number of reviews posted online. We pride ourselves on offering excellent customer service and there are huge benefits to be gained when customers directly share their experiences with others. Great progress has been made in this area over 2014, with over 100,000 customer reviews posted online. We are building upon this in 2015 as we look to amplify the reach of these reviews.

A new area of marketing for 2014 was testing the use of Facebook as part of the media to reach consumers, rather than just a social network. Facebook advertising has already been conducted in Sweden and Belgium, and we will continue to learn and refine our approach during 2015, as well as exploring the opportunities other social media platforms might present."

BEST OF BELRON 2014 WINNER

ROBIN BOGDANOWICZ

(NETHERLANDS)

How does it feel to be the winner of Best of Belron 2014?

As you can imagine, winning Best of Belron gives a fantastic feeling. In the beginning it felt a bit surreal but the awareness soon kicked in. I was delighted to show everyone that it is possible to accomplish your goals.

Do you feel that winning Best of Belron has changed your experience of being a Belron technician and if yes, how?

I definitely feel differently, because I was able to show what I can accomplish as a technician and now I'm even more of an ambassador for the Belron Way of Fitting.

How has winning the award affected your career ambitions for your future at Belron?

Because of my achievement I was given the opportunity to develop even further within Carglass®. At the moment I'm already carrying out different tasks for Carglass® Netherlands and I'm dedicating myself to compliance with the Belron Way of Fitting in the Netherlands. It's a wonderful opportunity!

How has winning the award changed your attitude and approach to working as a Belron technician?

I now receive lots of attention from other technicians who turn to me for advice and information on how to improve their skills. The biggest change for me is that I feel more confident in my job and I'm still very proud, which is noticeable in the way I work.

What effect do you think that winning Best of Belron has had on your team?

It's had a super positive effect. Everyone was very excited about my achievement and we celebrated it together. For the team it felt like a joint accomplishment and victory.

BUILDING BELRON'S FUTURE

It is anticipated that developed markets will continue to be affected by the underlying trends seen this year. Although each business will have a tailored strategy to reflect the specific opportunities and challenges within its market, there are a number of common threads. In countries with a significant growth potential for Belron, the focus will be on improved market share through enhanced relationships with insurance partners and brand awareness. In countries where Belron's presence is strong, priority will be given to defending the competitive position while improving operational efficiency. Lastly, in order to face a tough market situation in a number of countries, the operating model must be adapted to meet specific challenges. Belron will also continue to invest in the growing emerging markets and to develop successful strategies for these.

MARC BLANKIET,

Operations Director, at Carglass® France, on expanding the network:

"Between 2013 and 2014, 111 new branches were added to our existing network, in response to demand from motorists and partners for better proximity and to strengthen our position as market leader.

This ambitious programme was built around innovation, flexibility, visibility, accessibility and profitability. To adapt to different cities and markets, a new concept of mobile branches was created. While some of these branches are in standard buildings, others take innovation to a new level, consisting of shipping containers completely built to accommodate Carglass® activity and designed for optimal work conditions for the teams.

To be even more in touch with motorists, Carglass® has signed a partnership with a leading automotive fuel supplier to create Carglass® branches within petrol stations. This partnership ensures many benefits: the association of two brands with excellent reputation for service quality, the presence of Carglass® in high traffic zones, easy access of service for motorists and relatively low implementation costs. During 2014, 37 such branches were opened with more scheduled for this year."

QUESTIONS TO GARY LUBNER

CEO OF BELRON

We are used to dealing with the challenges of the weather but last year's conditions in North America and the associated mild weather in Europe were truly exceptional.

Last year, the market was characterized by significantly contrasting weather conditions in Europe and the US. How did Belron react in these circumstances? Were you able to maintain your high standards of customer service despite the challenges?

We are used to dealing with the challenges of the weather but last year's conditions in North America and the associated mild weather in Europe were truly exceptional. Taking the US, we experienced huge spikes in demand in many of the Eastern States putting tremendous strain on our call centres, technicians and supply chain. On some days we simply could not get out to do the work due to the severity of the weather. We undertook our largest ever recruitment programme hiring more than 1,000 additional technicians to cope with the demand. We also redeployed technicians from our European businesses to support our US colleagues with around 60 technicians being seconded to various cities. While we saw a small drop in service during the early months of the year this was rapidly addressed.

In Europe we responded to the market declines by being more innovative than ever in our attempt to gain market share plus adjusting capacity where appropriate. We introduced new promotional advertising and new value adding solutions for insurance and fleet partners. There was also the roll out of new technologies both in the way we interact with our customers as well as how we manage our operations. The severity of the market declines meant that these were only partially offset by our share gains and so we had to implement incremental capacity reduction in the majority of markets as well as through the larger projects that were announced in December. The majority of our European businesses delivered record levels of customer service during this period with the group's overall net promoter score exceeding 80%.

In December 2014, Belron announced a series of profitability improvement measures concerning five countries of operation. How have these initiatives evolved since then, and what will be their anticipated impact in 2015?

The restructuring actions in China and Germany have been completed. The changes to the operating model in the UK are underway and are expected to be completed by the half-year. The Dutch and Italian changes are largely complete. In total, business efficiency savings of circa EUR 57 million are planned for 2015 although these will be partially offset by the non-recurrence of one-off savings of circa EUR 17 million that were delivered in 2014.

Knowing the underlying market trends are still tough, what are your expectations for 2015?

We expect underlying factors to continue to be negative notably flat miles driven, slower speeds and smaller vehicles. As such, we will continue to focus on gaining market share through being more innovative, competitive, flexible and efficient in everything we do. After an initial mild period, the 2015 winter weather in northern Europe became colder and North America has experienced a relatively strong winter. As a result we anticipate moderate organic sales growth and expect the benefits from the major restructuring expenses incurred at the end of 2014 to start to flow through to the results.

2014 RESULTS

IN A NUTSHELL

Extracts from the press release published on 26 February 2015

- External sales up 1.3% comprising a 2.2% increase due to acquisitions partially offset by a 0.5% organic decrease, a negative currency translation effect of 0.3% and an adverse 0.1% trading day impact. Organic sales reflect the benefit of colder winter weather in the US and segment share gains in the majority of countries more than offset by the impact of a warm winter in northern Europe.
  - European sales decreased by 5.2% comprising an increase of 1.8% from acquisitions due to the Spanish Guardian acquisition at the end of December 2013 and additional DoctorGlass franchisee acquisitions in Italy, and a positive currency impact of 0.6% due to a stronger British Pound, more than offset by a decrease in organic sales of 7.4% due to warm winter weather in Northern Europe and an adverse 0.2% trading day impact.
  - Outside of Europe, sales increased by 8.9% comprising an organic sales increase of 7.6% due to an extremely cold and prolonged winter in eastern US, and a positive 2.7% acquisition impact due to the Guardian acquisition in the US and former franchisee acquisitions in Canada, partially offset by a negative currency impact of 1.4% due to the weaker Australian and Canadian dollar and Brazilian Real.
- The operating result amounted to EUR -23.9 million (vs an operating profit of EUR 156.9 million in 2013).
  - The current operating result, which excludes unusual items and re-measurements, was EUR 145.3 million (EUR 173.5 million in 2013).
  - Unusual items and re-measurements in the operating result totalled EUR -169.2 million and comprise the non-cash impairment charge on goodwill in the UK (EUR 89.0 million) and China (EUR 9.4 million), expenses incurred in relation to: changes to the UK operating model (EUR 16.4 million); the closure of the German specials business (EUR 10.3 million); disposal and closure costs in China (EUR 7.5 million); integration costs relating to the acquisition of Guardian Glass Co. in the USA and Spain (EUR 6.7 million); restructuring in Italy (EUR 3.2 million); restructuring in the Netherlands (EUR 4.0 million); and finalisation of a major acquisition/integration project in Canada (EUR 0.8 million). Also included is the re-measurement of financial instruments (EUR -0.4 million) and the amortization of intangible assets (EUR 11.6 million).
- Current result before tax, group's share, decreased by 19.8% to EUR 104.7 million.
- The outlook for 2015 is for moderate organic sales growth due to expected continuing adverse underlying market trends. After an initial mild period, the winter weather in northern Europe has been colder in recent weeks and North America has experienced a relatively strong winter. Developing markets are expected to continue to grow. The benefits from the major restructuring expenses incurred at the end of 2014 are expected to flow through in 2015. In order to improve its financial results, the business will continue to be innovative in all areas, increase the flexibility of its operations and look for further efficiency initiatives.

All of D'Ieteren's press releases can be found at the following address:
www.dieteren.com/en/newsroom/press-releases

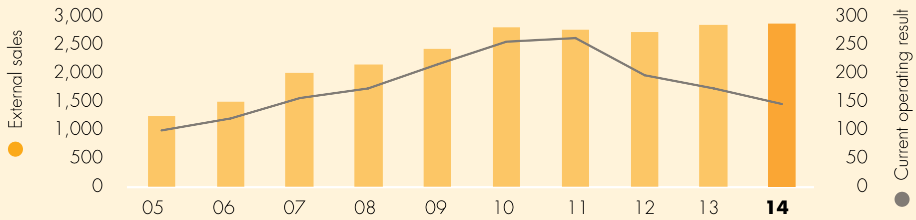
KEY FIGURES

BELRON

(EUR million)	2005	2006	2007	2008	2009	2010	2011	2012[1]	2013	2014
Total jobs (in million units)	5.3	6.1	8.4	9.4	10.7	11.7	11.3	10.4	10.8	**11.0**
External sales	1,253.7	1,507.3	2,000.0	2,156.1	2,423.2	2,800.9	2,769.0	2,727.2	2,843.1	**2,881.1**
Current operating result[2]	99.2	119.9	156.5	173.9	215.5	255.6	262.3	196.0	173.5	**145.3**
Current operating margin	*7.9%*	*8.0%*	*7.8%*	*8.1%*	*8.9%*	*9.1%*	*9.5%*	*7.2%*	*6.1%*	***5.0%***
Current result, group's share										
before tax[2]	59.8	72.0	97.6	108.6	150.4	211.3	213.1	147.7	130.5	**104.7**
after tax[2]	45.8	62.7	83.4	86.7	126.1	155.5	162.3	110.9	93.1	**76.0**
Average workforce (average full time equivalents)	10,932	12,731	18,281	20,833	22,399	24,790	25,199	24,200	25,645	**26,542**

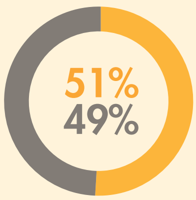
[1] After restatement following the retrospective application of IAS 19 revised relating to post-employment advantages.
[2] Before unusual items and re-measurements.

EVOLUTION OF SALES AND CURRENT OPERATING RESULT OF BELRON SINCE 2005
(EUR million)



SALES BREAKDOWN BY REGION (2014)

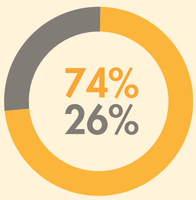
EUR
2,881.1
million



EUR million	2013	2014	Change
• Europe	1,533.4	**1,455.2**	-5.2%
• Rest of the world	1,309.7	**1,425.9**	+8.9%
Total	2,843.1	**2,881.1**	**+1.3%**

JOBS BREAKDOWN BY TYPE (2014)

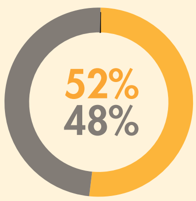
11.0
million jobs



in million units	2013	2014	Change
• Replacement	7.8	**8.1**	+3.0%
• Repair	3.0	**2.9**	-2.5%
Total	10.8	**11.0**	**+1.5%**

JOBS BREAKDOWN BY TYPE (2014)

11.0
million jobs



in million units	2013	2014	Change
• Mobile	5.7	**5.7**	+0.3%
• Non-mobile	5.1	**5.3**	+2.9%
Total	10.8	**11.0**	**+1.5%**

A GROUP AWARE OF ITS RESPONSIBILITIES

CORPORATE SOCIAL RESPONSIBILITY

D'IETEREN AUTO

A FIRM COMMITMENT, PRACTICAL RESPONSES

D'Ieteren Auto has a long-standing commitment to corporate social responsibility, with a particular focus on the environment, ethical business conduct, recognition of talent and support for communities. Because corporate social responsibility is a long-term driver of progress, D'Ieteren Auto's staff are encouraged to apply this sense of responsibility in their daily actions.

1. PROTECTING THE ENVIRONMENT THROUGH FLUID, SAFE AND ENVIRONMENTALLY FRIENDLY MOBILITY

D'Ieteren Auto is committed to deploying its expertise in favour of sustainable and environmentally friendly mobility. To achieve this, the company is adapting to changes in the behaviour of its customers and the products it sells. It is also keen to reduce the ecological footprint of its own distribution operations.

1.1. ACTIVELY PROMOTING VEHICLES WITH LOW CO_2 EMISSIONS

The makes that D'Ieteren Auto distributes produce vehicles with exceptional environmental performances. Over the last decade, the fuel consumption of TDI and TSI engines has fallen by more than 30% and the Volkswagen group has set itself the objective of further improving performance by around 15% between now and 2020. In addition, the Volkswagen group has the widest range of CNG engine models, which are particularly environmentally friendly. Examples include the Škoda Citigo and Octavia, the Volkswagen ECO up!, Touran, Golf and Caddy, the Audi A3 g-Tron and the SEAT Mii and Leon TGI. In parallel to these engine types, D'Ieteren Auto also markets several hybrid vehicles, which combine a petrol-driven engine with an electrical unit. These power configurations are available in an increasingly wide range of Volkswagen, Audi and Porsche models. The Volkswagen group's electric vehicles began arriving in Belgium in late 2013 with the Volkswagen e-up! and e-Golf.

D'Ieteren Auto, meanwhile, has taken internal measures to better promote vehicles with low CO_2 emissions to its customers and to adapt its sales and after-sales techniques to selling these types of products. These initiatives have led to the development of comprehensive environmental information on alternative technologies and the organisation of numerous customer awareness campaigns.

Partnerships have also been created with companies operating in the field of alternative energy, and awareness campaigns have targeted local or regional authorities, chambers of commerce and industrial federations to offer customers a complete mobility solution and give them access to recharging stations. A prime example of these efforts is the EVORA collaborative platform. It is designed to provide motorists with electric vehicle recharging stations in major cities in the Flemish Region (see page 42).

VOLKSWAGEN XL1: BRIEF OVERVIEW OF THE PERFORMANCE OF THE CAR OF THE FUTURE

The new Volkswagen XL1 produces emissions of just 24 g CO_2/km and boasts average fuel consumption of 0.9 l/100 km. Among the reasons for this performance are the car's ultra-light bodywork, its perfect aerodynamic design and its "plug-in" hybrid system. The battery can be recharged directly from a standard power socket, and is also charged via a power recovery system under braking, with the electric motor acting as an alternator.

EVORA, A PUBLIC-PRIVATE PARTNERSHIP TO SET UP RECHARGING STATIONS

There are few electric vehicle recharging stations in Belgium. As a result, Belgium's urban population are reluctant to invest in this type of vehicle. Many people are forced to park their vehicles on public roads with no idea how to access a recharging station on the street, or whom to ask.

HUGO SEGHERS,

Low Emission Vehicles Manager at D'Ieteren Auto

"Unless recharging stations are available, it will be difficult to promote electric vehicles. EVORA is the result of a collaborative initiative between various automotive makes, including Audi and Volkswagen, as well as local authorities and electricity grid operators. The aim of the project is to cover the five biggest cities in the Flemish Region by 2015."

1.2. SUSTAINABLE MOBILITY INITIATIVES

Faced with problems such as traffic congestion and parking, new forms of mobility are being developed. D'Ieteren Auto wishes to take part in these developments and to become a partner of choice to enhance mobility strategies and offer practical solutions to motorists.

The company takes part in the main sustainable mobility working groups in the Brussels region: BECI (Brussels Enterprises, Commerce and Industry), the Mobility Hub, which looks into issues such as traffic movement, e-mobility and road safety, and the "Mobility Commission", launched at the initiative of the Brussels government and bringing together the main mobility players including cyclists' leagues, public transport, taxi companies, etc.

In January 2013, D'Ieteren Auto developed an innovative car-sharing solution, known as Keyzee, which is fully integrated into a smartphone. Users no longer need a set of car keys. Instead, they can open and start the vehicle using a smartphone application. This system is garnering special interest from car rental and car sharing companies and other mobility players, and allows to reduce the number of vehicles in the fleet. Since September 2014, the system is marketed in partnership with Continental.

For the sake of consistency and in order to practice what it preaches, D'Ieteren Auto has introduced a range of internal measures to encourage staff to adopt more flexible and environmentally friendly mobility practices. Ideas are regularly proposed to cut CO_2 emissions associated with work-related mobility among the company's employees. Examples include promoting homeworking, effective fleet management, promoting eco-friendly driving, and adopting multimodal solutions such as the combination of public transport and the company car, bicycle or carpool, along with guaranteed parking provision. The company also runs a series of daily shuttle buses, which take staff from its sites to train stations. Regular travel awareness campaigns are also conducted internally.

1.3. AN ENVIRONMENTAL AND ENERGY EFFICIENCY APPROACH TO INFRASTRUCTURE MANAGEMENT

For several years now, D'Ieteren Auto has taken various steps to rationalise energy use at its facilities and incorporate alternative forms of energy. It has already exceeded its objectives for 2015, namely to reduce energy consumption by 20% (compared with 2006) and to self-generate 25% of the electricity it consumes each year in its buildings. This is the result of measures such as energy audits, the installation of cogeneration plants, the alternative use of gas via the acquisition of new boilers, the installation of photovoltaic panels, the use of geothermal energy, and the development of area-based lighting and heating systems. Moreover, D'Ieteren Auto is committed to improving energy efficiency in all building development and construction projects. The company's target for 2018 is to generate half of the electricity it consumes across all of its sites.

Land use is also an important factor when it comes to sustainability. Several recently developed sites now have green corridors, designed to promote biodiversity through the installation of native vegetation and shrubs that attract bees and other small, local animals. In addition to their environmental impact, these natural corridors require no maintenance and act as temporary holding grounds for rainwater.

In terms of waste management, the company actively promotes the selective sorting and collection of office and garage waste and the safe storage of hazardous products. Selective sorting stations are located across all premises, and internal awareness campaigns have been conducted with the aim of achieving a substantial increase in both the quality and quantity of recycling. At the present time, nearly 60% of the waste produced is recycled. Various other socially responsible initiatives have been launched, including the collection of office items for sheltered workshops, the re-use of uniforms, the collection of plastic caps and the recycling of smartphones for charitable causes.

End-of-life vehicles also constitute a considerable tonnage of composite waste. In this field, D'Ieteren Auto is working with Febelauto, whose mission is to organise and monitor the management of end-of-life vehicles, in accordance with the applicable European Directive. Currently, Febelauto is able to recycle about 90% of the weight of these vehicles in an approved and inspected system, placing Belgium among the leaders in Europe.

2. AN ETHICAL APPROACH TO BUSINESS

The activities of D'Ieteren Auto mean responsibility toward its customers, employees and numerous partners that the company wants to take in an exemplary manner. It relates to the reputation and the trust it generates.

For this reason, D'Ieteren Auto has produced a code of conduct, entitled "The WayWeWork", for its employees. They are encouraged to respect the principles set out in this code of conduct in all aspects of their job. Whenever any questions are raised on these matters, the answers are communicated across the company to ensure that all employees are made aware of problematic situations.

Various internal policies and directives have been strengthened to reflect this code of conduct. For example, the purchasing and sponsorship policies now include clear, transparent exclusion and selection criteria, helping to deliver greater trust and respect in the company's relations with the stakeholders concerned. The human resources processes have been revised to ensure that they fully reflect the principles set out in the code of conduct. Examples include the internal mobility and remuneration policies.

3. RECOGNISING TALENT

D'Ieteren Auto invests continuously in enhancing the skills of its workers and, in 2014, devoted 6,259 days to technical and/or behavioural training. 78% of staff was thus trained, averaging 3.7 days of training per employee. Staff are also encouraged to pursue personal and professional development during assessment and coaching interviews that managers conduct during the year. All executives and senior managers also

LIEVEN FRANÇOIS,

Property Manager at D'Ieteren Auto

"The new Porsche site in Mechelen uses a geothermal energy network to heat or cool the premises, depending on the season. A total of 24 boreholes, each 100 metres deep, have been dug at the site. Each of these houses a sufficient number of heat pumps to maintain a constant temperature in the building. There is also a heat exchanger, which recovers 75% of the heat escaping from the otherwise fully insulated building."

undergo an assessment process, with a view to developing their leadership and, in turn, improving the working environment.

In addition to the training of its own staff, D'Ieteren Auto has developed a broad training programme for the staff of the independent dealerships of its networks. A total of 1,375 days of training were organised in 2014.

D'Ieteren Auto is also committed to developing collaborations with schools, with a view to supporting their teaching activities and helping young people to build their future career plans. The company has also taken various measures in this area:

- the organisation of free courses for more than 100 school teachers, covering the latest technological developments of vehicles;
- the provision of technical information for students and teachers;
- practical on-the-job training for students;
- the establishment of sandwich courses that allow job seekers to combine a school curriculum with a career;
- support for students in achieving their final study, including company internships.

Since 2014, D'Ieteren Auto has been an active member of the Fondation pour l'Enseignement, which includes the Union Wallonne des Entreprises (UWE), its Brussels counterpart BECI, the five compulsory education networks, AGORIA, and more than 20 Belgian companies. Its mission is to act as the main point of contact between schools and businesses, and to help improve teaching quality and balance through practical projects involving key stakeholders. The Fondation pour l'Enseignement is designed to encourage member businesses and schools to share best practices. D'Ieteren Auto has committed to providing internships for teachers in 2015, to help boost their knowledge. D'Ieteren Auto will also provide a range of specific skills (financial and legal advice, building maintenance advice, etc.) to school leadership teams who request this type of support, to help them with day-to-day management of their schools.

4. SUPPORTING LOCAL ASSOCIATIONS

D'Ieteren is a major player in the association landscape in Belgium. In response to increasing demand and in the interest of ethical conduct and transparency, D'Ieteren Auto has set out its Give & Gain sponsorship policy in successive phases. This policy is designed to meet three aims. The first is to target D'Ieteren Auto's support at causes aligned with its activities and social commitments. The second to encourage solidarity among staff members and to recognise those employees already active within a non-profit organisation. The third is to embed D'Ieteren Auto's citizenship role.

Give & Gain is divided into three areas of activity:

- volunteering: since 2010, D'Ieteren Auto has given its employees the opportunity to devote a day of their working time to a charitable project. The programme covers a wide variety of chosen associations and activities, in order to encourage as many employees as possible to volunteer. Examples include supporting the elderly or homeless people, working in social restaurants, working with children separated from their parents, or in homework or literacy recovery schools, working at nature reserves, etc. These "Give & Gain Days" take place over a two-week period, during which around 300 people from all departments and all levels give their time as a team to support associations.

- call for projects: two years ago, D'Ieteren Auto introduced a new initiative: a call for projects, which invites employees to approach the company with proposals to support associations with a socially responsible mobility project. The projects are selected by an internal committee, on the basis of a clearly defined set of criteria. The call for projects is open to a wide variety of associations, with the sole requirement that the project must be connected with the theme of mobility.

- long-term programmes: this aspect involves longer-term investment in wide-ranging social projects that deliver genuine change, and that are closely related to the theme of socially responsible mobility. These long-term programmes were developed extensively in 2014, and two programmes

are ready for deployment in 2015, over a period of three years:

– Road safety awareness campaigns for young people who have dropped out of school or from underprivileged backgrounds. This programme, developed in conjunction with IBSR, aims to help these young people to act responsibly and reduce the number and severity of road traffic accidents;

– Access to practical driving licence assessment for underprivileged people. In partnership with VAB and Total Belgium, D'Ieteren Auto is funding driving lessons for people who would benefit from greater employment opportunities with a driving licence. This programme, known as Licence to Work, is coordinated by Mobiel 21, an association that promotes sustainable mobility for all. One of its aims is to assist with social integration for people in social and/or financial difficulty by providing accessible mobility.

ALAIN LEMERCIER,

Brand Service Manager & ISO Coordinator at Škoda Import, proposer of the "Camp de Partage" project for the 2014 call for projects

"Each year, the Camp de Partage offers two-week holidays, weekend breaks and leisure activities for children housed in institutions or from vulnerable families. The aim is to encourage these children to build long-term friendships that will extend beyond their lives in the institution. This is particularly important at an age when social or emotional isolation can hinder their ability to become more independent. By supporting financially the Camp de Partage through its 2014 call for projects, D'Ieteren Auto helped to make this ambition a reality."

CORPORATE SOCIAL RESPONSIBILITY

BELRON

PROUD OF OUR FUTURE BY DOING THE RIGHT THING EVERY DAY

Belron continues to operate in a responsible manner focussing on four primary areas:

- **Environmental responsibility:** Belron continues to take meaningful steps in reducing its impact on the environment;
- **Ethical responsibility:** Belron continues to ensure its way of working is maintained through regular training and monitoring;
- **Employment responsibility:** Belron continues to strive for exceptional levels of engagement for its employees;
- **Social responsibility:** Belron continues to be actively involved in supporting communities around the world and selected causes as a global group.

The activities in these areas are an integral part of the Belron way of doing business and are a key part of how it engages with its customers, its people and its suppliers.

1. ASSESSING OUR PROGRESS

During 2014, Belron evaluated a number of programmes and platforms which could help in assessing: progress against its corporate responsibility objectives; how initiatives are being embedded; how they compare to best practice; and how they could further enhance the agenda. After looking at a number of possibilities, Belron have decided to partner with a company called Ecovadis. The Ecovadis assessment will help to evaluate the progress towards the commitment to the United Nations Global Compact and help to identify strategic opportunities for improvement.

The Ecovadis assessment asks what ESG (environment, social & governance) policies have been put in place, what actions have been taken and what the results have been. The assessment is supported by documented evidence. Once Ecovadis have analysed the assessment and the evidence they generate a rating (bronze, silver or gold) which allows performance to be benchmarked against other companies in the industry.

From the benchmark report generated Belron focussed on these three points:

- Belron is performing amongst the top companies in its industry;
- There is still a lot of opportunity for improvement;
- Particular focus is needed on how Belron manages suppliers.

BENCHMARKING

This is the position of **Belron International Ltd (Group)** compared to the average of all companies assessed by EcoVadis in the same industry.

CELINE COULIBRE-DUMENIL,

CSR & Corporate Communications Director, Carglass® France

"In 2014, Carglass® France has defined and launched the second phase of its CSR engagement: IMPACT+. This deep and exhaustive programme defines objectives and actions to reinforce Carglass® positive impacts on four pillars of CSR:

- *Our people, through diversity policy, health and safety management, internal mobility and training;*
- *The environment, through an efficient and certified environment management system, a strong reduction of our CO_2 emissions, a responsible mobile service and performing recycling practices;*
- *Our clients and partners through cobranding CSR operations, better information of our customers and a reinforced responsible supply policy;*
- *Our territories, through local initiatives with stakeholders, an application of Our Way of Working and a strengthened giving back programme.*

This programme that started in 2014 with a 3-year action plan is shared and implemented by the executive team and the support of the CSR ambassadors. The actions and the results are communicated internally and externally."

Nine of the Belron business units have already carried out assessments and the intention is to roll out the programme in 2015 with a target for all the business units to become Gold rated over the next 3 years.

In addition Belron is assessing a programme which will help ensure that major suppliers are operating in a sustainable way. They intend to introduce regular reviews with suppliers that will include sustainability as one of the key topics for discussion, along with other performance aspects related to their contract.

2. ENVIRONMENTAL RESPONSIBILITY – MINIMISING OUR IMPACT

A key driver of customer satisfaction identified from customer feedback is to be able to offer the service at a time and location that is best for customers and this means being able to offer a mobile service. With concern about the carbon footprint associated with mobile activity Belron carried out a study* to compare the product related carbon footprint of branch customers to that of mobile customers. Belron discovered that as long as the technician carries out at least 3 mobile jobs each day the difference between the CO_2 generated by vehicles going to the customer and the CO_2 generated by customers coming to the branch was the same. If mobile efficiency can be increased to 4 or 5 jobs per day then the carbon footprint of a mobile job becomes significantly lower. The study was also able to show that a windscreen repair generates 1/5th of the carbon footprint of a replacement, saving 40kg CO_2 per job. In 2014 Belron carried out 2.9 million repairs worldwide which saved just over 116,000 tonnes of CO_2.

*The study was carried out in accordance with the GHG Protocol in 2014 by Sustain Ltd, a leading UK sustainability consultancy company, and independently verified by Fishwick Environmental.

Following a review of the current environmental data collection system, Belron has implemented a new system in 2015. It will provide data validation, be easier to use and give a wide variety of metrics, charts and KPIs which will increase user value as well as improve report accuracy.

Belron will take this opportunity to review historical data and extend the reporting to include some of the smaller business units as well as ensure data and calculations are externally validated. This process will be coordinated with D'Ieteren to ensure a transparent transition to the new system.

3. ETHICAL RESPONSIBILITY – THE RIGHT WAY OF WORKING

Our commitment to ensure we maintain the highest levels of ethical standards wherever we operate continues to be reinforced by the Belron Code of Ethics – Our Way of Working.

During 2014 the Belron Ethics website has been updated to provide the countries with a central online portal where they can download the Our Way of Working codes and Speak Up line posters in their local language.

This website also hosts the awareness training through an online module. Whilst it is preferred that the awareness training is carried out face to face by the employee's line manager, it is realised that this is not always possible. The online training module contains the same awareness training and is concluded by a 5 dilemma assessment. The module has now been translated to Swedish, Hungarian, Russian, Turkish, German, Mandarin and Brazilian Portuguese.

MATTIE VANDUFFEL,

Logistics Manager – Carglass®
Distribution, Belgium

"In May 2013 we started working on an action plan, in association with the Lean and Green Programme and the Flanders Institute for Logistics, for reducing our CO_2 emissions for our transport and logistics operations. This plan is focussing on achieving a reduction of at least 20% over a period of five years.

For our actions in the programme so far we were given an award by Lean and Green in early 2014. This award is also the culmination of many initiatives already undertaken by our employees including: the establishment of a CO_2 group, purchasing a van driven by CNG, having bikes available to employees, participation in awareness campaigns and the total renovation of one of the warehouses.

We felt that the Lean and Green Programme fitted perfectly with the Carglass® policy and participating in it is considered as an extra incentive to continue the sustainable policy in the future."

NATALIE CREDE,

Senior Vice President People and Leadership Development – Safelite® AutoGlass

"At Safelite we are committed to becoming a People Powered and Customer Driven culture. We believe that having happy, talented people who approach their work through the eyes of our customers will enable our continued growth and success. For us that means always doing the right thing when it comes to our associates and our customers, or as we call it – Taking the High Road.

We have a set of competencies which help shape our behaviour; chief among them is living our values. To live our values means doing what is right, following our beliefs – and the rules – even when no one else is watching.

With our Taking the High Road programme, leaders and associates are provided with a video, a pocket guide, in-shop posters that promote our Open Door policy and steps for reporting ethical violations. On-going education is available through a series of courses."

Whilst Belron employees are encouraged to speak to their line manager if they witness anything that concerns them or find themselves in a difficult situation, Belron also provides an independent "Speak Up" line, run by Expolink.

Expolink have a strict training programme for all their call centre operators which include dealing with distressed or highly emotional callers through to understanding of risks, ethics, governance and cultural differences. Although the call centre is based in the UK, they are equipped to deal with callers from all of the Belron businesses through connecting the appropriate translator to join in on the call.

Up to November 2014, 26 calls had been made to the Speak Up line. Each call is reported to an independent central Belron team who work with the country executive management to follow up all concerns raised. This system continues to prove very effective for Belron employees and the business as a whole.

4. EMPLOYMENT RESPONSIBILITY - RECOGNITION

The people vision in Belron is to be "the best place you will ever work" and, although facing tough market conditions, enhancing employee engagement is a key focus for all businesses in the group. It has continued to achieve external recognition for Best Employer status in many markets. Carglass® Germany achieved this for the first time in 2014 and Smith & Smith® in New Zealand achieved a 7th place position.

In 2014 Belron received a record breaking 51 nominations for the Belron Exceptional Customer Service Award (BECSA) with 16 business units putting forward their enthusiastic and dedicated winners of their local recognition programmes. Each of the 51 heroes had an exceptional customer service story to tell. This year's inspiring stories included:

- Technicians going to extraordinary lengths to get their customers back on the road;
- Teams and individuals giving invaluable help to people in extreme weather situations;
- Branch managers who inspire first class performance and customer service in their teams;
- Human resource professionals developing initiatives to help their colleagues across the business;
- Innovative team members developing new technology and social media to make the customer experience even more impressive.

All nominations are judged by a panel led by the Group Chief Executive Officer together with leaders across the business. From the 51 nominations, 21 winners representing 13 countries were awarded. Below you can read the testimonials of Jack Gregory and Aris Kalfas, two of the winners.

JACK GREGORY,

Technician Smith & Smith, New Zealand

Despite only being with Smith&Smith for one year, Jack has made an excellent impression on his customers and his colleagues. He was awarded a BECSA in recognition of his consistently high NPS scores whilst taking on the new challenge of being a mobile technician.

Upon being asked why he likes being a technician, Jack responded, *"I love meeting people from diverse backgrounds across Auckland. I also love being able to turn a customer's day around by fixing an unpleasant situation."*

ARIS KALFAS,

Branch Manager, Carglass® Greece

Aris is the first manager of Carglass® Greece to lead two branches while achieving a continually high NPS score. He also came up with the idea of the first Proxy-Pro branch at Chalkidiki (a large tourist area in Northern Greece) in order to better serve customers, at the same time achieving substantial cost efficiencies from less transportation.

Aris, who has been with Carglass® for 6 years, commented, *"The smile of a satisfied customer is above all – their smile can make my day! My key to success is team work."*

BENTE BIRKLAND,

Marketing Director – Hurtigruta Carglass®, Norway

"Hurtigruta Carglass® have chosen to support a local charity called the Sunnaas Foundation and have made a commitment to them for the next three years. The Foundation provides funding for rehabilitation projects for people who have a serious injury. The Sunnaas hospital is the largest rehabilitation hospital in Norway and treats the most serious injuries from all over the country.

We decided to support this Foundation as we felt that it related to our business, as many of the people they help have been involved in a serious car accident. The Foundation does great work in helping patients to rehabilitate and focus on reintegrating into society. We have committed to supporting them through donations and are looking to organise fund raising activities amongst our employees."

5. SOCIAL RESPONSIBILITY – GIVING BACK

Belron believes that it has an obligation to give back to the communities in which it operates with many of the countries working with local charities and organisations. As these Giving Back agendas are driven by the individual business unit, they can focus their efforts and energy where they can really make a difference to their local communities. The Belron people select the charities that mean the most to them and work on ways to donate money and assets such as computers, as well as creating opportunities to fundraise, volunteer and share skills.

In addition to local activities, Belron continues to have a strong partnership with South African charity, Afrika Tikkun. The participation of hundreds of Belron employees each year in the London Triathlon has been a significant fundraiser for over 10 years. In 2014, Belron decided to host its own triathlon. The event took place at Dorney Lake in the UK and saw over a 1,000 employees from 22 countries taking part and raising money for Afrika Tikkun.

With the event being exclusive to Belron they included more disciplines, including, for the first time, a super sprint distance and a 5 km fun run/walk to encourage more people to take part. The event was a great success and a survey of participants rated it as the best triathlon ever.

The fundraising for the event was also a great success with over EUR 600,000 being raised for the Job Readiness Programme which is run across all six of the Afrika Tikkun Centres of Excellence. This amount enables the charity to reach more young people in the communities to ensure they are given all the support necessary to help them break the cycle of poverty.

Once again the Belron employees were joined by three young athletes from the Afrika Tikkun sports programme. Phumzile Valashiya, Lebogang Mashbela and Precious Hlaka spoke during the event about their experiences in South Africa and how the charity has supported them. They commented on how the involvement of Afrika Tikkun in their lives had brought focus and hope to their future.

During the first week of March, six Belron employees went to South Africa to see how the fundraising for Afrika Tikkun through the annual triathlon and other events in the businesses across the world, helps thousands of disadvantaged children through the charity.

Over the course of five days, the group spent time in Johannesburg and Cape Town visiting all of the six Afrika Tikkun centres, spending time with the charity's beneficiaries and working with the teams in the township communities. They saw exactly how the ongoing fundraising by Belron really helps to make a difference to the children participating in Afrika Tikkun's programmes and why the continued support is needed.

STEVE YORK,

Belron UK

"I felt really sad and upset when visiting the townships on the home visits, seeing the poverty and the living conditions and the crime that I heard about.

On a happy note the centres that we visited are fantastic for the Early Childhood Development where the children have books, computers and music, and a good meal... It was good to see how the money that Belron raises is spent, and knowing that putting that extra mile in with the triathlon makes a lot of difference. The children look so happy in all of the centres. It must be hard for them when they go home.

The itinerary gave us an insight into everything. All the managers and staff are so happy and we really warmed to them. The trip has made me think a lot more about the charity. I met some amazing people and had an experience I will never forget."

NOTES:

FINANCIAL CALENDAR

General Meeting & Trading update	28 May 2015
Ex date	2 June 2015
Payment date	4 June 2015
2015 Half-Year Results (after market) / Analyst meeting & press conference	31 August 2015

PRESS AND INVESTOR RELATIONS – D'IETEREN GROUP

Pascale Weber
s.a. D'Ieteren n.v.
rue du Mail, 50
B-1050 Brussels Belgium
Tel.: + 32 2 536 54 39
Fax: + 32 2 536 91 39

E-mail: financial.communication@dieteren.be
Website: www.dieteren.com

VAT BE 0403.448.140 – Brussels RPM

Information about the group (press releases, annual reports, financial calendar, share price, financial information, social documents…) is available, mostly in three languages (French, Dutch and English), on www.dieteren.com or on request.

Ce rapport est également disponible en français. Dit verslag is ook beschikbaar in het Nederlands.

DESIGN AND PRODUCTION: EMAKINA (www.emakina.be)

This report would not have been made possible without the testimonials of D'Ieteren's and external people. Many thanks to **Koen, Christophe, Gunter, Marcel, Caroline, Jean-Yves, Darren, Peter, Oscar, Hervé, Robin, Marc, Hugo, Lieven, Alain, Céline, Mattie, Natalie, Jack, Aris, Bente and Steve.**

PHOTOGRAPHY:

David Plas, Studio Dann, Piet Mares Architectuurfotografie, and Volkswagen, Audi, Škoda, SEAT, Bentley, Lamborghini, Porsche, Yamaha, Belron photo libraries.

PRINTING: PRINT'IN BY D'IETEREN

FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking information that involves risks and uncertainties, including statements about D'Ieteren's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of D'Ieteren. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, D'Ieteren does not assume any responsibility for the accuracy of these forward-looking statements.

1805

D'Ieteren

www.dieteren.com/en

Download the D'Ieteren App

FINANCIAL AND DIRECTORS' REPORT
2014

Financial and Directors' Report 2014

Contents

Contents of the consolidated directors' report *

* The topics of Article 119 of the Company Code, defining the content of the management report, that are not applicable for D'Ieteren, have not been included in this summary.

2014 Full-Year Results

D'Ieteren's 2014 results are in line with the guidance. D'Ieteren Auto's market share and profitability improved despite tough competition. At Belron, the marginal contribution from the significant sales uplift in the US could only partially offset the decline in Europe. In this context, the Board of Directors of D'Ieteren has decided to propose an unchanged dividend.

In an environment that remains challenging, both activities are taking initiatives to ensure their development and invest in their future: D'Ieteren Auto is setting up a new structure for the distribution network and is investing in its own dealership network in Brussels, while Belron is implementing profitability improvement measures. The group expects its current result before tax, group's share, to be up in excess of 10% in 2015.

GROUP SUMMARY

A. Sales

The **consolidated sales** amounted to **EUR 5,541.6 million, +1.3%** compared with 2013. They are broken down as follows:

- ***D'Ieteren Auto***: EUR 2,660.5 million, **+1.3%** year-on-year, comprising an organic decline of 0.2%. The acquisition of a number of independent dealerships late 2013 and in H1 2014 contributed 1.5% to sales. The real market share[1] rose to 22.67% (22.39% in 2013). In total 111,667 vehicles were delivered in 2014 (112,877 in 2013).

- ***Belron***: EUR 2,881.1 million, **+1.3%** year-on-year, comprising a 2.2% increase from acquisitions partially offset by a 0.5% organic decrease, a 0.3% negative currency translation and an adverse 0.1% trading day impact. The slight organic decrease is due to a significant market decline in Northern Europe resulting from mild winter weather, which was not completely offset by the impact of extreme winter weather in the US.

B. Results

- The **consolidated result before tax** reached EUR -5.3 million. Excluding unusual items and re-measurements (EUR -166.2 million), the current consolidated result before tax reached EUR 160.9 million (-11.7% year-on-year). The unusual items are mainly comprised of the non-cash impairment charges and the restructuring costs at Belron that were announced mid-December 2014.

- Our key performance indicator[2], the **current consolidated result before tax, group's share**, stands at EUR 157.2 million, down 11.5%, in line with our guidance of a decline of slightly more than 10%. It is broken down as follows:

  – ***D'Ieteren Auto and Corporate activities***: EUR 52.5 million, +11.5% year-on-year, mainly thanks to lower marketing costs and a positive product mix effect.

  – ***Belron:*** EUR 104.7 million, -19.8% year-on-year. The marginal contribution from the significant sales uplift in the US could only partially offset the decline in Europe.

- The **group's share in the net result for the period** stands at EUR -11.1 million (EUR 114.0 million profit in 2013). Excluding unusual items and re-measurements, the group generated a net profit of EUR 125.7 million, down 7.6% year-on-year. The unusual items are mainly comprised of the restructuring costs and the non-cash impairment charges at Belron that were announced mid-December 2014.

C. Dividend

The Board of Directors of D'Ieteren proposes to maintain the gross dividend at EUR 0.80 per share for 2014. If this dividend is approved by the General Meeting of Shareholders on 28 May 2015, it will be paid on 4 June 2015 (ex date: 2 June 2015).

D. Financing of the activities

D'Ieteren's activities are financed autonomously and independently of each other. Between December 2013 and December 2014, the group's consolidated financial net debt[3] has increased from EUR 505.3 million to EUR 597.8 million.

The net cash position[3] of the D'Ieteren Auto/Corporate segment decreased from EUR 226.4 million in December 2013 to EUR 138.1 million, partially due to the acquisition of independent dealerships in the Antwerp and Mechelen areas (EUR 31 million).

Belron's net financial debt[3] increased slightly from EUR 731.7 million in December 2013 to EUR 735.9 million, mainly due to the stronger US dollar.

E. Outlook for FY 2015 current consolidated result before tax, group's share[2]

On the basis of the current outlook of its activities, D'Ieteren still expects its 2015 current consolidated result before tax, group's share, to be up in excess of 10% on 2014.

1. AUTOMOBILE DISTRIBUTION (D'IETEREN AUTO) AND CORPORATE ACTIVITIES

- Excluding registrations of less than 30 days[1], the Belgian market was up 0.7% year-on-year and D'Ieteren Auto's share improved by 28bps to 22.67%.

- New vehicle sales amounted to EUR 2,316.5 million compared to EUR 2,319.3 million in 2013, the slight decline being mainly attributable to a reduction in inventories at the independent dealers. Total sales amounted to EUR 2,660.5 million (EUR 2,627.4 million in 2013, +1.3%) as the 0.2% organic decline was more than offset by the 1.5% increase from the acquisition of independent dealerships late 2013 and in H1 2014.

- The operating result reached EUR 49.9 million (EUR 43.0 million in 2013):

  – Current operating result, excluding unusual items and re-measurements, amounted to EUR 53.3 million (+14.1%). The improvement reflects lower marketing costs and a positive product mix effect.

  – The unusual items and re-measurements comprised in the operating result reached EUR -3.4 million.

- The current result before tax, group's share[2], reached EUR 52.5 million (EUR 47.1 million in 2013), up 11.5%.

- 2015 forecast of a nearly flat Belgian market at circa 485,000 new car registrations.

1.1. Activities and results

D'Ieteren Auto's sales reached EUR 2,660.5 million in 2014, +1.3% year-on-year, as the 0.2% organic decline was more than offset by the 1.5% increase from the acquisition of independent dealerships late 2013 and in H1 2014.

New vehicles

Excluding registrations of less than 30 days[1] in order to better reflect the actual market situation, the new car registrations in Belgium rose by 0.7% year-on-year to 458,247 units. Including these registrations, the Belgian market totalled 482,939 new car registrations, slightly down year-on-year (-0.6%).

Excluding registrations of less than 30 days[1], the market share of the makes distributed by D'Ieteren Auto reached 22.67% in 2014 (vs 22.39% the previous year). Including these registrations, the market share equalled 21.78% (vs 21.15% in 2013).

Even though Volkswagen's market share was slightly down in 2014, the brand remained the Belgian market leader with a market share exceeding 10%, thanks notably to the success of the Golf and the Polo. Audi's market share was slightly up thanks to the success of the A3 and Q3. The market shares of Škoda and Porsche both reached a record high on the back of solid sales of the Fabia and the Macan, respectively. Seat's market share was slightly lower.

Registrations of new light commercial vehicles (0 to 6 tonnes) were down -0.1% to 53,856 units. D'Ieteren Auto's share was down to 11.23% (vs 11.87% in 2013) due to delays in deliveries and the launch of some competitors' new models.

The total number of new vehicles, including commercial vehicles, delivered by D'Ieteren Auto in 2014 reached 111,667 units (-1.1% compared to 2013). Lower deliveries, partially offset by a slightly positive price/mix effect, led to new vehicle sales of EUR 2,316.5 million (-0.1% compared to 2013).

Other activities

The sales of spare parts and accessories reached EUR 169.7 million, +3.3% year-on-year (-1.0% excluding the acquisition of independent dealerships late 2013 and in H1 2014), the after-sales activities of the corporately-owned dealerships amounted to EUR 81.0 million (+20.9% year-on-year or +1.0% excluding acquisitions) and the used vehicle sales equalled EUR 38.7 million (+61.9% year-on-year or +18.8% excluding acquisitions).

D'Ieteren Sport's sales, which are mainly comprised of Yamaha motorbikes, quads and scooters, improved by 3.2% to EUR 26.0 million thanks to the launch of new models. The market share improved from 9.67% in 2013 to 11.04% in a market that declined by 0.6%.

Results

The operating result reached EUR 49.9 million (EUR 43.0 million in 2013). The current operating result, which excludes unusual items and re-measurements, amounted to EUR 53.3 million (+14.1% vs 2013). Excluding the acquisition of independent dealerships late 2013 and in H1 2014, the current operating result amounted to EUR 56.4 million (+20.8% vs 2013). The improvement mainly reflects lower marketing costs and a positive product mix effect.

The unusual items and re-measurements comprised in the operating result amounted to EUR -3.4 million.

The net financial costs amounted to EUR 7.2 million (EUR 8.9 million in 2013). Excluding unusual items and re-measurements, the current net financial costs reached EUR 7.2 million (EUR 7.3 million in 2013).

The current result before tax, group's share[2], of the Automobile distribution & Corporate segment stood at EUR 52.5 million (compared to EUR 47.1 million in 2013, +11.5%).

1.2. Key developments

Several models were successfully launched or revamped in 2014 including the Volkswagen Golf Sportsvan, the Audi A3 Convertible, TT Coupé, A8 Facelift and A3 Sportback e-tron and g-tron, the Škoda Rapid Spaceback, the Seat Leon ST and ST TGI, and the Porsche Macan and 911 Targa.

D'Ieteren Auto has completed the acquisition of two Joly, ten Beerens and three Claessens dealerships, all located on the Brussels-Antwerp axis, respectively in November 2013, January 2014 and May 2014. The decision to acquire these dealerships was driven by their location in a strategic region for the fleet market. The acquisition of these dealerships amounted to circa EUR 40 million (real estate and net debt included), of which EUR 9 million in 2013.

As announced earlier, a new structure is currently being set up for the distribution network, dividing the territory into a number of homogeneous market areas, in order to improve the profitability of the independent dealers through an enhanced competitive position and economies of scale. In November 2014, the 27 market areas were defined and the market area leaders – the independent dealers who will manage their respective market area – were selected.

Moreover, the footprint of the corporately-owned dealerships is being optimized. By 2018, the dealerships of Mail (Ixelles), Anderlecht, Zaventem and Drogenbos should be strengthened by hosting the activities of the other dealerships in the Brussels area. In addition, the bodywork activity of the Mail site should be transferred to a larger location in the south of Brussels. At the end of this project, the network of the D'Ieteren Car Centers should total 7 locations hosting several makes, against 12 sites – half of which being single-branded – today. At the end of 2014, the activities of two dealerships (Vilvoorde and Fort-Jaco) were already relocated, respectively at the Meiser (Schaerbeek), Woluwe (Woluwe-Saint-Etienne), Zaventem and Mail sites.

This reshaping should not lead to mass redundancies thanks to internal redeployment supported by suitable training, voluntary departures and early retirement.

The five-year project should be completed in 2018 and will be supported by a total gross investment of circa EUR 27 million over this period.

Ultimately, this project should allow the D'Ieteren Car Centers – which were recording an annual operating loss of approximately EUR 10 million – to return to break-even by 2018.

In addition, other measures will be taken including the improvement of the loyalty rate in aftersales and of the marketing efficiency as well as the development of Volkswagen D'Ieteren Finance, the joint venture with Volkswagen Financial Services specialised in automobile financial services.

1.3. Activity outlook 2015

Febiac expects a relatively stable new car market at around 485,000 registrations in 2015. On this basis, D'Ieteren Auto aims at a stable annual market share.

Volkswagen will benefit from the full-year effect of the new Passat which was launched during the fourth quarter of 2014. Furthermore, several models will be launched or revamped this year amongst which: the Volkswagen Golf Cabrio, Touran and Sharan, the Audi TT Roadster, Q7 and A4, the Škoda Fabia and Superb, the Seat Leon ST Experience and Leon Cupra, and the Porsche Cayenne. In addition to the above, Volkswagen will launch the new Caddy and Transporter T6 in the commercial vehicle segment.

2. VEHICLE GLASS REPAIR AND REPLACEMENT – BELRON

- External sales up 1.3% comprising a 2.2% increase due to acquisitions partially offset by a 0.5% organic decrease due to colder weather in the US more than offset by a warm winter in northern Europe, a negative currency translation effect of 0.3% and an adverse 0.1% trading day impact.

- Operating result of EUR -23.9 million (EUR 156.9 million operating profit in 2013):

  – Current operating result down 16.3% to EUR 145.3 million as the marginal contribution from the significant sales uplift in the US could only partially offset the decline in Europe. Moreover, the operating result was negatively impacted by the country mix and lower prices.

  – Unusual costs and re-measurements of EUR -169.2 million due to non-cash goodwill impairment charges and unusual restructuring costs, most of which having been announced on 12 December 2014, as well as the amortisation of intangible assets.

- Current result before tax, group's share[2], down 19.8% to EUR 104.7 million.

- Moderate organic sales growth expected in 2015 in a challenging market environment.

2.1. Activities and results

Sales

Sales for the year reached EUR 2,881.1 million, an increase of 1.3% on 2013, comprising 2.2% growth from acquisitions partially offset by a 0.5% organic decrease, a 0.3% negative currency translation effect and an adverse 0.1% trading day impact. Organic sales reflect the benefit of colder winter weather in the US and segment share gains in the majority of countries more than offset by the impact of a warm winter in northern Europe. Total repair and replacement jobs increased by 1.5% to 11.0 million. The translation impact is primarily due to a weaker Australian and Canadian Dollar and Brazilian Real partially offset by a stronger British Pound. The acquired growth was mainly due to acquisitions in the US, Spain, Italy and Canada.

European sales decreased by 5.2% comprising an increase of 1.8% from acquisitions due to the Spanish Guardian acquisition at the end of December 2013 and additional DoctorGlass franchisee acquisitions in Italy, and a positive currency impact of 0.6% due to a stronger British Pound, more than offset by a decrease in organic sales of 7.4% due to warm winter weather in Northern Europe and an adverse 0.2% trading day impact.

Outside of Europe, sales increased by 8.9% comprising an organic sales increase of 7.6% due to an extremely cold and prolonged winter in eastern US, and a positive 2.7% acquisition impact due to the Guardian acquisition in the US and former franchisee acquisitions in Canada, partially offset by a negative currency impact of 1.4% due to the weaker Australian and Canadian dollar and Brazilian Real.

Results

The operating result amounted to EUR -23.9 million (vs an operating profit of EUR 156.9 million in 2013). The current operating result, which excludes unusual items and re-measurements, was EUR 145.3 million (EUR 173.5 million in 2013). In the US, the extreme weather conditions in the eastern regions of the country until the end of April generated a very strong and unexpected uplift in sales but with a relatively low fall through to profit due to the impact of the weather on the business' ability to serve customers, resulting in lower productivity as well as inventory shortages. In addition, Belron faced particularly adverse conditions in Brazil. The business gained market share despite severe price competition but the additional volumes necessitated additional subcontractor and set up costs thereby adversely impacting profit. Subsequent to this two sizeable but unprofitable accounts were lost resulting in reduced sales during the last quarter in the year. In Europe, the warm winter weather led to significant overcapacity that could not be adjusted immediately. Therefore, although total sales appear to be stable, the positive effect of sales growth on profit in North America did not balance the negative effect of sales shortfalls in Europe. However, the cost reductions measures implemented mid-way through the year in Europe started to have a positive impact on the results in the second half of the year somewhat mitigating the impact of the reduced sales.

Unusual items and re-measurements in the operating result totalled EUR -169.2 million and comprise the non-cash impairment charge on goodwill in the UK (EUR 89.0 million) and China (EUR 9.4 million), expenses incurred in relation to: changes to the UK operating model (EUR 16.4 million); the closure of the German specials business (EUR 10.3 million); disposal and closure costs in China (EUR 7.5 million); integration costs relating to the acquisition of Guardian Glass Co. in the USA and Spain (EUR 6.7 million); restructuring in Italy (EUR 3.2 million); restructuring in the Netherlands (EUR 4.0 million); and finalisation of a major acquisition/integration project in Canada (EUR 0.8 million). Also included is the re-measurement of financial instruments (EUR -0.4 million) and the amortization of intangible assets (EUR 11.6 million).

Net finance costs were EUR 25.0 million (EUR 38.7 million in 2013). Before re-measurements resulting from the changes in the fair value of derivatives, current net finance costs decreased from EUR 35.8 million for the year 2013 to EUR 34.9 million.

Current result before tax, group's share[2], decreased by 19.8% to EUR 104.7 million.

2.2. Key developments

The business has continued to focus on delivering an outstanding service to all of its customers and many of the Belron businesses have achieved new records in customer service levels despite the market challenges. New technological solutions have been implemented to enable customers to book and track their services more easily, particularly when they change their approach during the customer journey, for example by using the internet, mobile devices or telephones, or going to a branch. In addition to focussing on delivering an outstanding service to its customers, Belron continued to work closely with its insurance and fleet partners in every country by focussing on the total value delivered to these partners through the combination of service and cost. Many new initiatives were undertaken in order to add value to customers and the business undertook more customer promotions than in previous years. Additionally, marketing activities have expanded to include leveraging customer reviews and Belron's online presence through search engine optimisation.

Belron has continued to pursue its goal of targeted geographic expansion as incremental acquisitions were made in the US, Italy, Spain, Portugal, Greece, Canada and Sweden.

On 12 December 2014, D'Ieteren announced several major efficiency actions to be initiated by Belron, including the transformation of the UK operating model including moving from a branch and mobile network to a fully mobile operation, closure of the loss-making heavy commercial vehicles business in Germany, resizing of certain branches and back-offices in the Netherlands and Italy and the discontinuation of the wholesale business combined with branch closures in China. Good progress is being made on all of these actions. Employee consultation on the UK operating model has concluded and the proposed changes are being implemented. The German heavy commercial vehicle business has been closed. The Italian and Dutch changes have largely been completed as has the Chinese restructuring.

2.3. Activity outlook 2015

The outlook for 2015 is for moderate organic sales growth due to expected continuing adverse underlying market trends. After an initial mild period, the winter weather in northern Europe has been colder in recent weeks and North America has experienced a relatively strong winter. Developing markets are expected to continue to grow. The benefits from the major restructuring expenses incurred at the end of 2014 are expected to flow through in 2015. In order to improve its financial results, the business will continue to be innovative in all areas, increase the flexibility of its operations and look for further efficiency initiatives.

RESEARCH AND DEVELOPMENT

Research and development costs incurred by the Group during the year amount to EUR 1.1 million and are solely related to the vehicle glass repair and replacement activity. Belron undertakes ongoing research and development activity relating to vehicle glass repair and replacement, in order to ensure that it remains at the cutting edge of its field. Such activity is undertaken ensuring that both performance and safety standards within the group's field of operation are met.

(1) In order to provide an accurate picture of the car market, Febiac publishes market figures excluding registrations that have been cancelled within 30 days. Most of them relate to vehicles that are unlikely to have been put into circulation in Belgium by the end customer.

(2) The current result before tax, group's share, is not an IFRS indicator. D'Ieteren uses this concept to reflect its underlying performance and does not represent it as an alternative to financial measures determined in accordance with IFRS. See note 9 of the 2014 consolidated financial statements for the definition of this performance indicator.

(3) The net financial debt is defined as the sum of the borrowings minus cash, cash equivalents and investments in non-current and current financial assets. See note 32 of the 2014 consolidated financial statements fot the calculation.

s.a. D’Ieteren n.v.
Consolidated Financial Statements 2014

Contents

Declaration by Responsible Persons

Statement on the true and fair view of the consolidated financial statements and the fair overview of the annual report: we certify, on behalf and for the account of s.a. D’Ieteren n.v., that, to our knowledge, the consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of s.a. D’Ieteren n.v., and the entities included in the consolidation as a whole, and that the annual report on the consolidated financial statements includes a fair overview of the development and performance of the business and the position of s.a. D’Ieteren n.v., and the entities included in the consolidation, together with a description of the principal risks and uncertainties which they are exposed to.

Axel Miller
Managing Director

Roland D’Ieteren
Chairman

Consolidated Statement of Profit or Loss

Year ended 31 December

EUR million	Notes	2014 Total	2014 Of which: Current items(1)	2014 Of which: Unusual items and re-measurements(1)	2013(2) Total	2013(2) Of which: Current items(1)	2013(2) Of which: Unusual items and re-measurements(1)
Revenue	4	**5,541.6**	*5,541.6*	-	**5,470.5**	*5,470.5*	-
Cost of sales		-3,827.6	*-3,814.9*	*-12.7*	-3,755.3	*-3,755.5*	*0.2*
Gross margin		**1,714.0**	*1,726.7*	*-12.7*	**1,715.2**	*1,715.0*	*0.2*
Commercial and administrative expenses		-1,534.9	*-1,520.6*	*-14.3*	-1,504.0	*-1,490.7*	*-13.3*
Other operating income		3.9	*3.9*	-	1.6	*1.6*	-
Other operating expenses		-157.0	*-11.4*	*-145.6*	-12.9	*-5.7*	*-7.2*
Operating result	5	**26.0**	*198.6*	*-172.6*	**199.9**	*220.2*	*-20.3*
Net finance costs	6	-32.2	*-42.1*	*9.9*	-47.6	*-43.1*	*-4.5*
Finance income		18.6	*6.0*	*12.6*	3.8	*2.7*	*1.1*
Finance costs		-50.8	*-48.1*	*-2.7*	-51.4	*-45.8*	*-5.6*
Share of result of entities accounted for using the equity method, net of income tax	7	0.9	*4.4*	*-3.5*	0.5	*5.2*	*-4.7*
Result before tax	9	**-5.3**	*160.9*	*-166.2*	**152.8**	*182.3*	*-29.5*
Income tax expense	8	-9.3	*-31.3*	*22.0*	-34.8	*-41.4*	*6.6*
Result from continuing operations		**-14.6**	*129.6*	*-144.2*	**118.0**	*140.9*	*-22.9*
RESULT FOR THE PERIOD		**-14.6**	*129.6*	*-144.2*	**118.0**	*140.9*	*-22.9*
Result attributable to:							
Equity holders of the Parent	9	**-11.1**	*125.7*	*-136.8*	**114.0**	*136.1*	*-22.1*
Non-controlling interests		-3.5	*3.9*	*-7.4*	4.0	*4.8*	*-0.8*
Earnings per share for result for the period attributable to equity holders of the Parent							
Basic (EUR)	10	-0.20	*2.29*	*-2.49*	2.07	*2.47*	*-0.40*
Diluted (EUR)	10	-0.20	*2.28*	*-2.48*	2.06	*2.46*	*-0.40*

The notes on pages 13 to 75 are an integral part of these consolidated financial statements.

(1) See summary of significant accounting policies in note 2 and unusual items and re-measurements in note 9.

(2) Within the 2013 current items comparative (Vehicle Glass segment) there is a reallocation of EUR 41.1 million from cost of sales to commercial and administrative expenses reflecting the change in staff activities as the business has expanded.

Consolidated Statement of Comprehensive Income

Year ended 31 December

EUR million		Notes	2014	2013
Result for the period			-14.6	118.0
Other comprehensive income				
Items that will not be reclassified to profit or loss:			-28.7	0.2
	Actuarial gains (losses) on employee benefits	20	*-30.9*	*2.5*
	Tax relating to actuarial gains (losses) on employee benefits	8	*2.2*	*-2.3*
Items that may be reclassified subsequently to profit or loss:			6.1	-26.1
	Translation differences		*5.2*	*-26.7*
	Cash flow hedges: fair value gains (losses) in equity		*0.9*	*0.6*
Other comprehensive income, net of tax			-22.6	-25.9
Total comprehensive income for the period			**-37.2**	**92.1**
being:	*attributable to equity holders of the Parent*		*-32.6*	*89.5*
	attributable to non-controlling interests		*-4.6*	*2.6*

The notes on pages 13 to 75 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

At 31 December

EUR million	Notes	2014	2013
Goodwill	11	965.7	1,056.9
Other intangible assets	13	457.9	434.5
Property, plant and equipment	15	505.8	458.2
Investment property	16	6.7	4.8
Equity accounted investments	7	62.8	59.9
Available-for-sale financial assets	17	0.5	0.5
Held-to-maturity investments	14	-	9.7
Employee benefits	20	40.9	34.2
Deferred tax assets	21	52.8	41.6
Other receivables	22	24.7	23.6
Non-current assets		**2,117.8**	**2,123.9**
Non-current assets classified as held for sale	23	6.3	-
Inventories	24	608.7	539.3
Held-to-maturity investments	14	176.1	288.4
Derivative hedging instruments	18	1.5	0.6
Derivatives held for trading	19	4.2	7.4
Other financial assets	25	1.8	1.6
Current tax assets	26	6.9	9.2
Trade and other receivables	27	379.1	384.7
Cash and cash equivalents	28	84.8	199.6
Current assets		**1,269.4**	**1,430.8**
TOTAL ASSETS		**3,387.2**	**3,554.7**
Capital and reserves attributable to equity holders		1,644.2	1,723.6
Non-controlling interests		0.6	1.6
Equity		**1,644.8**	**1,725.2**
Employee benefits	20	60.3	27.2
Provisions	30	23.0	26.3
Loans and borrowings	31/32	739.5	693.0
Derivatives held for trading	19	2.7	14.1
Put options granted to non-controlling shareholders	33	75.2	89.0
Other payables	34	15.9	19.0
Deferred tax liabilities	21	38.2	38.4
Non-current liabilities		**954.8**	**907.0**
Provisions	30	34.5	3.5
Derivative hedging instruments	18	0.1	0.1
Loans and borrowings	31/32	139.2	330.0
Derivatives held for trading	19	8.2	1.3
Current tax liabilities	26	10.8	18.0
Trade and other payables	35	594.8	569.6
Current liabilities		**787.6**	**922.5**
TOTAL EQUITY AND LIABILITIES		**3,387.2**	**3,554.7**

The notes on pages 13 to 75 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

At 31 December

EUR million	Capital and reserves attributable to equity holders: Share capital	Share premium	Treasury shares	Share-based payment reserve	Hedging reserve	Retained earnings	Actuarial gains and losses	Taxes	Cumulative translation differences	Total Group's share	Non-Controlling interests	Equity
At 1 January 2013	160.0	24.4	-22.4	8.8	-0.5	1,569.6	-66.0	16.4	-12.9	1,677.4	1.8	1,679.2
Treasury shares	-	-	-0.9	-	-	-	-	-	-	-0.9	-	-0.9
Dividend 2012 paid in 2013	-	-	-	-	-	-44.0	-	-	-	-44.0	-1.5	-45.5
Put options treatment - Movement of the period	-	-	-	-	-	-	-	-	-	-	-1.3	-1.3
Other movements	-	-	-	1.6	-	-	-	-	-	1.6	-	1.6
Total comprehensive income	-	-	-	-	0.6	114.0	2.4	-2.2	-25.3	89.5	2.6	92.1
At 1 January 2014	160.0	24.4	-23.3	10.4	0.1	1,639.6	-63.6	14.2	-38.2	1,723.6	1.6	1,725.2
Treasury shares	-	-	-4.5	-	-	-	-	-	-	-4.5	-	-4.5
Dividend 2013 paid in 2014	-	-	-	-	-	-44.0	-	-	-	-44.0	-	-44.0
Put options treatment - Movement of the period	-	-	-	-	-	-	-	-	-	-	3.6	3.6
Other movements	-	-	-	1.7	-	-	-	-	-	1.7	-	1.7
Total comprehensive income	-	-	-	-	0.9	-11.1	-29.4	2.1	4.9	-32.6	-4.6	-37.2
At 31 December 2014	160.0	24.4	-27.8	12.1	1.0	1,584.6	-93.0	16.3	-33.3	1,644.2	0.6	1,644.8

The notes on pages 13 to 75 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December

EUR million	Notes	2014	2013
Cash flows from operating activities - Continuing			
Result for the period		-14.6	118.0
Income tax expense	8	9.3	34.8
Share of result of entities accounted for using the equity method, net of income tax	7	-0.9	-0.5
Net finance costs	6	32.2	47.6
Operating result from continuing operations		**26.0**	**199.9**
Depreciation of other items	5	94.5	91.7
Amortisation of other intangible assets	5/9/13	36.7	33.9
Impairment losses on goodwill and other non-current assets	9/11/15	100.5	-
Other non-cash items	9	69.7	13.1
Employee benefits		-6.8	-8.4
Other cash items		-15.9	-10.3
Change in net working capital		-21.1	4.9
Cash generated from operations		**283.6**	**324.8**
Income tax paid		-23.2	-41.6
Net cash from operating activities		**260.4**	**283.2**
Cash flows from investing activities - Continuing			
Purchase of fixed assets		-134.2	-110.8
Sale of fixed assets		10.3	4.7
Net capital expenditure		**-123.9**	**-106.1**
Acquisition of subsidiaries (net of cash acquired)	9/12	-34.0	-60.3
Contribution of cash to joint venture		-0.4	-
Investment in held-to-maturity financial assets	14	121.9	-86.4
Interest received		12.2	10.6
Net investment in other financial assets		-0.9	-1.0
Net cash from investing activities		**-25.1**	**-243.2**
Cash flows from financing activities - Continuing			
Acquisition of non-controlling interests	9	0.8	-35.7
Net disposal/(acquisition) of treasury shares		-4.5	-0.9
Capital element of finance lease payments		-22.5	-24.0
Net change in other loans and borrowings		-221.7	135.8
Interest paid		-57.7	-47.7
Dividends paid by Parent	29	-44.0	-44.0
Dividends received from/(paid by) subsidiaries		-	-1.5
Net cash from financing activities		**-349.6**	**-18.0**
TOTAL CASH FLOW FOR THE PERIOD		**-114.3**	**22.0**
Reconciliation with statement of financial position			
Cash at beginning of period	28	195.6	131.7
Cash equivalents at beginning of period	28	4.0	50.0
Cash and cash equivalents at beginning of period	28	**199.6**	**181.7**
Total cash flow for the period		-114.3	22.0
Translation differences		-0.5	-4.1
Cash and cash equivalents at end of period		**84.8**	**199.6**
Included within "Cash and cash equivalents"	*28*	*84.8*	*199.6*

The notes on pages 13 to 75 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

NOTE 1: GENERAL INFORMATION

s.a. D'Ieteren n.v. (the Company or the Parent) is a public company incorporated and domiciled in Belgium, whose main shareholders are listed in note 29. The address of the Company's registered office is:

Rue du Mail 50
B–1050 Brussels

The Company, its subsidiaries and its interests in associates and joint ventures (together the Group) form an international group, active in sectors of services to the motorist:

- Automobile distribution in Belgium of Volkswagen, Audi, Seat, Škoda, Bentley, Lamborghini, Bugatti, Porsche, and Yamaha;

- Vehicle glass repair and replacement mainly in Europe, North and South America, Australia and New Zealand through Belron s.a. and notably its CARGLASS®, AUTOGLASS® and SAFELITE® AUTO GLASS brands.

The Group is present in 34 countries serving over 12 million customers.

The Company is listed on Euronext Brussels.

These consolidated financial statements have been authorized for issue by the Board of Directors on 26 February 2015.

NOTE 2: ACCOUNTING POLICIES

Note 2.1: Basis of Preparation

These 2014 consolidated financial statements are for the 12 months ended 31 December 2014. They are presented in euro, which is the Group's functional currency. All amounts have been rounded to the nearest million, unless otherwise indicated. They have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and the related International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective, as adopted by the European Union ("EU"). They correspond to the standards and interpretations issued by the International Accounting Standards Board ("IASB") and are effective as at 31 December 2014.

These consolidated financial statements have been prepared under the historical cost convention, except for available-for-sale financial assets, money market assets classified within cash and cash equivalents, employee benefits and financial assets and financial liabilities (including derivative instruments) that have been measured at fair value. Following adoption of IFRS 13 "Fair Value Measurement", which clarifies the valuation methodology of fair value measurements required or permitted by other IFRS, fair values presented reflect the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the date of the statement of financial position.

These consolidated financial statements are prepared on the assumption that the Group is a going concern and will continue in operation for the foreseeable future.

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are mainly the measurement of defined benefit obligations (key actuarial assumptions), the recognition of deferred tax assets (availability of future taxable profit against which carryforward tax losses can be used), the impairment test (key assumptions) and the recognition and measurement of provisions and contingencies. They are also disclosed in the relevant notes.

A number of the Group's accounting policies and disclosures require the measurement of fair values. The main areas are share-based payments, investment properties, financial instruments and business combinations. Further information is included in the relevant notes.

NOTE 2: ACCOUNTING POLICIES (continued)

Note 2.2: Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The new standards, amendments and interpretations that are mandatory for the first time for the Group's accounting period beginning on 1 January 2014 are listed below and have no significant impact on the Group's consolidated financial statements:

- Amendments to IAS 32 "Offsetting Financial Assets and Financial Liabilities";

- Amendments to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting".

The new standards, amendments and interpretations to existing standards that have been published by the IASB and are mandatory for the Group's accounting periods beginning on or after 1 January 2015 or later periods but which the Group has not early adopted, are:

- IFRIC 21 "Levies" (effective 1 January 2015). This interpretation provides guidance on accounting for levies in accordance with the requirements of IAS 37 "Provisions";

- Annual improvements to IFRS 2010–2012 and IFRS 2011–2013 cycles (effective 1 January 2015). These improvements are a collection of minor improvements to existing standards;

- Amendments to IAS 19 "Employee Benefits – Defined Benefit Plans: Employee Contributions" (effective 1 January 2015). These amendments introduce a relief that will reduce the complexity and burden of accounting for certain contributions from employees or third parties;

- Annual improvements to IFRS 2012–2014 cycle (effective 1 January 2016 – subject to endorsement by the EU). These improvements are a collection of minor improvements to existing standards;

- Accounting for Acquisitions of Interests in Joint Operations - Amendments to IFRS 11 (effective 1 January 2016 – subject to endorsement by the EU). This amendment determines that when an entity acquires an interest in a joint operation that is a business, as defined in IFRS 3, it shall apply all of the principles on business combinations accounting in IFRS 3, and other IFRS, that do not conflict with the guidance in this IFRS;

- Clarification of Acceptable Methods of Depreciation and Amortisation – Amendments to IAS 16 and IAS 38 (effective 1 January 2016 – subject to endorsement by the EU).This amendment emphasizes that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment;

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (effective 1 January 2016 – subject to endorsement by the EU). This amendment provides guidance on the recognition of the gain or loss when accounting for the sale or contribution of a subsidiary to an associate or joint venture;

- IFRS 15 "Revenue from Contracts with Customers" (effective 1 January 2017 – subject to endorsement by the EU). This new standard will replace existing revenue recognition guidance (notably IAS 18 "Revenue") and establish a comprehensive framework for determining whether, how much and when revenue is recognised;

- IFRS 9 "Financial Instruments: Classification and Measurement" (effective 1 January 2018 – subject to endorsement by the EU). This new standard will replace the existing guidance in IAS 39 "Financial Instruments: Recognition and Measurement".

The Group is currently assessing the impact of the new standards, interpretations and amendments. No major impact is expected.

NOTE 2: ACCOUNTING POLICIES (continued)

Principles of Consolidation

Subsidiary undertakings

Subsidiary undertakings, which are those entities in which the Group has, directly or indirectly, an interest of more than half of the voting rights or otherwise has the power to exercise control over the operations, are consolidated. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date that control is transferred to the Group, and are no longer consolidated from the date that control ceases. All inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated upon consolidation.

Transactions with non-controlling interest that do not result in loss of control are accounted for as equity transactions. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interest (that do not result in loss of control) are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date where control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Associated undertakings

Associates are all entities over which the Group has significant influence but not control or joint control, over the financial and operating policies. Investments in associates are accounted for using the equity method. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of profit from the associate represents the Group's share of the associate's profit after tax. Profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised gains on transactions between the Group and its associate are also eliminated based on the same principle; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Equity accounting is discontinued when the carrying amount of the investment in an associate reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associate.

Interests in joint ventures

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in joint ventures are recognised using the equity method. The above principles regarding associated undertakings are also applicable to joint ventures.

Impairment of associates and joint ventures

The Group determines at each reporting date whether there is any objective evidence that the investment in the equity accounted investment is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount adjacent to "share of profit/(loss) of an associate/joint venture" in the income statement.

NOTE 2: ACCOUNTING POLICIES (continued)

Foreign Currency Translation

The Group consolidation is prepared in euro. Income statements of foreign operations are translated into euro at the weighted average exchange rates for the period and statements of financial positions are translated into euro at the exchange rate ruling on the statement of financial position date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as local currency assets and liabilities of the foreign entity and are translated at the closing rate.

Foreign currency transactions are accounted for at the exchange rate prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised within the income statement. Exchange movements arising from the retranslation at closing rates of the Group's net investment in subsidiaries, joint ventures and associates are taken to the translation reserve component in other comprehensive income. The Group's net investment includes the Group's share of net assets of subsidiaries, joint ventures and associates, and certain inter-company loans. The net investment definition includes loans between "sister" companies and certain inter-company items denominated in any currency. Other exchange movements are taken to the income statement.

Where the Group hedges net investments in foreign operations, the gains and losses relating to the effective portion of the hedging instrument are recognised in the translation reserve in other comprehensive income. The gain or loss relating to any ineffective portion is recognised in the income statement. Gains and losses accumulated in other comprehensive income are included in the income statement when the foreign operation is disposed of.

Goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest and previously held interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. The excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net recognised amount (generally at fair value) of the identifiable assets acquired and liabilities assumed constitutes goodwill, and is recognised as an asset. In case this excess is negative, it is recognised immediately in the income statement. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. Acquisition-related costs, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination, are expensed as incurred.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGU's or groups of CGU's that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level for business combinations and transactions performed by the Parent, and at the country level for business combinations performed by Belron s.a. and its subsidiaries.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

NOTE 2: ACCOUNTING POLICIES (continued)

Intangible Assets

An item of intangible assets is valued at its cost less any accumulated amortisation and any accumulated impairment losses. Customer contracts and brands acquired in a business combination are recognised at fair value at the acquisition date.

Generally, costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. However, costs that are directly associated with identifiable and unique software products controlled by the Group which have probable economic benefits exceeding the cost beyond one year are recognised as intangible assets.

Intangible assets with a finite useful life are generally amortised over their useful life on a straight line basis. The estimated useful lives are between 2 and 10 years.

Brands for which there is a limit to the period over which these assets are expected to generate cash inflows will be amortised on a straight line basis over their remaining useful lives which are estimated to be up to 3 years.

Amortisation periods are reassessed annually.

Brands that have indefinite useful lives are those, thanks to the marketing spend and advertising made, where there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows for the Group. They are therefore not amortised but tested for impairment annually.

For any intangible asset with a finite or indefinite useful life, where an indication of impairment exists, its carrying amount is assessed and written down immediately to its recoverable amount. Impairment losses are recognised in the consolidated income statement.

Expenditure on internally generated intangible assets is recognised in the consolidated income statement as an expense as incurred.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Research and Development

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(b) the Group has the intention to complete the intangible asset and use or sell it;

(c) the Group has ability to use or sell the intangible asset;

(d) how the intangible asset will generate probable future economic benefits;

(e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;

(f) the Group has the ability to measure reliably the expenditure attributable to the intangible asset during its development.

NOTE 2: ACCOUNTING POLICIES (continued)

Property, Plant and Equipment

An item of property, plant and equipment is initially measured at cost. This cost comprises its purchase price (including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates), plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating. If applicable, the initial estimate of the cost of dismantling and removing the item and restoring the site is also included in the cost of the item. After initial recognition, the item is carried at its cost less any accumulated depreciation and any accumulated impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

The depreciable amount of the item is allocated according to the straight-line method over its useful life. The main depreciation periods are the following:

- Buildings: 40 to 50 years;
- Plant and equipment: 3 to 15 years;
- IT equipment: 2 to 7 years;
- Leased assets: depending on the length of the lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Leases

Operating leases for which the Group is the lessor

Assets leased out under operating leases in which a significant portion of the risks and rewards of ownership are retained by the lessor (other than vehicles sold under buy-back agreements) are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives. Rental income is recognised on a straight-line basis over the lease term.

Operating leases for which the Group is the lessee

Lease payments under operating leases are recognised as expenses in the income statement on a straight-line basis over the lease term.

Finance leases for which the Group is the lessee

Leases of property, plant and equipment for which substantially all the risks and rewards of ownership are transferred to the Group are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and the finance charge so as to achieve a constant rate of return on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance cost is charged to the income statement over the lease period. The leased assets are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. If there is no reasonable certainty that ownership will be acquired by the end of the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

Vehicles sold under buy-back agreements

Vehicles sold under buy-back agreements are accounted for as operating leases (lessor accounting), and are presented in the statement of financial position under inventories. The difference between the sale price and the repurchase price (buy-back obligation) is considered as deferred income, while buy-back obligations are recognised in trade payables. The deferred income is recognised as revenue on a straight line basis over the relevant vehicle holding period.

NOTE 2: ACCOUNTING POLICIES (continued)

Investment Properties

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses. These items are amortised over their useful life on a straight-line basis method. The estimated useful lives are between 40 and 50 years.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Items that are not interchangeable, like new vehicles and second-hand vehicles, are valued using specific identification of their individual costs. Other items are valued using the first in, first out or weighted average cost formula. When inventories are used, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. Losses and write-downs of inventories are recognised in the period in which they occur. Reversal of a write-down is recognised as a credit to cost of sales in the period in which the reversal occurs.

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits, excluding any blocked or restricted cash held by the Group. Cash equivalents are short-term (maximum 3 months), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effect(s).

Where the Company (or its subsidiaries) reacquires its own equity instruments, those instruments are deducted from equity as treasury shares. Where such equity instruments are subsequently sold, any consideration received is recognised in equity.

Dividends to holders of equity instruments proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date; it is presented in equity.

Provisions

A provision is recognised when:

- there is a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

If these conditions are not met, no provision is recognised.

NOTE 2: ACCOUNTING POLICIES (continued)

Post-Employment Employee Benefits

The Group has various defined benefit pension plans and defined contribution pension plans. Most of these plans are funded schemes, i.e. they are financed through a pension fund or an external insurance policy. The minimum funding level of these schemes is defined by national rules.

Payments to *defined contribution pension plans* are charged as an expense as they fall due.

The Group's commitments under *defined benefit pension plans*, and the related costs, are valued using the "projected unit credit method", with independent actuaries carrying out the valuations at least on a yearly basis. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses are recognised in full in the period in which they occur. They are recognised in other comprehensive income. Past service cost is recognised immediately to the extent that the benefits have already vested, and otherwise is amortised on a straight line basis until the benefits become vested.

The long-term employee benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligations as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any refunds and reductions in future contributions to the plan.

Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits as it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal.

Other Long-Term Incentives

The group recognises a provision for long-term incentives where they are contractually obliged or where there is a past practice that has created a constructive obligation. This provision is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

Financial Instruments Excluding Derivatives

The Group classifies its financial assets in the following categories: at fair value through profit or loss, held-to-maturity investments, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Held-to-maturity investments

These assets are initially recognised at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest rate method.

(c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period.

These are classified as non-current assets. The Group's loans and receivables comprise 'trade and other receivables', 'cash and cash equivalents' and 'other financial assets' in the statement of financial position.

NOTE 2: ACCOUNTING POLICIES (continued)

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Measurement of financial instruments:

(a) Available-for-sale financial assets are measured at fair value through other comprehensive income. Impairment losses are recorded in the income statement.

(b) The cost of treasury shares is deducted from equity.

(c) Trade and other receivables are measured at their amortised cost using the effective interest rate method, as reduced by appropriate allowances for irrecoverable amounts.

(d) Financial assets held for trading are measured at fair value.

(e) Trade and other payables, as well as borrowings, are measured at amortised cost using the effective interest rate method.

Financial Instruments – Derivatives

Derivatives are used as hedges in the financing and financial risk management of the Group.

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses foreign exchange forward contracts, interest rate swaps, cross currency interest rate swaps, and options to hedge these exposures. The Group does not use derivatives for speculative purposes. However, certain financial derivative transactions, while constituting effective economic hedges, do not qualify for hedge accounting under the specific rules in IAS 39.

Derivatives are recorded initially and subsequently at fair value. Unless accounted for as hedges, they are classified as held for trading and are subsequently measured at fair value. Derivatives classified as held for trading are those which do not meet the strict criteria of IAS 39 for application of hedge accouting. Changes in fair value of derivatives that do not qualify for hedge accounting are recognised in the income statement as they arise.

Cash flow hedge

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in other comprehensive income and any ineffective portion is recognised immediately in the income statement. If the cash flow hedge is a firm commitment or the forecasted transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in other comprehensive income are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in other comprehensive income are recognised in the income statement in the same period in which the hedged item affects net profit or loss.

Fair value hedge

For an effective hedge of an exposure to changes in the fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged with a corresponding entry in profit or loss. Gains or losses from re-measuring the derivative, or for non-derivatives the foreign currency component of its carrying amount, are recognised in profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. In the case of a cash flow hedge, any cumulative gain or loss recognised in other comprehensive income is transferred to profit or loss when profit or loss is impacted by the hedged item. If the forecast transaction is no longer expected to occur, the cumulative gain or loss is reclassified in the profit or loss immediately.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not carried at fair value with unrealised gains or losses reported in income statement.

NOTE 2: ACCOUNTING POLICIES (continued)

Put Options Granted to Non-Controlling Shareholders

The Group is committed to acquiring the non-controlling shareholdings owned by third parties in Belron, should these third parties wish to exercise their put options. The exercise price of such options granted to non-controlling interest is reflected as a financial liability in the consolidated statement of financial position. For put options granted to non-controlling interest prior to 1 January 2010, the goodwill is adjusted at period end to reflect the change in the exercise price of the options and the carrying value of non-controlling interest to which they relate.

For put options granted to non-controlling interest as from 1 January 2010, at inception, the difference between the consideration received and the exercise price of the options granted is recognised against the group's share of equity. At each period end, the re-measurement of the financial liability resulting from these options will be recognised in the consolidated income statement as a re-measurement item in net finance costs.

Non-Current Assets (or Disposal Groups) Held for Sale and Discontinued Operations

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale and is disclosed as a single line item in the income statement.

Revenue Recognition

Revenue from the *sale of goods* is recognised when all the following conditions have been satisfied:

(a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the Group; and

(e) the cost incurred or to be incurred in respect of transaction can be measured reliably.

When the outcome of a transaction involving the *rendering of services* can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the balance sheet date.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

(a) the amount of revenue can be measured reliably;

(b) it is probable that the economic benefits associated with the transaction will flow to the Group;

(c) the stage of completion of the transaction at the balance sheet date can be measured reliably; and

(d) the cost incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest is recognised on a time proportion basis that takes into account the effective yield on the asset. *Royalties* are recognised on an accrual basis in accordance with the substance of the relevant agreement. *Dividends* are recognised when the shareholder's right to receive payment has been established.

In the income statement, sales of goods, rendering of services and royalties are presented under the heading "revenue". Interest income is presented under the heading "net finance costs".

NOTE 2: ACCOUNTING POLICIES (continued)

Share-Based Payments

Share-based payments are exclusively made in connection with employee stock option plans ("ESOP").

Equity-settled ESOP granted after 7 November 2002 are accounted for in accordance with IFRS 2, such that their cost is recognised in the income statement over the related performance period.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

Government Grants

Government grants related to assets are presented in liabilities as deferred income, and amortised over the useful life of the related assets.

Income Taxes

Current taxes relating to current and prior periods are, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. The benefit relating to a tax loss that can be carried back to recover current tax of a previous period is recognised as an asset. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxes are provided in full using the balance sheet liability method, on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not calculated on the following temporary differences: (i) the initial recognition of goodwill and (ii) the initial recognition of assets and liabilities that affects neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

Unusual Items and Re-measurements

Each line of the income statement, and each subtotal of the segment income statement, is broken down in order to provide information on the current result and on unusual items and re-measurements. Unusual items and re-measurements comprise the following items:

(a) Recognised fair value gains and losses on financial instruments, excluding the accrued cash flows that occur under the Group's hedging arrangements, where hedge accounting is unable to be applied under IAS 39;

(b) Exchange gains and losses arising upon the translation of foreign currency borrowings at the closing rate;

(c) Re-measurement of financial liabilities resulting from put options granted to non-controlling interest as from 1 January 2010;

(d) Impairment of goodwill and other non-current assets;

(e) Amortisation of intangible assets with finite useful lives recognised in the framework of the allocation of the cost of a business combination as defined by IFRS 3;

(f) Other unusual items. They are material items that derive from events or transactions that fall within the ordinary activities of the Group, and which individually or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

All other items are recognised as part of the current result.

NOTE 3: SEGMENT INFORMATION

Note 3.1: Basis of Segmentation

The Group's reportable operating segments are Automobile Distribution and Vehicle Glass.

The Automobile Distribution segment includes the automobile distribution activities (see note 1) as well as corporate activities. The Vehicle Glass segment comprises Belron s.a. and its subsidiaries (see note 1).

These operating segments are consistent with the Group's organisational and internal reporting structure.

Note 3.2: Segment Statement of Profit or Loss - Operating Segments (Year ended 31 December)

		2014				2013			
EUR million	Notes	Automobile Distribution	Vehicle Glass	Eliminations	Group	Automobile Distribution	Vehicle Glass	Eliminations	Group
External revenue	4	2,660.5	2,881.1		5,541.6	2,627.4	2,843.1		5,470.5
Inter-segment revenue		3.8	-	-3.8	-	4.1	0.1	-4.2	-
Segment revenue		**2,664.3**	**2,881.1**	**-3.8**	**5,541.6**	**2,631.5**	**2,843.2**	**-4.2**	**5,470.5**
Operating result (being segment result)	5	**49.9**	**-23.9**		**26.0**	**43.0**	**156.9**		**199.9**
of which: current items	5	*53.3*	*145.3*		*198.6*	*46.7*	*173.5*		*220.2*
unusual items and re-measurements	5	*-3.4*	*-169.2*		*-172.6*	*-3.7*	*-16.6*		*-20.3*
Net finance costs	6	-7.2	-25.0		-32.2	-8.9	-38.7		-47.6
Finance income		8.0	10.6		18.6	2.7	1.1		3.8
Finance costs		-15.2	-35.6		-50.8	-11.6	-39.8		-51.4
Share of result of entities accounted for using the equity method, net of income tax	7	0.9	-		0.9	0.5	-		0.5
Result before taxes	9	**43.6**	**-48.9**		**-5.3**	**34.6**	**118.2**		**152.8**
of which: current items	9	*50.5*	*110.4*		*160.9*	*44.6*	*137.7*		*182.3*
unusual items and re-measurements	9	*-6.9*	*-159.3*		*-166.2*	*-10.0*	*-19.5*		*-29.5*
Income tax expense	8	5.0	-14.3		-9.3	1.5	-36.3		-34.8
Result from continuing operations		**48.6**	**-63.2**		**-14.6**	**36.1**	**81.9**		**118.0**
of which: current items		*49.5*	*80.1*		*129.6*	*42.7*	*98.2*		*140.9*
unusual items and re-measurements		*-0.9*	*-143.3*		*-144.2*	*-6.6*	*-16.3*		*-22.9*
RESULT FOR THE PERIOD		**48.6**	**-63.2**		**-14.6**	**36.1**	**81.9**		**118.0**

Attributable to:	Notes	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Equity holders of the Parent		48.8	-59.9	-11.1	36.4	77.6	114.0
of which: current items	9	*49.7*	*76.0*	*125.7*	*43.0*	*93.1*	*136.1*
unusual items and re-measurements		*-0.9*	*-135.9*	*-136.8*	*-6.6*	*-15.5*	*-22.1*
Non-controlling interests		-0.2	-3.3	-3.5	-0.3	4.3	4.0
RESULT FOR THE PERIOD		**48.6**	**-63.2**	**-14.6**	**36.1**	**81.9**	**118.0**

NOTE 3: SEGMENT INFORMATION (continued)

Note 3.3: Segment Statement of Financial Position - Operating Segments (At 31 December)

		2014			2013		
EUR million	Notes	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Goodwill	11	9.9	955.8	965.7	8.3	1,048.6	1,056.9
Other intangible assets	13	9.3	448.6	457.9	8.3	426.2	434.5
Property, plant and equipment	15	179.4	326.4	505.8	160.9	297.3	458.2
Investment property	16	6.7	-	6.7	4.8	-	4.8
Equity accounted investments	7	62.8	-	62.8	59.9	-	59.9
Available-for-sale financial assets	17	0.5	-	0.5	0.5	-	0.5
Held-to-maturity investments	14	-	-	-	9.7	-	9.7
Employee benefits	20	-	40.9	40.9	-	34.2	34.2
Deferred tax assets	21	1.4	51.4	52.8	0.1	41.5	41.6
Other receivables	22	22.4	2.3	24.7	21.2	2.4	23.6
Non-current assets		**292.4**	**1,825.4**	**2,117.8**	**273.7**	**1,850.2**	**2,123.9**
Non-current assets classified as held for sale	23	6.3	-	6.3	-	-	-
Inventories	24	323.3	285.4	608.7	285.0	254.3	539.3
Held-to-maturity investments	14	176.1	-	176.1	288.4	-	288.4
Derivative hedging instruments	18	-	1.5	1.5	-	0.6	0.6
Derivatives held for trading	19	3.3	0.9	4.2	5.9	1.5	7.4
Other financial assets	25	-	1.8	1.8	-	1.6	1.6
Current tax assets	26	0.2	6.7	6.9	-	9.2	9.2
Trade and other receivables	27	132.3	246.8	379.1	130.9	253.8	384.7
Cash and cash equivalents	28	54.9	29.9	84.8	163.1	36.5	199.6
Current assets		**696.4**	**573.0**	**1,269.4**	**873.3**	**557.5**	**1,430.8**
TOTAL ASSETS		988.8	2,398.4	3,387.2	1,147.0	2,407.7	3,554.7
Capital and reserves attributable to equity holders		1,644.2	-	1,644.2	1,723.6	-	1,723.6
Non-controlling interests		-0.8	1.4	0.6	-0.6	2.2	1.6
Equity		**1,643.4**	**1.4**	**1,644.8**	**1,723.0**	**2.2**	**1,725.2**
Employee benefits	20	8.4	51.9	60.3	7.4	19.8	27.2
Provisions	30	20.5	2.5	23.0	20.5	5.8	26.3
Loans and borrowings	31/32	6.2	733.3	739.5	102.9	590.1	693.0
Derivatives held for trading	19	-	2.7	2.7	-	14.1	14.1
Put options granted to non-controlling shareholders	33	75.2	-	75.2	89.0	-	89.0
Other payables	34	-	15.9	15.9	-	19.0	19.0
Deferred tax liabilities	21	17.8	20.4	38.2	21.1	17.3	38.4
Non-current liabilities		**128.1**	**826.7**	**954.8**	**240.9**	**666.1**	**907.0**
Provisions	30	-	34.5	34.5	-	3.5	3.5
Derivative hedging instruments	18	-	0.1	0.1	-	0.1	0.1
Loans and borrowings	31/32	106.7	32.5	139.2	151.9	178.1	330.0
Derivatives held for trading	19	0.4	7.8	8.2	-	1.3	1.3
Current tax liabilities	26	0.1	10.7	10.8	0.1	17.9	18.0
Trade and other payables	35	136.7	458.1	594.8	149.3	420.3	569.6
Current liabilities		**243.9**	**543.7**	**787.6**	**301.3**	**621.2**	**922.5**
TOTAL EQUITY AND LIABILITIES		2,015.4	1,371.8	3,387.2	2,265.2	1,289.5	3,554.7

NOTE 3: SEGMENT INFORMATION (continued)

Note 3.4: Segment Statement of Cash Flows - Operating Segments (Year ended 31 December)

		2014			2013		
EUR million	Notes	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Cash flows from operating activities - Continuing							
Result for the period		48.6	-63.2	-14.6	36.1	81.9	118.0
Income tax expense	8	-5.0	14.3	9.3	-1.5	36.3	34.8
Share of result of entities accounted for using the equity method, net of income tax	7	-0.9	-	-0.9	-0.5	-	-0.5
Net finance costs	6	7.2	25.0	32.2	8.9	38.7	47.6
Operating result from continuing operations		**49.9**	**-23.9**	**26.0**	**43.0**	**156.9**	**199.9**
Depreciation of other items	5	14.4	80.1	94.5	12.9	78.8	91.7
Amortisation of other intangible assets	5/9/13	2.5	34.2	36.7	2.5	31.4	33.9
Impairment losses on goodwill and other non-current assets	9/11/15	2.1	98.4	100.5	-	-	-
Other non-cash items	9	11.4	58.3	69.7	0.3	12.8	13.1
Employee benefits		-0.2	-6.6	-6.8	-0.4	-8.0	-8.4
Other cash items		-	-15.9	-15.9	-	-10.3	-10.3
Change in net working capital		-49.3	28.2	-21.1	4.2	0.7	4.9
Cash generated from operations		**30.8**	**252.8**	**283.6**	**62.5**	**262.3**	**324.8**
Income tax paid		-1.0	-22.2	-23.2	-0.8	-40.8	-41.6
Net cash from operating activities		**29.8**	**230.6**	**260.4**	**61.7**	**221.5**	**283.2**
Cash flows from investing activities - Continuing							
Purchase of fixed assets		-34.9	-99.3	-134.2	-18.1	-92.7	-110.8
Sale of fixed assets		7.7	2.6	10.3	0.4	4.3	4.7
Net capital expenditure		**-27.2**	**-96.7**	**-123.9**	**-17.7**	**-88.4**	**-106.1**
Acquisition of subsidiaries (net of cash acquired)	9/12	-20.0	-14.0	-34.0	-8.8	-51.5	-60.3
Contribution of cash to joint venture		-0.4	-	-0.4	-	-	-
Investment in held-to-maturity financial assets	14	121.9	-	121.9	-86.4	-	-86.4
Interest received		11.5	0.7	12.2	9.4	1.2	10.6
Net investment in other financial assets		-1.0	0.1	-0.9	-0.8	-0.2	-1.0
Net cash from investing activities		**84.8**	**-109.9**	**-25.1**	**-104.3**	**-138.9**	**-243.2**

NOTE 3: SEGMENT INFORMATION (continued)

Note 3.4: Segment Statement of Cash Flows - Operating Segments (Year ended 31 December) - continued

EUR million	Notes	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Cash flows from financing activities - Continuing							
Acquisition (-)/Disposal (+) of non-controlling interests	9	0.8	-	0.8	-35.7	-	-35.7
Net disposal/(acquisition) of treasury shares		-4.5	-	-4.5	-0.9	-	-0.9
Capital element of finance lease payments		-	-22.5	-22.5	-	-24.0	-24.0
Net change in other loans and borrowings		-153.0	-68.7	-221.7	-0.5	136.3	135.8
Inter-segment loan	9	-	-	-	130.0	-130.0	-
Interest paid		-22.1	-35.6	-57.7	-14.7	-33.0	-47.7
Dividends paid by Parent	29	-44.0	-	-44.0	-44.0	-	-44.0
Dividends received from/(paid by) subsidiaries		-	-	-	28.5	-30.0	-1.5
Net cash from financing activities		**-222.8**	**-126.8**	**-349.6**	**62.7**	**-80.7**	**-18.0**
TOTAL CASH FLOW FOR THE PERIOD		**-108.2**	**-6.1**	**-114.3**	**20.1**	**1.9**	**22.0**

EUR million	Notes	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Reconciliation with statement of financial position							
Cash at beginning of period	28	159.1	36.5	195.6	93.0	38.7	131.7
Cash equivalents at beginning of period	28	4.0	-	4.0	50.0	-	50.0
Cash and cash equivalents at beginning of period	28	**163.1**	**36.5**	**199.6**	**143.0**	**38.7**	**181.7**
Total cash flow for the period		-108.2	-6.1	-114.3	20.1	1.9	22.0
Translation differences		-	-0.5	-0.5	-	-4.1	-4.1
Cash and cash equivalents at end of period		**54.9**	**29.9**	**84.8**	**163.1**	**36.5**	**199.6**
Of which "Cash and cash equivalents"	*28*	*54.9*	*29.9*	*84.8*	*163.1*	*36.5*	*199.6*

Note 3.5: Other Segment Information - Operating Segments (Year ended 31 December)

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Capital additions (1)	56.5	131.3	187.8	25.9	166.8	192.7

(1) Capital additions include both additions and acquisitions through business combinations including goodwill.

Besides depreciation and amortisation of segment assets (which are provided in note 5), the charge arising from the long-term management incentive schemes is the other significant non-cash expense deducted in measuring segment result.

NOTE 3: SEGMENT INFORMATION (continued)

Note 3.6: Geographical Segment Information (Year ended 31 December)

The Group's two operating segments operate in three main geographical areas, being Belgium (main market for the Automobile Distribution segment), the rest of Europe and the rest of the world.

	2014				2013			
EUR million	Belgium	Rest of Europe	Rest of the world	Group	Belgium	Rest of Europe	Rest of the world	Group
Segment revenue from external customers [1]	2,577.4	1,520.3	1,443.9	5,541.6	2,555.3	1,583.7	1,331.5	5,470.5
Non-current assets [2]	240.6	1,071.8	648.4	1,960.8	217.8	1,163.6	596.6	1,978.0
Capital additions [3]	61.4	34.2	92.2	187.8	32.6	58.0	102.1	192.7

(1) Based on the geographical location of the customers.

(2) Non-current assets, as defined by IFRS 8, consists of goodwill, other intangible assets, property, plant and equipment, investment property and non-current other receivables.

(3) Capital additions include both additions and acquisitions through business combinations including goodwill.

NOTE 4: REVENUE

EUR million		2014	2013
New vehicles		2,316.5	2,319.3
Used cars		38.7	23.9
Spare parts and accessories		169.7	164.3
After-sales activities by D'Ieteren Car Centers		81.0	67.0
D'Ieteren Sport		26.0	25.2
Rental income under buy-back agreements		5.0	5.4
Other revenue		23.6	22.3
Subtotal Automobile Distribution		**2,660.5**	**2,627.4**
Vehicle Glass		**2,881.1**	**2,843.1**
REVENUE (EXTERNAL)		**5,541.6**	**5,470.5**
of which:	*sales of goods*	*2,717.5*	*2,698.7*
	rendering of services	*2,823.7*	*2,771.2*
	royalties	*0.4*	*0.6*

Interest income and dividend income (if any) are presented among net finance costs (see note 6).

NOTE 5: OPERATING RESULT

Operating result is stated after charging:

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Current items:						
Purchases and changes in inventories	-2,260.8	-707.3	-2,968.1	-2,268.4	-672.2	-2,940.6
Depreciation of other items (excl. investment property)	-14.0	-80.1	-94.1	-12.5	-78.8	-91.3
Amortisation (excl. re-measurements - see note 9)	-1.2	-22.6	-23.8	-0.6	-21.2	-21.8
Other operating lease rentals [1]	-3.6	-160.3	-163.9	-	-158.4	-158.4
Write-down on inventories	-4.1	-0.6	-4.7	1.6	-0.7	0.9
Employee benefit expenses (see note 36)	-155.0	-1,117.8	-1,272.8	-138.0	-1,086.0	-1,224.0
Research and development expenditure	-	-1.1	-1.1	-	-1.1	-1.1
Sundry [2]	-164.2	-642.8	-807.0	-159.3	-650.5	-809.8
Other operating expenses:						
Bad and doubtful debts	-7.0	-3.2	-10.2	-4.2	-0.8	-5.0
Loss on sale of property, plant and equipment	-0.1	-0.3	-0.4	-	-	-
Investment property expenses:						
Depreciation (see note 16)	-0.4	-	-0.4	-0.4	-	-0.4
Operating expenses [3]	-0.1	-	-0.1	-0.1	-	-0.1
Sundry	-0.6	0.3	-0.3	-0.2	-0.1	-0.3
Subtotal other operating expenses	-8.2	-3.2	-11.4	-4.9	-0.9	-5.8
Other operating income:						
Gain on sale of property, plant and equipment	-	-	-	-	0.2	0.2
Rental income from investment property [4]	1.6	-	1.6	0.9	-	0.9
Sundry	2.3	-	2.3	0.5	-	0.5
Subtotal other operating income	3.9	-	3.9	1.4	0.2	1.6
Subtotal current items	**-2,607.2**	**-2,735.8**	**-5,343.0**	**-2,580.7**	**-2,669.6**	**-5,250.3**
Unusual items and re-measurements (see note 9)	**-3.4**	**-169.2**	**-172.6**	**-3.7**	**-16.6**	**-20.3**
NET OPERATING EXPENSES	**-2,610.6**	**-2,905.0**	**-5,515.6**	**-2,584.4**	**-2,686.2**	**-5,270.6**

(1) Primarily hire of vehicles and other plant and equipment in relation with the business activity.

(2) Mainly relates to marketing and IT costs, legal and consultancy fees.

(3) The full amount is related to investment property that generated rental income.

(4) Does not include any contingent rent.

NOTE 6: NET FINANCE COSTS

Net finance costs are broken down as follows:

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Current items:						
Finance costs:						
Current interest expense	-9.7	-36.2	-45.9	-7.4	-37.5	-44.9
Net interest cost on pension (see note 20)	-0.1	0.6	0.5	-0.1	0.6	0.5
Other financial charges	-2.7	-	-2.7	-1.4	-	-1.4
Subtotal finance costs	-12.5	-35.6	-48.1	-8.9	-36.9	-45.8
Finance income	5.3	0.7	6.0	1.6	1.1	2.7
Current net finance costs	**-7.2**	**-34.9**	**-42.1**	**-7.3**	**-35.8**	**-43.1**
Unusual items and re-measurements (see note 9):						
Re-measurements of put options granted to non-controlling interests (see note 33)	2.7	-	2.7	1.1	-	1.1
Re-measurements of financial instruments [1]:						
Designated at fair value upon initial recognition	-2.7	9.9	7.2	-2.7	-2.9	-5.6
Unusual items and re-measurements	**-**	**9.9**	**9.9**	**-1.6**	**-2.9**	**-4.5**
NET FINANCE COSTS	**-7.2**	**-25.0**	**-32.2**	**-8.9**	**-38.7**	**-47.6**

(1) Change in "clean" fair value of derivatives corresponds to the change of "dirty" fair value (ie the change of value between the opening and the end of the period) excluding the accrued cash flows of the derivatives that occurred during the period.

NOTE 7: ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD

In 2014, three group entities are accounted for using the equity method.

EUR million	2014	2013
Interests in joint ventures	57.6	55.1
Interest in associate	5.2	4.8
Total of equity accounted investments	**62.8**	**59.9**
Share of profit in joint ventures	0.5	-
Share of profit in associate	0.4	0.5
Total of share of result after tax of equity accounted companies	**0.9**	**0.5**
of which: current items	4.4	5.2
unusual items and re-measurements	-3.5	-4.7

Joint Ventures

In 2014, two joint ventures are accounted for using the equity method.

Volkswagen D'Ieteren Finance (VDFin) is a joint venture, owned 50% minus one share by the Group and 50% plus one share by Volkswagen Financial Services (a subsidiary of the Volkswagen group), active in a full range of financial services related to the sale of the Volkswagen group vehicles on the Belgian market. This joint venture is operational since early 2012 with the contribution of D'Ieteren Lease s.a. (DIL), the former Group subsidiary active in operating leases, and of the Volkswagen Bank Belgium operations.

NOTE 7: ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD (continued)

The following table summarises the financial information of VDFin as included in its own financial statements, adjusted for differences in accounting policies, and also reconciles this summarised financial information to the carrying amount of the Group's interest in VDFin.

EUR million	2014	2013
Non-current assets	730.6	654.6
Current assets (excluding cash and cash equivalents)	337.9	333.4
Cash and cash equivalents	18.7	10.6
Non-current liabilities (excluding financial liabilities)	-7.8	-9.9
Non-current financial liabilities	-380.5	-319.6
Current liabilities (excluding financial liabilities)	-67.3	-55.4
Current financial liabilities	-519.9	-503.5
Net assets (100%)	111.7	110.2
Group's share of net assets (49.99%) and carrying amount of interest in joint venture	**55.8**	**55.1**
Revenue	264.6	267.7
Profit before tax	1.3	-0.8
of which: Current items	*11.9*	*13.5*
Result for the period (100%)	1.5	-
of which: Current items	*8.5*	*9.5*
Other comprehensive income (100%)	-	-
Total comprehensive income (100%)	1.5	-
Group's share of total comprehensive income (49.99%)	**0.7**	**-**
of which: current items	*4.2*	*4.7*
unusual items and re-measurements	*-3.5*	*-4.7*

Share of net assets represents the share of the Group in the equity of VDFin as at 31 December 2014. In the framework of the contribution in early 2012 of DIL to VDFin and in accordance with IFRS 3 "Business Combinations", customer contracts were recognised as an intangible asset with a finite useful life (EUR 38.9 million of initial gross amount net of deferred taxes; EUR 10.0 million of carrying amount as at 31 December 2014). The share of the Group in the amortisation after tax amounted to EUR 3.5 million (2013: EUR 4.7 million) and in accordance with the Group's accounting policies is accounted for in the Group's consolidated financial statements as a re-measurement.

In September 2014, the Parent and Continental AG have set up OTA Keys s.a., a joint venture owned 50% by the Group and 50% by Continental AG, bringing together their development activities around virtual key solutions. The contribution of the Group's development activities occurred in early September 2014, resulting in the recognition in current operating result of a consolidated gain of EUR 1.7 million. The following table summarises financial information for the Group's interest in this joint venture, based on the amounts reported in the financial statements of OTA Keys s.a.

EUR million	2014	2013
Group's share of net assets (50%) and carrying amount of interest in joint venture	1.8	-
Group's share of total comprehensive income (50%)	-0.2	-

NOTE 7: ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Associate

As from June 2012, new finance lease services to customers of the Automobile Distribution segment are provided by the joint venture VDFin. Services related to previous finance lease contracts are still provided by D'Ieteren Vehicle Trading (DVT) s.a., a 49%-owned associate.

The following table summarises the financial information of DVT as included in its own financial statements and also reconciles this summarised financial information to the carrying amount of the Group's interest in DVT. At year end, the Automobile Distribution's interest in the associate comprised:

EUR million	2014	2013
Non-current assets	24.4	45.2
Current assets	15.8	13.7
Non-current liabilities	-27.7	-46.2
Current liabilities	-1.9	-3.0
Net assets (100%)	10.6	9.7
Group's share of net assets (49%) and carrying amount of interest in associate	**5.2**	**4.8**
Revenue	13.1	19.7
Profit before tax	1.1	1.3
Result for the period (100%)	0.8	0.9
Group's share of result for the period (49%)	**0.4**	**0.5**

NOTE 8: INCOME TAX EXPENSE

Income tax expense is broken down as follows:

	2014			2013		
EUR million	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Current year income tax	-1.0	-17.0	-18.0	-0.6	-33.1	-33.7
Prior year income tax	-	1.1	1.1	-	0.8	0.8
Movement in deferred taxes	6.0	1.6	7.6	2.1	-4.0	-1.9
Income tax expense	**5.0**	**-14.3**	**-9.3**	**1.5**	**-36.3**	**-34.8**
of which: current items	*-1.0*	*-30.3*	*-31.3*	*-1.9*	*-39.5*	*-41.4*
unusual items and re-measurements (see note 9)	*6.0*	*16.0*	*22.0*	*3.4*	*3.2*	*6.6*

The relationship between income tax expense and accounting profit is explained below:

	2014			2013		
EUR million	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Result before taxes	43.6	-48.9	-5.3	34.6	118.2	152.8
Tax at the Belgian corporation tax rate of 33.99%	-14.8	16.6	1.8	-11.8	-40.2	-52.0
Reconciling items (sum of items marked (a) and (b) below)	19.8	-30.9	-11.1	13.3	3.9	17.2
Actual income tax on result before taxes	**5.0**	**-14.3**	**-9.3**	**1.5**	**-36.3**	**-34.8**

NOTE 8: INCOME TAX EXPENSE (continued)

The reconciling items are provided below:

		2014			2013		
EUR million		Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Current PBT		50.5	110.4	160.9	44.6	137.7	182.3
Tax at the Belgian corporation tax rate of 33.99%		-17.2	-37.5	-54.7	-15.2	-46.8	-62.0
Rate differential	(a)	-	2.7	2.7	-	5.4	5.4
Permanent differences	(a)	16.3	14.6	30.9	16.4	11.9	28.3
Utilisation of tax losses	(a)	0.9	-	0.9	0.1	-	0.1
Adjustments in respect of prior years	(a)	-	2.9	2.9	-	2.3	2.3
Deferred tax assets not recognised	(a)	-3.6	-10.5	-14.1	-3.8	-7.3	-11.1
Recognition of previously unrecognised deferred tax assets	(a)	1.4	-	1.4	-	-	-
Derecognition of previously recognised deferred tax assets	(a)	-	-2.4	-2.4	-	-5.0	-5.0
Impact of dividends	(a)	-0.3	-	-0.3	-1.4	-	-1.4
Joint ventures and associate	(a)	1.5	-	1.5	1.8	-	1.8
Other	(a)	-	-0.1	-0.1	0.2	-	0.2
Actual income tax on current PBT		**-1.0**	**-30.3**	**-31.3**	**-1.9**	**-39.5**	**-41.4**
Actual tax rate on current PBT		*2%*	*27%*	*19%*	*4%*	*29%*	*23%*
Unusual items and re-measurements in PBT		-6.9	-159.3	-166.2	-10.0	-19.5	-29.5
Tax at the Belgian corporation tax rate of 33.99%		2.3	54.1	56.4	3.4	6.6	10.0
Rate differential	(b)	-	0.6	0.6	-	-0.7	-0.7
Permanent differences	(b)	2.7	-30.2	-27.5	-	-	-
Deferred tax assets not recognised	(b)	2.7	-8.5	-5.8	1.9	-2.7	-0.8
Joint ventures and associate	(b)	-1.2	-	-1.2	-1.6	-	-1.6
Other	(b)	-0.5	-	-0.5	-0.3	-	-0.3
Actual income tax on unusual items and re-measurements in PBT		**6.0**	**16.0**	**22.0**	**3.4**	**3.2**	**6.6**

The tax relating to actuarial losses on employee benefits recognised in the consolidated statement of comprehensive income amounts to EUR 2.2 million. The actual tax rate is mainly driven by the difference in tax rates between the local statutory rates faced by the different countries in which the Group has established pension schemes and the Belgian corporation tax rate, and by the unrecognised deferred tax assets on actuarial losses in certain countries.

NOTE 9: UNUSUAL ITEMS AND RE-MEASUREMENTS

Each line of the statement of profit or loss, and each subtotal of the segment statement of profit or loss, is broken down in order to provide information on the current result and on unusual items and re-measurements. Unusual items and re-measurements comprise the following items:

(a) Recognised fair value gains and losses on financial instruments, excluding the accrued cash flows that occur under the Group's hedging arrangements, where hedge accounting is unable to be applied under IAS 39;

(b) Exchange gains and losses arising upon the translation of foreign currency borrowings at the closing rate;

(c) Re-measurement of financial liabilities resulting from put options granted to non-controlling interest as from 1 January 2010;

(d) Impairment of goodwill and other non-current assets;

(e) Amortisation of intangible assets with finite useful lives recognised in the framework of the allocation of the cost of a business combination as defined by IFRS 3;

(f) Other unusual items. They are material items that derive from events or transactions that fall within the ordinary activities of the Group, and which individually or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

All other items are recognised as part of the current result.

Current result after tax ("current PAT") consists of the reported result from continuing operations (or the result for the period when no discontinued operation is reported), excluding unusual items and re-measurements as defined above, and excluding their tax impact.

Current result before tax ("current PBT") consists of the reported result before tax excluding unusual items and re-measurements as defined above.

Current PAT, Group's share, and current PBT, Group's share, exclude the share of non-controlling shareholders in current PAT and current PBT.

Current result is a non-GAAP measure, i.e. its definition is not addressed by IFRS. The Group does not represent current result as an alternative to financial measures determined in accordance with IFRS. Current result as reported by the Group may differ from similarly titled measures by other companies. The Group uses the concept of current result to reflect its underlying performance.

NOTE 9: UNUSUAL ITEMS AND RE-MEASUREMENTS (continued)

In 2014 and 2013, the unusual items and re-measurements comprised:

EUR million	2014					2013				
	Automobile Distribution		Vehicle Glass		Group	Automobile Distribution		Vehicle Glass		Group
Unusual items and re-measurements										
Included in operating result	**-3.4**		**-169.2**		**-172.6**	**-3.7**		**-16.6**		**-20.3**
Re-measurements of financial instruments	*-*		*-10.3*	*(g)*	*-10.3*	*-*		*0.8*	*(g)*	*0.8*
Amortisation of customer contracts	*-*		*-10.1*	*(h)*	*-10.1*	*-*		*-9.0*	*(h)*	*-9.0*
Amortisation of brands with finite useful life	*-*		*-1.5*	*(i)*	*-1.5*	*-*		*-1.2*	*(i)*	*-1.2*
Amortisation of other intangibles with finite useful life	*-1.3*	*(a)*	*-*		*-1.3*	*-1.9*	*(a)*	*-*		*-1.9*
Impairment of goodwill and of non-current assets	*-2.1*	*(b)*	*-98.4*	*(j)*	*-100.5*	*-*		*-*		*-*
Other unusual items	*-*		*-48.9*	*(k)*	*-48.9*	*-1.8*	*(f)*	*-7.2*	*(k)*	*-9.0*
Included in net finance costs	**-**		**9.9**		**9.9**	**-1.6**		**-2.9**		**-4.5**
Re-measurements of financial instruments	*-2.7*	*(c)*	*9.9*	*(g)*	*7.2*	*-2.7*	*(c)*	*-2.9*	*(g)*	*-5.6*
Re-measurement of put options granted to non-controlling interests	*2.7*	*(d)*	*-*		*2.7*	*1.1*	*(d)*	*-*		*1.1*
Included in equity accounted result	**-3.5**	*(e)*	**-**		**-3.5**	**-4.7**	*(e)*	**-**		**-4.7**
Included in result before taxes (PBT)	**-6.9**		**-159.3**		**-166.2**	**-10.0**		**-19.5**		**-29.5**
of which: unusual items	*-*		*-48.9*		*-48.9*	*-1.8*		*-7.2*		*-9.0*
re-measurements	*-6.9*		*-110.4*		*-117.3*	*-8.2*		*-12.3*		*-20.5*

Automobile Distribution

(a) In the framework of the acquisition in July 2012 of the remaining 67% of S.M.A.R.T. & Clean Automotive Services s.a. (Wondercar, active in smart repairs on vehicles), a fair value adjustement was made in 2013 to the initial valuations. An intangible asset with a finite useful life was recognised and is being amortised on a straight-line basis over 3 years as from the acquisition date. The 2014 amortisation (in commercial and administrative expenses) amounted to EUR 1.3 million (2013: EUR 1.9 million).

(b) In the period, commercial and administrative expenses include an impairment charge of EUR 2.1 million on a property (corporately-owned car dealership in Brussels) following the implementation of the project announced on 27 February 2014.

(c) Net finance costs include re-measurements of financial instruments amounting to EUR -2.7 million (EUR -2.7 million in the prior period) arising from changes in the "clean" fair value of derivatives.

(d) Net finance costs include re-measurement income of put options granted to certain non-controlling shareholders (family holding company of Belron's CEO) amounting to EUR 2.7 million (EUR 1.1 million in the prior period). See note 33 of these consolidated financial statements for more information.

(e) In the period, the share of the Group in the re-measurements of entities accounted for using the equity method amounts to EUR -3.5 million (EUR -4.7 million in the prior period) and is related to the amortisation of an intangible asset with a finite useful life (customer contracts recognised in the framework of the contribution of D'Ieteren Lease's operating leases activities to Volkswagen D'Ieteren Finance – see note 7).

(f) In the prior period, other unusual items in operating result included various unusual costs (EUR 1.8 million in cost of sales and in commercial and administrative expenses) resulting from the termination of the light electrical two-wheeler distribution activity.

NOTE 9: UNUSUAL ITEMS AND RE-MEASUREMENTS (continued)

Vehicle Glass

(g) Cost of sales and net finance costs include re-measurements of financial instruments (fair value of fuel hedge instruments in cost of sales and fair value movements of the cross currency interest swaps in net finance costs – see note 19) amounting respectively to EUR -10.3 million (2013: EUR 0.8 million) and to EUR 9.9 million (2013: EUR -2.9 million) arising from changes in the "clean" fair value of derivatives.

(h) In the framework of recent acquisitions, certain customer contracts were recognised as intangible assets with a finite useful life. The 2014 amortisation (in commercial and administrative expenses) amounted to EUR 10.1 million (2013: EUR 9.0 million).

(i) Commercial and administrative expenses include the amortisation of brands with finite useful lives amounting to EUR 1.5 million (2013: EUR 1.2 million).

(j) In the period, other operating expenses comprise a goodwill impairment charge of EUR 98.4 million (EUR 89.0 million on the UK cash-generating unit and EUR 9.4 million on the China cash-generating unit) following the annual impairment test performed on every cash-generating unit. See note 11 for further information.

(k) In 2014, cost of sales, commercial and administrative expenses and other operating expenses comprise other unusual items (EUR 48.9 million) incurred in relation to:

- Restructuring charges and assets write-downs associated with a change to the UK business operating model (EUR 16.4 million). In response to the adverse market conditions, the Vehicle Glass segment is proposing to invest in a technological transformation of its UK business including moving from a branch and mobile network to a fully mobile operation. Administrative functions performed at branch level are proposed to be centralized while 23 warehouses and multiple small scale stock locations located closer to the end customer, will ensure the supply of glass to mobile units currently performed by the 73 branches operating today;

- The closure of the German specials business (EUR 10.3 million). In addition to its classical fitting business, the Vehicle Glass segment ran a separate activity offering glass repair and replacement for heavy commercial vehicles, notably buses and coaches. The profitability of this business deteriorated in recent years due to the contraction in this market segment and the decision was therefore been taken to close the business;

- Disposal and closure costs in China (EUR 7.5 million). The Vehicle Glass segment entered the Chinese market in 2009. Experience to date has shown that Belron's high business standards were not compatible with the carrying out of a profitable wholesale business in that region. Following the closure of 31 non-profitable locations, the Vehicle Glass segment's footprint in China will be concentrated on 8 branches;

- Restructuring in Italy (EUR 3.2 million). Following a decline in the Vehicle Glass repair and replacement market of circa 8% in 2014 and the decision of one of the major insurance partners to cease its collaboration and to establish its own network for fulfilling glass claims during the year, the Vehicle Glass segment has decided to implement a number of efficiency improvement measures. This will encompass merging the back offices of Carglass Italy and Doctor Glass, its franchise operation, as well as reducing administrative work in several branches thanks to the roll out of the new remote advisor system;

- Restructuring in the Netherlands (EUR 4.0 million). The Vehicle Glass repair and replacement market has halved in the last 5 years following the roll out of a new road surfacing technology that resulted in the Vehicle Glass breakage rate reverting to the European average while it was previously significantly higher. Profit improvement measures are currently being implemented both centrally and in the field operations;

- Integration costs relating to the acquisition of Guardian Glass Co. in the USA and Spain (EUR 6.7 million);

- Finalisation of a major transformation project in Canada (EUR 0.8 million).

In the prior period, other unusual items (EUR 7.2 million presented in other operating expenses) were incurred in relation to acquisition and integration costs in Canada.

NOTE 9: UNUSUAL ITEMS AND RE-MEASUREMENTS (continued)

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
From reported PBT to current PBT, Group's share:						
Reported PBT	43.6	-48.9	-5.3	34.6	118.2	152.8
Less: Unusual items and re-measurements in PBT	6.9	159.3	166.2	10.0	19.5	29.5
Current PBT	**50.5**	**110.4**	**160.9**	**44.6**	**137.7**	**182.3**
Less: Share of the group in tax on current result of equity accounted entities	1.8	-	1.8	2.2	-	2.2
Share of non-controlling interests in current PBT	0.2	-5.7	-5.5	0.3	-7.2	-6.9
Current PBT, Group's share	**52.5**	**104.7**	**157.2**	**47.1**	**130.5**	**177.6**
From current PBT, Group's share, to current PAT, Group's share:						
Current PBT, Group's share	52.5	104.7	157.2	47.1	130.5	177.6
Share of the group in tax on current result of equity accounted entities	-1.8	-	-1.8	-2.2	-	-2.2
Current tax, Group's share	-1.0	-28.7	-29.7	-1.9	-37.4	-39.3
Current PAT, Group's share	**49.7**	**76.0**	**125.7**	**43.0**	**93.1**	**136.1**

Comments Related to the Cash Flow Statement

The line "Acquisition of subsidiaries" for the year ended 31 December 2014 included, among other transactions, the business combinations disclosed in note 12.

In 2014, the line "Acquisition of non-controlling interest" included the cash inflow arising from the price adjustment received from a senior non-executive member of the Belron founding family in relation to the put options he exercised in March 2013 (see note 32 of the 2013 annual consolidated financial statements). In the prior period, this line included the cash outflow arising from the price paid in relation with this above mentioned transaction.

In 2014, in the Vehicle Glass segment, the line "Other non-cash items" included, among other amounts, the restructuring provision recognised at year-end (see above (k)).

In 2013, the inter-segment loan represented amounts lent by the Automobile Distribution segment to the Vehicle Glass segment, at arm's length conditions. This inter-segment loan was repaid in 2013 at the occasion of the refinancing of the Vehicle Glass segment (see note 31 – loan notes issued in September 2013).

In the Automobile Distribution segment, the variation of certain lines of the statement of financial position between 31 December 2014 and 31 December 2013 is explained by the impact of the business combinations performed during the first half of the year 2014 (see note 12 for more information).

NOTE 10: EARNINGS PER SHARE

Earnings per share ("EPS") are shown above on the face of the consolidated statement of profit or loss. Earnings per share for continuing operations ("Continuing EPS") are equal to EPS and are therefore not disclosed.

Basic and diluted EPS are based on the result for the period attributable to equity holders of the Parent, after adjustment for participating shares (each participating share confers one voting right and gives right to a dividend equal to one eighth of the dividend of an ordinary share). Current EPS and current continuing EPS, which do not include unusual items and re-measurements as defined in note 9, are presented to highlight underlying trading performance.

The weighted average number of ordinary shares in issue for the period is shown in the table below.

The Group has granted options to employees over ordinary shares of the Parent. Such shares constitute the only category of potentially dilutive ordinary shares.

The options over ordinary shares of the Parent increased the weighted average number of shares of the Parent in 2013 and 2014 as some option exercise prices were below the market share price. These options are dilutive.

The computation of basic and diluted EPS is set out below:

		2014	2013
Result for the period attributable to equity holders		-11.1	114.0
Adjustment for participating shares		0.1	-1.3
Numerator for EPS (EUR million)	(a)	-11.0	112.7
Current result for the period attributable to equity holders		125.7	136.1
Adjustment for participating shares		-1.4	-1.6
Numerator for current EPS (EUR million)	(b)	124.3	134.5
Result from continuing operations		-14.6	118.0
Share of non-controlling interests in result from continuing operations		3.5	-4.0
Result from continuing operations attributable to equity holders		-11.1	114.0
Adjustment for participating shares		0.1	-1.3
Numerator for continuing EPS (EUR million)	(c)	-11.0	112.7
Current result from continuing operations		129.6	140.9
Share of non-controlling interests in current result from continuing operations		-3.9	-4.8
Current result from continuing operations attributable to equity holders ("Current PAT, Group's share" as defined in note 9)		125.7	136.1
Adjustment for participating shares		-1.4	-1.6
Numerator for current continuing EPS (EUR million)	(d)	124.3	134.5
Weighted average number of ordinary shares outstanding during the period	(e)	54,349,038	54,409,660
Adjustment for stock option plans		107,722	166,027
Weighted average number of ordinary shares taken into account for diluted EPS	(f)	54,456,760	54,575,687
Result for the period attributable to equity holders			
Basic EPS (EUR)	**(a)/(e)**	**-0.20**	**2.07**
Diluted EPS (EUR)	**(a)/(f)**	**-0.20**	**2.06**
Basic current EPS (EUR)	(b)/(e)	2.29	2.47
Diluted current EPS (EUR)	(b)/(f)	2.28	2.46

NOTE 11: GOODWILL

EUR million	2014	2013
Gross amount at 1 January	1,061.0	1,046.2
Accumulated impairment losses at 1 January	-4.1	-4.1
Carrying amount at 1 January	1,056.9	1,042.1
Additions	6.5	47.2
Increase/(Decrease) arising from put options granted to non-controlling shareholders (see note 33)	-7.6	-6.8
Impairment losses	-98.4	-
Adjustments	-6.1	-10.0
Translation differences	14.4	-15.6
Carrying amount at 31 December	965.7	1,056.9
of which: gross amount	*1,068.2*	*1,061.0*
accumulated impairment losses	*-102.5*	*-4.1*

The additions arising from business combinations that occurred in the period are detailed in note 12.

The decrease arising from put options comprises the movement of goodwill recognised at year end to reflect the change in the exercise price of the remaining options granted to non-controlling shareholders and the carrying value of non-controlling interest to which they relate (see note 33). The adjustments result from subsequent changes in the fair value of the net assets in relation to the acquisitions performed in 2013 by both segments (see note 12).

NOTE 11: GOODWILL (continued)

The allocation of goodwill to cash-generating units is set out below (the allocation of other intangible assets with indefinite useful lives is set out in note 13):

EUR million	2014	2013
Automobile Distribution	**9.9**	**8.3**
Vehicle Glass		
United Kingdom	15.5	103.9
France	70.7	70.7
Italy	74.1	73.7
Germany	47.8	47.8
Canada	73.7	71.9
Holland	29.1	29.1
Belgium	27.1	27.1
Australia	26.9	26.9
United States	147.5	138.0
Spain	26.7	24.1
Norway	7.8	7.9
New Zealand	6.4	6.4
Greece	0.2	0.2
Sweden	7.8	7.4
Switzerland	2.1	2.1
Portugal	1.5	1.2
Denmark	5.2	5.2
Brazil	18.1	18.5
China	-	8.5
Russia	5.5	7.6
Turkey	3.4	4.1
Austria	0.3	0.3
Ireland	0.1	0.1
Hungary	0.4	0.4
Total of cash-generating units at the level of Belron	597.9	683.1
Allocated to the Vehicle Glass segment as a whole	357.9	365.5
Subtotal Vehicle Glass	**955.8**	**1,048.6**
GROUP	**965.7**	**1,056.9**

Goodwill is monitored at the operating segment level for business combinations and transactions performed by the Parent and at the country level for business combinations performed by Belron s.a. and its subsidiaries.

The goodwill allocated to the Vehicle Glass segment as a whole comes from the acquisition of Belron by the Group in 1999, from the transactions entered into with the non-controlling shareholders of Belron since 1999, and from the recognition of the put options granted to non-controlling shareholders of Belron following the introduction of IAS 32 from 1 January 2005 onwards (see note 33).

In accordance with the requirements of IAS 36 "Impairment of Assets", the Group completed a review of the carrying value of goodwill and of the other intangible assets with indefinite useful lives (see note 13) as at each year end. The impairment review, based on the value in use calculation, was carried out to ensure that the carrying value of the Group's assets are stated at no more than their recoverable amount, being the higher of fair value less costs to sell and value in use.

The Vehicle Glass segment completed this review for each of its cash-generating units (being the different countries where it operates). In 2014, this review has led to a goodwill impairment charge of EUR 89.0 million in relation to the UK cash-generating unit. The impairment charge was primarily driven by lower cash flows reflecting the exceptionally challenging market conditions in the country. The recoverable amount of UK assets (post impairment) is viewed as being equal to the value in use. There was also a goodwill impairment charge of EUR 9.4 million in relation to the China cash-generating unit, reflecting the full write-down of the goodwill. The future business model for China remains uncertain and at this point whilst the feasibility of operating in this market is explored it is not possible to project positive cash flows with any certainty. Both impairment charges are presented as a re-measurement in the operating result (see note 9). In 2013, this review had led to no impairment in any of the cash-generating units.

NOTE 11: GOODWILL (continued)

In determining the value in use of each cash-generating unit, the Vehicle Glass segment calculated the present value of the estimated future cash flows expected to arise from the continuing use of the assets using a specific pre-tax discount rate reflecting the risk profile of the identified cash-generating unit. This pre-tax discount rate is based upon the weighted average cost of capital of each cash-generating unit with appropriate adjustment for the relevant risks associated with the businesses and with the underlying country ("country risk premium"). Estimated future cash flows are based on projected long-term plans approved by management for each cash-generating unit, with extrapolation thereafter (terminal value) based on a long-term average growth rate. This growth rate is set at 2% (2013: 2%) for all the cash-generating units. The projected long-term plans cover a five-year period, except for Brazil, China, Russia and Turkey where a period of up to thirteen years was used due to the very recent entry of the Vehicle Glass segment in these emerging countries and their high growth potential. Together, these countries represent a total goodwill of EUR 27 million, not significant at Group level.

The pre-tax discount rates applied to the cash flow projections for the major cash-generating units are:

Pre-tax discount rate	2014	2013
United Kingdom	8.2%	9.6%
France	7.9%	9.9%
Italy	9.1%	12.0%
Germany	7.2%	9.4%
Canada	8.1%	9.4%
Holland	6.5%	8.4%
Belgium	7.9%	9.9%
Australia	9.7%	11.6%
United States	9.7%	11.1%
Spain	9.3%	12.6%
China	11.0%	12.4%
Brazil	25.6%	25.2%
Greece	19.5%	23.5%
Others	from 6.3% to 23.8%	from 7.2% to 19.6%

The Board of Directors of the Parent also reviewed the carrying amount of its investment in Belron. In determining the value in use, the Parent calculated the present value of the estimated future cash flows expected to arise, based on Belron's latest five years plan reviewed by the Board of Directors, with extrapolation thereafter (terminal growth rate of 2% in 2014 and 2013). The discount rate applied (pre-tax rate of 7.8% in 2014 and of 9.6% in 2013) is based upon the weighted average cost of capital of the Vehicle Glass segment. The Board of Directors of the Parent is satisfied that the carrying amount of the Vehicle Glass cash-generating unit is stated at no more than its value in use.

Key assumptions of the financial projections in supporting the value of goodwill and intangible assets with indefinite useful lives include revenue growth rates, operating margins, long-term growth rates and segment share. A set of financial projections were prepared for each cash-generating unit, starting with the budget numbers for 2015. For 2016 and following, an assumption of no market growth or decline has been made in the developed markets and of continued market growth in emerging markets. An assumption of stable or increasing margins has been made in line with the revenue growth assumptions. The assumptions on revenue growth are consistent with historical long-term trends.

Future cash flows are estimates that may be revised in future periods as underlying assumptions change. Should the assumptions vary adversely in the future, the value in use of goodwill and intangible assets with indefinite useful lives may reduce below their carrying amounts. Based on current valuations, headroom appears to be sufficient for most cash-generating units to comfortably absorb a normal variation in the underlying assumptions, except for the United Kingdom and Brazil where headroom is tighter.

Additional impairment charge Group's share in EUR million	United Kingdom	Brazil	Total
Decrease in margins of 50 basis points	-20.7	-0.7	-21.4
Increase in the discount rate of one percentage point	-17.3	-0.9	-18.2
Decrease in the long-term growth rate of one percentage point	-8.2	-	-8.2

At year end, the carrying value of Brazil is supported by the latest long term financial projections. However, given the market context in that country, the predictability of key assumptions is low and these may evolve significantly favorably or unfavorably in the future. As a result and taking into account the fact that the carrying amount of Brazilian assets is close to their recoverable amount, there is a risk that these assets may be impaired in the future. At year-end, the net book value of non-current assets (including goodwill) amounts to EUR 26 million and represents the maximum exposure to future potential impairment charge.

NOTE 12: BUSINESS COMBINATIONS

During the period, the Group made the following acquisitions:

- On 1 January 2014, Belron acquired the assets of António Fernandes da Silva & Filhos, Lda., a fitting business in Portugal.
- On 2 January 2014, Belron acquired the assets of Fernando Miguel Granadino Gonzalez, a fitting business in Spain.
- On 7 January 2014, Belron acquired the assets of Chiclana Glass S.L., a fitting business in Spain.
- On 15 January 2014, Belron acquired the assets of Vidre Cotxe Gava S.L., a fitting business in Spain.
- On 23 January 2014, the Automobile Distribution segment acquired 100% of the shares of Beerens n.v., and the real estate of two of its dealerships, which operates dealerships distributing the Volkswagen group's makes in Belgium.
- On 10 February 2014, Belron acquired the assets of Vakirtzis Mixalis, a fitting business in Greece.
- On 19 March 2014, Belron acquired the assets of Markas Brothers General Partnership, a fitting business in Greece.
- On 31 March 2014, Belron acquired the assets of Nova Scotia Ltd., a fitting business in Canada (independently owned former Apple® franchisee).
- On 22 May 2014, the Automobile Distribution segment acquired 100% of the shares of Autobedrijf Y&N Claessens b.v.b.a. and of Quattro'to n.v which operate dealerships distributing the Volkswagen group's makes in Belgium.
- On 31 May 2014, Belron acquired the assets of Laminados Aliaga S.L., a fitting business in Spain.
- On 31 May 2014, Belron acquired 100% of the shares of City Glass Cristaleria del Automovil S.L., a fitting business in Spain.
- On 31 May 2014, Belron acquired 100% of the shares of Glass Movil S.L., a fitting business in Spain.
- On 10 June 2014, Belron acquired the assets of Teriör AB, a fitting business in Sweden.
- On 29 August 2014, Belron acquired the assets of Eriksbergs Glas AB, a fitting business in Sweden.
- On 31 October 2014, Belron acquired the assets of Santa Fe Auto Glass, a fitting business in the United States.
- On 28 November 2014, Belron acquired 100% of the shares of Lang's Glass (Richmond) Ltd, a fitting business in Canada.

The additional revenue arising subsequent to these acquisitions amounts approximately to EUR 29 million (approximately EUR 44 million if they had occurred on the first day of the period). The results arising subsequent to these acquisitions (even if they had occurred on the first day of the period) are not considered material to the Group and accordingly are not disclosed separately.

NOTE 12: BUSINESS COMBINATIONS (continued)

The details of the net assets acquired, goodwill and consideration of the acquisitions are set out below:

EUR million	*Automobile Distribution*	*Vehicle Glass*	Total provisional fair value[1]
Other intangibles	*0.1*	*0.2*	0.3
Property, plant & equipment	*19.7*	*0.3*	20.0
Inventories	*14.5*	*0.2*	14.7
Trade and other receivables	*7.5*	*0.1*	7.6
Cash and cash equivalents	*6.0*	-	6.0
Non-current loans and borrowings	*-4.6*	-	-4.6
Deferred tax liabilities	*-1.7*	-	-1.7
Current loans and borrowings	*-6.4*	-	-6.4
Current tax liabilities	*-0.1*	-	-0.1
Trade and other payables	*-10.7*	*-0.2*	-10.9
Net assets acquired	***24.3***	***0.6***	**24.9**
Goodwill (see note 11)			6.5
CONSIDERATION			**31.4**
Consideration satisfied by:			
Cash payment			29.5
Estimation of fair value of the deferred consideration payable in the future			1.4
Contingent consideration			0.5
			31.4

(1) The fair values are provisional since the integration process of the acquired entities and businesses is still ongoing.

The goodwill recognised above reflects the expected synergies and other benefits resulting from the combination of the acquired activities with those of the Automobile Distribution and Vehicle Glass segments.

The fair value of the trade and other receivables amounts to EUR 7.6 million and it is expected that the full amount can be collected.

The goodwill on the 2013 acquisitions was decreased by EUR 6.1 million reflecting fair value adjustments made to the initial valuations disclosed in note 12 of the 2013 Consolidated Financial Statements. This decrease of the 2013 goodwill mainly reflects the increase in the fair value of the net assets acquired (EUR 7.6 million of which EUR 5.2 million are related to the recognition of intangible assets with finite useful lives).

NOTE 13: OTHER INTANGIBLE ASSETS

Goodwill is analysed in note 11. All other intangible assets have finite useful lives, unless otherwise specified.

EUR million	Other licenses and similar rights	Brands (with finite and indefinite useful lives)	Customer contracts	Computer software	Other	Total
Gross amount at 1 January 2014	0.4	349.1	68.5	190.0	3.8	611.8
Accumulated amortisation and impairment losses at 1 January 2014	-0.4	-23.4	-44.1	-107.5	-1.9	-177.3
Carrying amount at 1 January 2014	**-**	**325.7**	**24.4**	**82.5**	**1.9**	**434.5**
Additions:						
Items separately acquired	-	-	-	37.6	-	37.6
Disposals	-	-	-	-0.2	-	-0.2
Amortisation	-	-1.5	-10.1	-23.8	-1.3	-36.7
Transfer from (to) another caption	-	0.5	4.7	-	-	5.2
Items acquired through business combinations	-	-	0.2	0.1	-	0.3
Translation differences	-	11.3	2.2	3.7	-	17.2
Carrying amount at 31 December 2014	**-**	**336.0**	**21.4**	**99.9**	**0.6**	**457.9**
of which: gross amount	*0.4*	*361.9*	*81.1*	*234.1*	*4.0*	*681.5*
accumulated amortisation and impairment losses	*-0.4*	*-25.9*	*-59.7*	*-134.2*	*-3.4*	*-223.6*
Gross amount at 1 January 2013	0.4	348.7	64.2	170.2	0.3	583.8
Accumulated amortisation and impairment losses at 1 January 2013	-0.4	-22.5	-36.7	-93.7	-0.3	-153.6
Carrying amount at 1 January 2013	**-**	**326.2**	**27.5**	**76.5**	**-**	**430.2**
Additions:						
Items separately acquired	-	-	-	30.4	-	30.4
Disposals	-	-	-	-0.1	-	-0.1
Amortisation	-	-1.2	-9.0	-21.8	-1.9	-33.9
Transfer from (to) another caption	-	1.4	3.2	-	3.8	8.4
Items acquired through business combinations	-	2.7	3.8	0.2	-	6.7
Translation differences	-	-3.4	-1.1	-2.7	-	-7.2
Carrying amount at 31 December 2013	**-**	**325.7**	**24.4**	**82.5**	**1.9**	**434.5**
of which: gross amount	*0.4*	*349.1*	*68.5*	*190.0*	*3.8*	*611.8*
accumulated amortisation and impairment losses	*-0.4*	*-23.4*	*-44.1*	*-107.5*	*-1.9*	*-177.3*

In 2014, the transfer from another caption is related to the fair value adjustments made to the initial valuations of the 2013 business combinations, with the recognition of intangible assets with finite useful lives.

In the Vehicle Glass segment, the brands CARGLASS® and AUTOGLASS®, acquired in 1999, as well as SAFELITE® AUTO GLASS acquired in 2007, have indefinite useful lives, since, thanks to the marketing spend and advertising made, there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows for the Group. The following brands are not considered to have indefinite useful lives, since there is a limit to the period over which they are expected to generate cash inflows. They are therefore amortised on their remaining useful life on a straight-line basis.

- Giant Glass acquired in 2012 – Fully amortised by 2017;
- Windshield World, Klein Dickert and Southern Glass acquired in 2012 – Fully amortised by 2015;
- Doctor Glass acquired in 2013 – Fully amortised by 2016;
- Royal Glass and Michigan Mobile acquired in 2013 – Fully amortised by 2016;
- Guardian Glass acquired in 2013 – Fully amortised by 2015.

NOTE 13: OTHER INTANGIBLE ASSETS (continued)

The 2014 amortisation (in commercial and administrative expenses) amounted to EUR 1.5 million (2013: EUR 1.2 million). The carrying value of the brands with a finite useful life at 31 December 2014 amounted to EUR 2.1 million (2013: EUR 3.0 million), whilst the carrying amount of brands with indefinite useful life amounted to EUR 333.9 million (2013: EUR 322.7 million). The increase in brands with indefinite useful life reflects foreign currency revaluation as at 31 December 2014.

The allocation of brands (with indefinite useful lives) to cash-generating units in the Vehicle Glass segment is set out below:

EUR million	2014	2013
United Kingdom	67.9	67.9
France	61.9	61.9
Germany	34.8	34.8
Holland	24.2	24.2
Belgium	18.1	18.1
Canada	15.3	15.3
United States	99.4	88.2
Spain	9.1	9.1
Portugal	2.9	2.9
Italy	0.3	0.3
Carrying amount of brands	333.9	322.7

The other disclosures required by IAS 36 for intangible assets with indefinite useful lives are provided in note 11.

NOTE 14: HELD-TO-MATURITY INVESTMENTS

In the Automobile Distribution segment, held-to-maturity investments for a total amount of EUR 176.1 million (2013: EUR 298.1 million) comprise long-term (nil in 2014; 2013: EUR 9.7 million) and short-term investments (2014: EUR 176.1 million; 2013: EUR 288.4 million) in corporate commercial papers and sovereign debts with high credit ratings. These investments have been building up notably with the proceeds of the sale of the Avis Europe shares and with the net cash inflow arising from the set-up of Volkswagen D'Ieteren Finance (VDFin) and the contribution to VDFin of all the D'Ieteren Lease shares. The decrease during the period is partly due to the reimbursement in December 2014 of a bond of EUR 150.0 million (see note 31).

In the prior period, the fair value of non-current held-to-maturity investments amounted to EUR 9.9 million. The fair value of current held-to-maturity investments approximates their carrying amount.

NOTE 15: PROPERTY, PLANT AND EQUIPMENT

EUR million	Property	Plant and equipment	Assets under construction	Total
Gross amount at 1 January 2014	426.1	667.5	9.5	1,103.1
Accumulated depreciation and impairment losses at 1 January 2014	-208.3	-436.6	-	-644.9
Carrying amount at 1 January 2014	**217.8**	**230.9**	**9.5**	**458.2**
Additions	25.7	79.0	16.5	121.2
Disposals	-3.2	-3.9	-5.0	-12.1
Depreciation	-21.2	-72.1	-0.8	-94.1
Impairment (see note 9)	-2.1	-	-	-2.1
Transfer from (to) another caption	-0.3	2.9	-6.7	-4.1
Items acquired through business combinations	15.1	4.9	-	20.0
Translation differences	5.9	12.9	-	18.8
Carrying amount at 31 December 2014	**237.7**	**254.6**	**13.5**	**505.8**
of which: gross amount	*462.0*	*764.1*	*13.5*	*1,239.6*
accumulated depreciation and impairment losses	*-224.3*	*-509.5*	*-*	*-733.8*
Gross amount at 1 January 2013	410.0	648.9	5.4	1,064.3
Accumulated depreciation and impairment losses at 1 January 2013	-193.2	-414.7	-	-607.9
Carrying amount at 1 January 2013	**216.8**	**234.2**	**5.4**	**456.4**
Additions	15.3	75.2	7.6	98.1
Disposals	-0.9	-5.0	-	-5.9
Depreciation	-21.0	-69.5	-0.8	-91.3
Transfer from (to) another caption	2.4	0.9	-2.7	0.6
Items acquired through business combinations	9.0	3.2	-	12.2
Translation differences	-3.8	-8.1	-	-11.9
Carrying amount at 31 December 2013	**217.8**	**230.9**	**9.5**	**458.2**
of which: gross amount	*426.1*	*667.5*	*9.5*	*1,103.1*
accumulated depreciation and impairment losses	*-208.3*	*-436.6*	*-*	*-644.9*

In 2014, the transfers from (to) another caption are related to the fair value adjustments made to the initial valuations of the 2013 business combinations and to the presentation as non-current assets classified as held for sale (see note 23) of buildings previously used for automobile distribution activities.

At 31 December 2014 and at 31 December 2013, assets under construction included property under construction in the Automobile Distribution segment.

Assets held under finance leases (mainly vehicles) are included in the above at the following amounts:

EUR million	Property	Plant and equipment	Assets under construction	Total
31 December 2014	**-**	**51.4**	**-**	**51.4**
31 December 2013	-	48.7	-	48.7

NOTE 16: INVESTMENT PROPERTY

EUR million		2014	2013
Gross amount at 1 January		12.8	12.7
Accumulated depreciation at 1 January		-8.0	-7.6
Carrying amount at 1 January		4.8	5.1
Additions		2.2	0.1
Depreciation		-0.4	-0.4
Transfer from (to) another caption		0.1	-
Carrying amount at 31 December		6.7	4.8
of which:	*gross amount*	*14.7*	*12.8*
	accumulated depreciation	*-8.0*	*-8.0*
Fair value		18.7	10.1

The fair value is supported by market evidence, and is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification, and who has recent experience in the location and category of the investment property held by the Group. The latest valuations were performed in March 2014.

All items of investment property are located in Belgium and are held by the Automobile Distribution segment.

See also notes 5 and 39 for other disclosures on investment property.

NOTE 17: AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (i) loans and receivables, (ii) held-to-maturity investments or (iii) financial assets held for trading.

	2014		2013	
EUR million	Carrying amount	Fair value	Carrying amount	Fair value
Sundry	0.5	0.5	0.5	0.5
Total available-for-sale financial assets	0.5	0.5	0.5	0.5

In 2014 and 2013, available-for-sale financial assets comprise non-controlling interests in non-listed companies (measured at cost, being an approximation of their fair value) held by the Automobile Distribution segment. They are considered as non-current assets, and are not expected to be realised within 12 months. However, some or all of them could be disposed of in the near future, depending on opportunities.

NOTE 18: DERIVATIVE HEDGING INSTRUMENTS

Derivative hedging instruments are derivatives that meet the strict criteria of IAS 39 for application of hedge accounting. They provide economic hedges against risks faced by the Group (see note 38).

Derivative hedging instruments are classified in the statement of financial position as follows:

EUR million	2014	2013
Current assets	1.5	0.6
Current liabilities	-0.1	-0.1
Net derivative hedging instruments	**1.4**	**0.5**

Derivative hedging instruments are analysed as follows:

EUR million	2014	2013
Forward foreign exchange contracts (non-debt derivatives)	1.4	0.5
Net derivative hedging instruments	**1.4**	**0.5**

In 2014 and in 2013, all derivative hedging instruments belong to the Vehicle Glass segment.

- Forward foreign exchange contracts were used to hedge the cost of future payables where those payables are denominated in a currency other than the functional currency of the purchasing entity. The hedging instruments are primarily used to hedge material purchases in Australian Dollars and US Dollars. These contracts qualify for hedge accounting and are classified as cash flow hedges. These will occur within one year of the date of the consolidated statement of financial position and are expected to impact the consolidated statement of profit or loss during the same year. The total notional amount of these contracts is EUR 23.2 million equivalent (2013: EUR 32.2 million) and the total fair value designated as effective cash flow hedges is an asset of EUR 1.4 million (2013: an asset of EUR 0.5 million). The amount released from equity (2014: gain of EUR 1.4 million; 2013: gain of EUR 0.4 million) during the period is included in the initial costs of inventories.

- As part of its net investment hedge policy, the Vehicle Glass segment also used currency denominated borrowings to hedge its exposure of a proportion of its non-EUR denominated net assets against changes in value due to changes in foreign exchange rates. The carrying value of these borrowings is EUR 536.9 million (2013: EUR 420.0 million).

The non-current portion of the derivative hedging instruments is expected to be settled after more than 12 months; the current portion within 12 months.

The fair values are determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions at the balance sheet date. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date.

The notional principal amounts of the outstanding derivative hedging instruments are as follows:

EUR million	2014	2013
Forward foreign exchange contracts (non-debt derivatives)	23.2	32.2

NOTE 19: DERIVATIVES HELD FOR TRADING

Derivatives held for trading are derivatives that do not meet the strict criteria of IAS 39 for application of hedge accounting. They however provide economic hedges against risks faced by the Group (see note 38).

Derivatives held for trading are classified in the statement of financial position as follows:

EUR million	2014	2013
Current assets		
Debt derivatives		
Interest rate swaps	4.2	5.9
Non-debt derivatives		
Fuel hedge instruments	-	1.5
Subtotal	**4.2**	**7.4**
Non-current liabilities		
Debt derivatives		
Interest rate swaps	-2.7	-14.1
Subtotal	**-2.7**	**-14.1**
Current liabilities		
Debt derivatives		
Interest rate swaps	-0.6	-0.2
Forward foreign exchange contracts	-	-1.1
Non-debt derivatives		
Fuel hedge instruments	-7.6	-
Subtotal	**-8.2**	**-1.3**
NET DERIVATIVES HELD FOR TRADING	**-6.7**	**-8.0**

In the Vehicle Glass segment, a combination of options, collars and swaps (collectively “fuel hedge instruments”) was used to hedge the price of fuel purchases. The fair value of fuel hedge instruments is determined using market valuations prepared by the respective banks that executed the initial transactions at the statement of financial position date based on the present value of the monthly forward futures curve for gasoline given the volume hedged and the contract period. In the prior period, forward foreign exchange contracts were also used to match currency inflows and outflows and to swap currency balances to minimise cash pooling interest.

In 2014 and in 2013, cross currency interest rate swaps were used in the Vehicle Glass segment to hedge the future US Dollar denominated cash flows of certain US loan notes. In accordance with IFRS 13 “Fair Value Measurement” the carrying amount of these instruments as at 31 December 2014 has been increased by EUR 0.3 million (2013: reduced by EUR 1.6 million).

The fair values are determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions at the balance sheet date. The fair value of cross currency interest rate swaps and interest rate swaps is calculated as the present value of future estimated cash flows. The fair value of interest rate caps is valued using option valuation techniques. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date. The fair value of forward rate agreements is calculated as the present value of future estimated cash flows.

The notional principal amounts of the outstanding derivatives held for trading are as follows:

EUR million	2014	2013
Interest rate swaps	360.3	350.3
Forward foreign exchange contracts and options	-	78.3
“Fuel hedge instruments”	18.9	21.7

NOTE 20: EMPLOYEE BENEFITS

Long-term employee benefits include post-employment employee benefits and other long-term employee benefits. Post-employment employee benefits are analysed below. Other long-term employee benefits are presented among non-current provisions or non-current other payables, and, if material, separately disclosed in the relevant note.

Post-employment benefits are limited to retirement benefit schemes. Where applicable, Group entities contribute to the relevant state pension schemes. Certain Group entities operate schemes which provide retirement benefits, including those of the defined benefit type, which are in most cases funded by investments held outside the Group. The disclosures related to defined contribution schemes are provided in note 36.

The Group has established pension schemes for its employees in various locations. The major schemes are located in Belgium, the United Kingdom, the Netherlands, Canada and the United States. The schemes in Belgium relate to the Automobile Distribution segment and are funded and unfunded. All the others concern the Vehicle Glass segment and are mainly funded. Independent actuarial valuations for the plans in these countries are performed as required. The Group is and has always been fully compliant with all local governance and funding requirements.

The overall investment policy and strategy for the Group's defined benefit schemes is guided by the objective of achieving an investment return, which together with contributions, ensures that there will be sufficient assets to pay pension benefits as they fall due while also mitigating the various risks of the plans. The investment strategies for the plans are managed under local laws and regulations in each jurisdiction. The actual asset allocation is determined by the current and expected economic and market conditions and in consideration of specific asset class risk and risk profile. In addition consideration is given to the maturity profile of scheme liabilities. With the exception of the scheme in the Netherlands, there are no asset-liability matched assets. The decision to purchase any asset-liability matched assets would be independently determined by the responsible governance body in each country.

The Group operates one defined benefit scheme in Belgium that was closed to new members in 2005. The retirement capital plan accrues a percentage of annual salary inflated to the point of retirement subject to a maximum of 4.0%. A full actuarial valuation of the plan was carried out in December 2013 by a qualified independent actuary. Full IAS19 measurements are carried out every three years and roll-forwards are performed in the meantime.

The Group operates one defined benefit scheme in the United Kingdom that was closed to new members in 2003 and 2011. The retirement capital plan accrues a percentage of annual salary inflated to the point of retirement subject to a maximum of 5%. A full actuarial valuation of the UK Plan was carried out as at 31 March 2014 and updated to 31 December 2014 by a qualified independent actuary. Funding valuations are carried out every three years which determine the contribution requirement to the Plan. The pension plan is governed by a set of trustees, some of who are appointed by the Group and some by the members.

The Group operates several defined benefit schemes in Canada. Two of these plans are closed to new members. The last full actuarial valuations of all these plans were last carried out as at 31 December 2013. All of these valuations were updated to 31 December 2014 by a qualified independent actuary. A full valuation of the plans is carried out every three years.

The Group operates one defined benefit arrangement in the Netherlands. Up to 1 January 2006 a final pay pension plan was in place. Pension rights accrued under this scheme are held through a contract with the insurance company. Since 1 January 2006 an average pay plan is in place and the employer has a contract with an insurance company to cover the new plan pension benefits. An actuarial valuation of the Dutch plan was carried out as at 31 December 2014 for the purpose of the accounts by a qualified independent actuary. A full valuation of the Plan assets and liabilities is performed every year.

The Group operates one defined benefit scheme in the United States, closed to future accrual. A full valuation was carried out by a qualified independent actuary on 31 December 2013. This was updated to the 31 December 2014 by a qualified independent actuary. The pension plan is governed by a retirement plan committee all of whom are appointed by the Group. A full valuation of the Plan assets and liabilities is performed every year.

The Group recognises all actuarial gains and losses directly in Consolidated Statement of Comprehensive Income.

NOTE 20: EMPLOYEE BENEFITS (continued)

The main actuarial assumptions are as follows (ranges are provided given the plurality of schemes operated throughout the Group):

	Funded schemes				Unfunded schemes			
	2014		2013		2014		2013	
	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Inflation rate	1.5%	3.2%	2.0%	3.5%	n.s.	n.s.	2.0%	2.0%
Discount rate	1.4%	3.7%	2.6%	4.7%	n.s.	n.s.	0.2%	2.9%
Rate of salary increases	1.0%	4.9%	1.0%	5.2%	2.4%	2.4%	2.1%	2.1%
Rate of pension increases	1.5%	3.1%	2.0%	3.5%	0.3%	0.3%	0.2%	0.2%
Life expectancy of male pensioner	21.1	22.9	21.1	23.4				
Life expectancy of female pensioner	23.7	26.3	22.9	26.3				
Life expectancy of male non-pensioner	39.8	44.6	40.0	45.2				
Life expectancy of female non-pensioner	43.5	46.3	42.3	47.0				

The weighted average duration of the liabilities across the plans ranges from 9 to 22 years.

The amounts recognised in the statement of financial position are summarised as follows:

EUR million	2014	2013
Long-term employee benefit assets	40.9	34.2
Long-term employee benefit obligations	-60.3	-27.2
Recognised net deficit (-) / surplus (+) in the schemes	**-19.4**	**7.0**
of which: amount expected to be settled within 12 months	*-0.8*	*-0.7*
amount expected to be settled in more than 12 months	*-18.6*	*7.7*

The amounts recognised in the statement of financial position are analysed as follows:

	2014			2013		
EUR million	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Present value of defined benefit obligations	-579.3	-8.1	-587.4	-463.3	-4.4	-467.7
Fair value of scheme assets	568.0	-	568.0	477.9	-	477.9
Net deficit (-) / surplus (+) in the schemes	**-11.3**	**-8.1**	**-19.4**	**14.6**	**-4.4**	**10.2**
Asset ceiling restriction	-	-	-	-3.2	-	-3.2
Net deficit (-) / surplus (+) in the schemes	**-11.3**	**-8.1**	**-19.4**	**11.4**	**-4.4**	**7.0**

The asset ceiling restriction in 2013 applied to the scheme in Canada and was due to committed funding requirements for past service. The legislators enacted legislation which allowed a plan sponsor to use a letter of credit in order to cover solvency special payments up to a limit of 15% of the solvency liabilities. The actual intent to use a letter of credit was not important, but instead the ability to avoid solvency contributions which would allow entities to ignore solvency special payments in IFRIC 14 "The Limit on a Defined Benefit Asset - Minimum Funding Requirements" calculations. However, solvency special payments in excess of the limit had to be included in IFRIC 14 calculations, which was the case as at 31 December 2013. As a result of the change in actuarial assumptions, the asset ceiling restriction was reversed in 2014.

NOTE 20: EMPLOYEE BENEFITS (continued)

The amounts recognised through the statement of comprehensive income are as follows:

	2014			2013		
EUR million	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Actual return less interest return on pension assets net of asset management charges	34.0	-	34.0	40.4	-	40.4
Asset ceiling restriction	3.2	-	3.2	-3.2	-	-3.2
Experience gain (+) / loss (-) on liabilities	16.7	-	16.7	-10.6	-	-10.6
Gain (+) / Loss (-) on change of financial assumptions	-85.5	-0.4	-85.9	-21.8	-	-21.8
Gain (+) / Loss (-) on change of demographic assumptions	1.1	-	1.1	-2.3	-	-2.3
Actuarial gains (+) / losses (-)	**-30.5**	**-0.4**	**-30.9**	**2.5**	**-**	**2.5**

The fair value of scheme assets includes the following items:

	2014			2013		
EUR million	Quoted in an active market	Other	Total	Quoted in an active market	Other	Total
Equity instruments	298.6	-	298.6	289.2	-	289.2
Government bonds	105.9	-	105.9	84.0	-	84.0
Non-government bonds	84.4	-	84.4	62.8	-	62.8
Property	-	0.1	0.1	-	0.1	0.1
Other assets	4.9	74.1	79.0	4.9	36.9	41.8
Fair value of scheme assets	**493.8**	**74.2**	**568.0**	**440.9**	**37.0**	**477.9**

The fair value of scheme assets does not comprise any property or other assets used by the Group, nor any financial instruments of the Group. All equity and debt instruments have quoted prices in active markets and are of high investment quality. Other assets are mainly composed of cash and of asset-liability matched insurance backed assets (related to the scheme in the Netherlands).

The movements in the fair value of plan assets are as follows:

	2014			2013		
EUR million	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Scheme assets at 1 January	**477.9**	**-**	**477.9**	**425.6**	**-**	**425.6**
Interest on pension assets	22.1	-	22.1	18.0	-	18.0
Employer contributions	16.4	-	16.4	15.6	-	15.6
Contributions paid by employees	2.6	-	2.6	3.1	-	3.1
Benefits paid	-13.8	-	-13.8	-10.1	-	-10.1
Actual return less interest return on pension assets	35.2	-	35.2	41.4	-	41.4
Costs of managing the pension assets	-1.2	-	-1.2	-1.0	-	-1.0
Administrative costs	-1.6	-	-1.6	-1.5	-	-1.5
Translation differences	30.4	-	30.4	-13.2	-	-13.2
Scheme assets at 31 December	**568.0**	**-**	**568.0**	**477.9**	**-**	**477.9**

NOTE 20: EMPLOYEE BENEFITS (continued)

The actual return on scheme assets is as follows:

EUR million	2014	2013
Interest return on pension assets	22.1	18.0
Actual return less interest return on pension assets	35.2	41.4
Costs of managing the pension assets	-1.2	-1.0
Actual net return on pension assets	**56.1**	**58.4**

The movements in the present value of defined benefit obligations are as follows:

	2014			2013		
EUR million	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Defined benefit obligations at 1 January	**-463.3**	**-4.4**	**-467.7**	**-424.5**	**-4.1**	**-428.6**
Current service cost	-11.1	-1.8	-12.9	-8.4	-0.6	-9.0
Interest payable on pension liabilities	-21.3	-0.3	-21.6	-17.5	-	-17.5
Contributions by employees	-2.6	-	-2.6	-3.1	-	-3.1
Past service cost	2.3	-	2.3	1.4	-	1.4
Benefits paid	13.8	2.0	15.8	10.1	0.8	10.9
Experience gain (+) / loss (-) on liabilities	16.7	-	16.7	-10.6	-	-10.6
Gain (+) / Loss (-) arising from changes to financial assumptions	-85.5	-0.4	-85.9	-21.8	-	-21.8
Gain (+) / Loss (-) arising from changes to demographic assumptions	1.1	-	1.1	-2.3	-	-2.3
Curtailment and settlements	-	-	-	0.5	-	0.5
Transfer from another caption	-	-3.2	-3.2	-	-0.5	-0.5
Translation differences	-29.4	-	-29.4	12.9	-	12.9
Defined benefit obligations at 31 December	**-579.3**	**-8.1**	**-587.4**	**-463.3**	**-4.4**	**-467.7**

In the period, transfer from another caption represents a reclassification of pension accruals (previously within creditors) following further analysis of this unfunded scheme.

The amounts recognised in the statement of profit or loss are as follows:

	2014			2013		
EUR million	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Current service cost	-11.1	-1.8	-12.9	-8.4	-0.6	-9.0
Past service cost (-)/gain (+)	2.3	-	2.3	1.4	-	1.4
Effect of curtailment or settlement	-	-	-	0.5	-	0.5
Administrative costs	-1.6	-	-1.6	-1.5	-	-1.5
Pension costs within the operating result	**-10.4**	**-1.8**	**-12.2**	**-8.0**	**-0.6**	**-8.6**
Interest payable on pension liabilities	-21.3	-0.3	-21.6	-17.5	-	-17.5
Interest return on pension assets	22.1	-	22.1	18.0	-	18.0
Net pension interest cost	**0.8**	**-0.3**	**0.5**	**0.5**	**-**	**0.5**
Expense recognised in the statement of profit or loss	**-9.6**	**-2.1**	**-11.7**	**-7.5**	**-0.6**	**-8.1**

Past service gains during 2014 were EUR 2.3 million (2013: EUR 1.4 million) and relate to the scheme in the Netherlands where current member benefits have been reduced in line with market practice. The curtailment gain in 2013 (EUR 0.5 million) was due to reorganisations that took place in the United Kingdom.

NOTE 20: EMPLOYEE BENEFITS (continued)

The best estimate of the contributions expected to be paid to the schemes during the 2015 annual period is EUR 13 million.

The obligation of defined benefit schemes is calculated on the basis of a set of actuarial assumptions (including among others: mortality, discount rate of future payments, salary increases, personnel turnover, etc.). Should these assumptions change in the future, the obligation may increase. The defined benefit scheme assets are invested in a diversified portfolio, with a return that is likely to experience volatility in the future. Should the return of these assets be insufficient, the deficit might increase (the surplus might decrease).

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation at 31 December 2014 would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet date. The sensitivity analysis applies to the defined benefit obligation only and not to the net defined benefit pension liability in its entirety, the measurement of which is driven by a number of factors including, in addition to the assumptions below, the fair value of plan assets.

EUR million	(Increase) / decrease in defined benefit obligation at 31 December 2014	(Increase) / decrease in defined benefit obligation at 31 December 2013
Discount rate		
Increase by 50 basis points	58.3	47.6
Decrease by 50 basis points	-69.1	-55.4
Rate of salary increase		
Increase by 50 basis points	-8.7	-7.8
Decrease by 50 basis points	8.6	7.7
Inflation rate		
Increase by 50 basis points	-14.2	-12.4
Decrease by 50 basis points	11.6	12.3
Rate of pension increase		
Increase by 50 basis points	-30.8	-21.9
Decrease by 50 basis points	28.6	22.1
Life expectancy		
Increase in longevity by one additional year	-20.1	-14.1

The sensitivity analyses are based on a change in one assumption while holding all other assumptions constant so that interdependencies between the assumptions are excluded.

There is a pension plan in Belgium legally structured as defined contribution plan. Because of the Belgian social legislation applicable, all Belgian defined contribution plans are considered under IFRS as defined benefit plan because the employer must guarantee a minimum return on employee and employer contributions. Because of this, the Group is exposed to a financial risk (legal obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits).

The plan is insured at an insurance company. The insurance company guarantees a minimum rate of return on the contributions paid. However, the minimum guaranteed rates have dropped significantly the last years and are currently below the social minimum return borne by the employer on the contributions (according to article 24 of the Law of 28 April 2003 on occupational pensions, the Group has to guarantee an average minimum return of 3.75% on employee contributions and of 3.25% on employer contributions). The financial risk has therefore increased. However, it is likely that the social minimum return will also be decreased in the future, which will then reduce again the employer's financial risk.

The IFRS valuation and accounting of this kind of plan with contribution-based promises are not envisaged by IAS 19. The Group considers that a method based on the IAS 19 methodology ("Projected unit credit" method used for defined benefit plan) is not appropriate to measure the liability in the Belgian context. The Group has therefore decided to apply an alternative method (intrinsic value approach) until the IASB issues a final statement. This method consists in calculating the potential liability to be recognised in the statement of financial position as the sum of any individual differences between the mathematical reserves (calculated by capitalizing the past contributions at the technical interest rate applied by the insurance company, taking profit-sharing into account) and the minimum guarantee as determined by the Belgian law applicable (calculated by applying the minimum return on the contributions paid). The contributions are not projected to calculate the defined benefit obligation.

At year-end, the estimated potential impact is considered as not significant at group level and no liability has therefore been recognised.

NOTE 21: DEFERRED TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movement in deferred tax assets and liabilities during the period and the prior period is as follows:

EUR million	Revaluations	Depreciation amortisation write-downs	Provisions	Dividends	Tax losses available for offset	Financial instruments	Other	Total
Deferred tax liabilities (negative amounts)								
At 1 January 2013	-13.2	-22.7	-3.8	-	-0.1	-5.3	2.4	-42.7
Credited (charged) to income statement	-	-3.7	5.9	-1.0	0.1	3.4	-0.8	3.9
Credited (charged) to equity	-	-0.8	-	-	-	-	0.7	-0.1
Other variations	-	-2.6	-	-	-	-	-	-2.6
Exchange differences	-	3.8	-0.6	-	-	-	-0.1	3.1
At 31 December 2013	-13.2	-26.0	1.5	-1.0	-	-1.9	2.2	-38.4
Credited (charged) to income statement	-	10.8	-1.3	0.5	0.2	1.0	-2.3	8.9
Credited (charged) to equity	-	-	0.3	-	-	-	-	0.3
Other variations (see note 12)	-	-1.7	-	-	-	-	-	-1.7
Exchange differences	-	-9.6	2.0	-	-	0.3	-	-7.3
At 31 December 2014	**-13.2**	**-26.5**	**2.5**	**-0.5**	**0.2**	**-0.6**	**-0.1**	**-38.2**
Deferred tax assets (positive amounts)								
At 1 January 2013	-	-76.9	67.8	-	58.6	0.1	4.2	53.8
Credited (charged) to income statement	-	-1.8	-16.3	-	11.9	-	0.4	-5.8
Credited (charged) to equity	-	-	-2.2	-	-	-	-	-2.2
Other variations	-	-	-	-	-0.1	-	-	-0.1
Exchange differences	-	-	-1.9	-	-2.0	-	-0.2	-4.1
At 31 December 2013	-	-78.7	47.4	-	68.4	0.1	4.4	41.6
Credited (charged) to income statement	-	-17.0	6.4	-	8.8	-	0.5	-1.3
Credited (charged) to equity	-	-	1.9	-	-	-	-	1.9
Exchange differences	-	0.2	4.4	-	6.0	-0.1	0.1	10.6
At 31 December 2014	**-**	**-95.5**	**60.1**	**-**	**83.2**	**-**	**5.0**	**52.8**
Net deferred tax assets (liabilities) after offsetting recognised in the consolidated statement of financial position:								
31 December 2013	-13.2	-104.7	48.9	-1.0	68.4	-1.8	6.6	3.2
31 December 2014	**-13.2**	**-122.0**	**62.6**	**-0.5**	**83.4**	**-0.6**	**4.9**	**14.6**

The net deferred tax balance includes net deferred tax assets amounting to EUR 7.0 million (2013: EUR 5.9 million) that are expected to be reversed in the following year. However, given the low predictability of deferred tax movements, this net amount might not be reversed as originally foreseen.

At the balance sheet date, the Group has unused tax losses and credits of EUR 253.3 million (2013: EUR 239.8 million) available for offset against future profits, for which no deferred tax asset has been recognised, due to the unpredictability of future profit streams. This includes unused tax losses of EUR 18.0 million (2013: EUR 10.3 million) that will expire in the period 2017–2019 (2013: 2015–2032) and unused tax credits of EUR 35.6 million (2013: EUR 36.8 million) that will expire in the period 2017–2018 (2013: 2017–2018). Other losses may be carried forward indefinitely.

Deferred tax has not been recognised in respect of other deductible temporary differences amounting to EUR 16.5 million (2013: EUR 5.7 million) due to the unpredictability of future profit streams.

NOTE 21: DEFERRED TAXES (continued)

At the balance sheet date the aggregate amount of temporary differences associated with the investments in subsidiaries, branches, associates and interests in joint ventures (being mainly the accumulated positive consolidated reserves of these entities) for which deferred tax liabilities have not been recognised is EUR 1,126 million (2013: EUR 1,081 million). No deferred tax liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future. It should also be noted that the reversal of these temporary differences, for example by way of distribution of dividends by the subsidiaries to the Parent, would generate no (or a marginal) current tax effect.

Deferred tax assets are recognised provided that there is a sufficient probability that they will be recovered in the foreseeable future. Recoverability has been conservatively assessed. However, should the conditions for this recovery not be met in the future, the current carrying amount of the deferred tax assets may be reduced.

NOTE 22: OTHER NON-CURRENT RECEIVABLES

The other non-current receivables are composed of guarantee deposits against rental properties and of a loan granted to a minority shareholder of Belron. The loan granted to a minority shareholder is fully guaranteed by a pledge. Their carrying amount approximates their fair value. The loan granted to a minority shareholder of Belron earns interest at a rate set with reference to the prevailing EURIBOR and the other non-current receivables generally generate no interest income. They are expected to be recovered after more than 12 months.

NOTE 23: NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

In the Automobile Distribution segment, non-current assets classified as held for sale comprise buildings previously used for Automobile Distribution activities, for which the management are commited to disposal. The disposal is expected to occur in the course of 2015.

NOTE 24: INVENTORIES

EUR million	2014	2013
Automobile Distribution		
Vehicles	287.7	252.1
Spare parts and accessories	34.2	31.3
Other	1.4	1.6
Subtotal	**323.3**	**285.0**
Vehicle Glass		
Glass and related product	285.4	254.3
Subtotal	**285.4**	**254.3**
GROUP	**608.7**	**539.3**
of which: items carried at fair value less costs to sell	*68.3*	*72.2*

The items carried out at fair value less costs to sell are mainly the vehicles sold under buy-back agreements (this kind of agreement being accounted for as operating lease) that are kept on statement of financial position until their subsequent resale.

The accumulated write-down on inventories amounts to EUR 31.6 million (2013: EUR 27.1 million).

The inventories are expected to be recovered within 12 months.

NOTE 25: OTHER FINANCIAL ASSETS

In the Vehicle Glass segment, the other financial assets comprise restricted cash related to acquisitions. The other financial assets are expected to be recovered within 12 months. Their carrying amount is equal to their fair value.

EUR million	2014	2013
Vehicle Glass - Restricted cash related to acquisitions	1.8	1.6
Other financial assets	**1.8**	**1.6**

NOTE 26: CURRENT TAX ASSETS AND LIABILITIES

Current tax assets (liabilities) are largely expected to be recovered (settled) within 12 months.

NOTE 27: TRADE AND OTHER RECEIVABLES

Trade and other receivables are analysed as follows:

	2014			2013		
EUR million	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Trade receivables - net	110.1	164.0	274.1	122.5	174.6	297.1
Receivables from entities accounted for using the equity method	14.0	-	14.0	2.7	-	2.7
Other receivables	8.2	82.8	91.0	5.7	79.2	84.9
Trade and other receivables	**132.3**	**246.8**	**379.1**	**130.9**	**253.8**	**384.7**

The trade and other receivables are expected to be recovered within 12 months. Their carrying amount approximates their fair value, and they generate no interest income.

The Group is exposed to credit risk arising from its operating activities. Such risks are mitigated by selecting clients and other business partners on the basis of their credit quality and by avoiding as far as possible concentration on a few large counterparties. Credit quality of large counterparties is assessed systematically and credit limits are set prior to taking exposure. Payment terms are on average less than one month except where local practices are otherwise. Receivables from sales involving credit are closely tracked and collected mostly centrally in the Automobile Distribution segment, and at the country level in the Vehicle Glass segment.

In the Automobile Distribution segment, concentration on top ten customers is 23.0% (2013: 25.3%) and no customer is above 10% (2013: 9%). Certain receivables are also credit insured. In the Vehicle Glass segment, concentrations of risk with respect to receivables are limited due to the diversity of Belron's customer base.

Statement of financial position amounts are stated net of provisions for doubtful debts, and accordingly, the maximum credit risk exposure is the carrying amount of the receivables in the statement of financial position. As at 31 December 2014, the provisions for bad and doubtful debt amounted to EUR 34.9 million (2013: EUR 28.5 million).

The ageing analysis of trade and other receivables past due but not impaired is as follows:

EUR million	2014	2013
Up to three months past due	71.9	81.4
Three to six months past due	10.0	8.0
Over six months past due	2.4	5.9
Total	**84.3**	**95.3**

The increase of the provisions for bad and doubtful debt amounts to EUR 10.2 million as disclosed in note 5 (in 2013, increase of EUR 5.0 million).

NOTE 28: CASH AND CASH EQUIVALENTS

Cash and cash equivalents are analysed below:

	2014			2013		
EUR million	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Cash at bank and in hand	54.9	29.9	84.8	159.1	36.5	195.6
Short-term deposits	-	-	-	4.0	-	4.0
Cash and cash equivalents	**54.9**	**29.9**	**84.8**	**163.1**	**36.5**	**199.6**

In the Automobile Distribution segment, the decrease in cash and cash equivalents is partly due to the reimbursement in December 2014 of a bond of EUR 150.0 million.

Cash and cash equivalents are mainly floating rate assets which earn interest at various rates set with reference to the prevailing EONIA, LIBID or equivalent. Their carrying amount is equal to their fair value.

In the prior period, short-term deposits matured within 1 month.

NOTE 29: EQUITY

A reconciliation of share capital and reserves are set out in the consolidated statement of changes in equity on page 11.

Share capital

The change in ordinary share capital is set out below:

EUR million, except number of shares stated in units	Number of ordinary shares	Ordinary share capital
At 1 January 2013	**55,302,620**	**160.0**
Change	-	-
At 31 December 2013	**55,302,620**	**160.0**
Change	-	-
At 31 December 2014	**55,302,620**	**160.0**

The 5,000,000 nominative participating shares do not represent share capital. Each participating share confers one voting right and gives the right to a dividend equal to one eighth of the dividend of an ordinary share.

Treasury shares

Treasury shares are held by the Parent and by subsidiaries as set out below:

	31/12/2014		31/12/2013	
EUR million, except number of shares stated in units	Number	Amount	Number	Amount
Treasury shares held by the Parent	997,376	28.0	866,015	23.5
Treasury shares held by subsidiaries	-	-	-	-
Treasury shares held	**997,376**	**28.0**	**866,015**	**23.5**

Treasury shares are held to cover the stock option plans set up by the Parent since 1999 (see note 37).

NOTE 29: EQUITY (continued)

Share-based payment reserve

The share-based payment reserve relates to the employee stock option plans (equity-settled) granted to officers and managers of the Automobile Distribution segment (see note 37).

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of financial instruments that hedge the Group's net investment in a foreign subsidiary.

Actuarial gains and losses reserve

The actuarial gains and losses reserve relates to the actuarial movement linked with defined benefit pension plans (see note 20).

On 5 June 2014, the Extraordinary General Meeting of Shareholders renewed the authorisation to the Board of Directors to increase the share capital on one or more occasions, during a renewable period of five years, up to a maximum of EUR 60 million by contributions in cash or in kind or by incorporation of available or non-available reserves or share premium account, with or without creation of new shares, either preference or other shares, with or without voting rights, with or without subscription rights, with the possibility of limiting or withdrawing preferential subscription rights including in favour of one or more specified persons. The same Meeting authorised the Board of Directors to purchase own shares, during a period of five years, up to a maximum of ten percent of the ordinary shares issued.

Registered shares not fully paid-up may not be transferred except by virtue of a special authorisation from the Board of Directors for each assignment and in favour of an assignee appointed by the Board (art. 7 of the Articles). Participating shares may not be transferred except by the agreement of a majority of members of the Board of Directors, in which case they must be transferred to an assignee appointed by said members (art. 8 of the Articles).

NOTE 29: EQUITY (continued)

The Group's objectives when managing capital are to safeguard each of its activities ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital. The Group monitors the capital adequacy at the level of each of its activities through a set of ratios relevant to their specific business. In order to maintain or adjust the capital structure, each activity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, taking into account the existence of non-controlling shareholders.

Shareholders with controlling interest according to the declaration of transparency dated 2 November 2011, and communication dated 29 August 2013 related to the end of the concerted actions between s.a. Cobepa and respectively Nayarit Group and SPDG Group.	Capital shares		Participating shares		Total voting rights	
	Number	%	Number	%	Number	%
s.a. de Participations et de Gestion, Brussels	10,322,060	18.66%	-	-	10,322,060	17.12%
Reptid Commercial Corporation, Dover, Delaware	2,025,320	3.66%	-	-	2,025,320	3.36%
Mrs Catheline Périer-D'Ieteren	1,529,900	2.77%	1,250,000	25.00%	2,779,900	4.61%
Mr Olivier Périer	10,000	0.02%	-	-	10,000	0.02%
The four abovementioned persons (collectively "SPDG Group") are associated.	**13,887,280**	**25.11%**	**1,250,000**	**25.00%**	**15,137,280**	**25.10%**
Nayarit Participations s.c.a., Brussels	17,217,830	31.13%	-	-	17,217,830	28.55%
Mr Roland D'Ieteren	466,190	0.84%	3,750,000	75.00%	4,216,190	6.99%
Mr Nicolas D'Ieteren	10,000	0.02%	-	-	10,000	0.02%
The three abovementioned persons (collectively "Nayarit Group") are associated.	**17,694,020**	**31.99%**	**3,750,000**	**75.00%**	**21,444,020**	**35.56%**
The persons referred to as SPDG Group and Nayarit Group act in concert.						

Other major shareholders according to the declaration of transparency dated 18 June 2014	Capital shares		Participating shares		Total voting rights	
	Number	%	Number	%	Number	%
MFS Investment Management, Boston, United States	3,027,306	5.47%	-	-	3,027,306	5.02%

The Board of Directors proposed the distribution of a gross dividend amounting to EUR 0.80 per share (2013: EUR 0.80 per share), or EUR 43.9 million in aggregate (2013: EUR 44.0 million).

NOTE 30: PROVISIONS

Liabilities for post-retirement benefit schemes are analysed in note 20. The other provisions, either current or non-current, are analysed below.

The major classes of provisions are the following ones:

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Non-current provisions						
Dealer-related	10.3	-	10.3	10.5	-	10.5
Warranty	4.9	-	4.9	4.9	-	4.9
Other non-current items	5.3	2.5	7.8	5.1	5.8	10.9
Subtotal	**20.5**	**2.5**	**23.0**	**20.5**	**5.8**	**26.3**
Current provisions						
Other current items	-	34.5	34.5	-	3.5	3.5
Subtotal	**-**	**34.5**	**34.5**	**-**	**3.5**	**3.5**
Total provisions	**20.5**	**37.0**	**57.5**	**20.5**	**9.3**	**29.8**

The changes in provisions are set out below for the year ended 31 December 2014:

EUR million	Dealer-related	Warranty	Other non-current items	Other current items	Total
At 1 January 2014	**10.5**	**4.9**	**10.9**	**3.5**	**29.8**
Charged in the year	4.0	0.6	0.9	46.6	52.1
Utilised in the year	-1.9	-	-0.7	-16.5	-19.1
Reversed in the year	-2.3	-0.6	-3.3	-	-6.2
Translation differences	-	-	-	0.9	0.9
At 31 December 2014	**10.3**	**4.9**	**7.8**	**34.5**	**57.5**

The timing of the outflows being largely uncertain, most of the provisions are considered as non-current items. The non-current provisions are not discounted since the impact is not considered material to the Group. Current provisions are expected to be settled within 12 months.

The dealer-related provisions arise from the ongoing improvement of the distribution networks.

In the Automobile Distribution segment, warranty provisions relate to the cost of services offered to new vehicle customers, like mobility.

Other current and non-current provisions primarily comprise:

- Reorganisation and employee termination provisions that are expected to crystallise within the next few years;
- Dilapidation and environmental provisions to cover the costs of the remediation of certain properties held under operating leases;
- Provisions for vacant properties;
- Provision against legal claims that arise in the normal course of business, that are expected to crystallise in the next couple of years. After taking appropriate legal advice, the outcome of these legal claims should not give rise to any significant loss beyond amounts provided at 31 December 2014;
- The provision for the long-term management incentive schemes in the Vehicle Glass segment. A new scheme commenced in 2014, the settlement of which is expected to occur in 2017. The provision for the 2013 long-term management scheme was released in the year.

NOTE 31: LOANS AND BORROWINGS

Loans and borrowings are analysed as follows:

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Non-current loans and borrowings						
Bonds	-	-	-	100.0	-	100.0
Obligations under finance leases	0.9	27.3	28.2	-	21.3	21.3
Bank and other loans	5.3	94.1	99.4	2.9	13.1	16.0
Loan notes	-	611.9	611.9	-	555.7	555.7
Subtotal non-current loans and borrowings	**6.2**	**733.3**	**739.5**	**102.9**	**590.1**	**693.0**
Current loans and borrowings						
Bonds	100.0	-	100.0	150.0	-	150.0
Obligations under finance leases	-	23.3	23.3	-	19.2	19.2
Bank and other loans	6.7	9.2	15.9	1.9	12.7	14.6
Loan notes	-	-	-	-	146.2	146.2
Subtotal current loans and borrowings	**106.7**	**32.5**	**139.2**	**151.9**	**178.1**	**330.0**
TOTAL LOANS AND BORROWINGS	**112.9**	**765.8**	**878.7**	**254.8**	**768.2**	**1,023.0**

The Group issues bonds both through the Parent and its wholly-owned subsidiary D'Ieteren Trading b.v. The bonds outstanding at 31 December are as follows (only in the Automobile Distribution segment), following the reimbursement of the bond of EUR 150 million which matured in December 2014:

	2014 Issued	2014 Principal (EUR million)	2014 Maturing	2014 Fixed rate	2013 Issued	2013 Principal (EUR million)	2013 Maturing	2013 Fixed rate
	July 2005	100.0	2015	4.25%	July 2005	100.0	2015	4.25%
					December 2009	150.0	2014	5.50%
Total		**100.0**				**250.0**		

The weighted average cost of bonds in 2014 was 5.1% (2013: 5.1%).

Obligations under finance leases are analysed below:

EUR million	2014 Minimum lease payments	2014 Present value of minimum lease payments	2013 Minimum lease payments	2013 Present value of minimum lease payments
Within one year	23.9	23.3	19.7	19.2
Between one and five years	30.8	28.2	14.0	12.7
More than five years	-	-	9.7	8.6
Subtotal	54.7	51.5	43.4	40.5
Less: future finance charges	-3.2		-2.9	
Present value of finance lease obligations	**51.5**		**40.5**	

At year-end, obligations under finance leases are mainly located in the Vehicle Glass segment and are mainly related to vehicles. The Group's obligations under finance leases are secured by the lessors having legal title over the leased assets.

Bank and other loans mainly represent non syndicated bank loans (in the Automobile Distribution segment) and syndicated loan facilities (in Vehicle Glass segment), as well as overdrafts. Depending on the currency of the bank borrowings and the segment concerned, the weighted average cost ranged from 1.6% to 24.1% in 2014 (2013: 1.3% to 21.5%).

NOTE 31: LOANS AND BORROWINGS (continued)

In the Vehicle Glass segment, loan notes represent the following outstanding balances, due by Belron Finance Limited, a wholly-owned subsidiary of Belron:

		Interest rate	Currency	2014 Principal (in million)	2014 Maturing	2013 Principal (in million)	2013 Maturing
Series A	(April 2007)	5.68%	USD	-	-	200.0	2014
Series B	(April 2007)	5.80%	USD	125.0	2017	125.0	2017
Series C	(April 2007)	5.94%	GBP	20.0	2017	20.0	2017
Series A	(March 2011)	4.51%	USD	50.0	2018	50.0	2018
Series B	(March 2011)	5.13%	USD	100.0	2021	100.0	2021
Series C	(March 2011)	5.25%	USD	100.0	2023	100.0	2023
Series A	(August 2013)	3.04%	EUR	75.0	2020	75.0	2020
Series B	(September 2013)	3.93%	USD	135.0	2020	135.0	2020
Series C	(September 2013)	4.33%	USD	21.0	2022	21.0	2022
Series D	(September 2013)	4.50%	USD	71.0	2023	71.0	2023
Series E	(September 2013)	4.65%	USD	23.0	2025	23.0	2025

During the period, a loan note of USD 200.0 million maturing in April 2014 was repaid by the Vehicle Glass segment.

The Group runs one commercial paper (EUR 300.0 million; 2013: EUR 300.0 million) programme in Belgium through s.a. D'Ieteren Treasury n.v., a wholly-owned subsidiary of the Parent. This programme is guaranteed by the Parent. No cost incurred over 2014 and 2013 as unused during these periods. Medium term notes can also be drawn from this programme.

Non-current loans and borrowings are due for settlement after more than one year, in accordance with the maturity profile set out below:

EUR million	2014	2013
Between one and five years	294.8	288.1
After more than five years	444.7	404.9
Non-current loans and borrowings	739.5	693.0

The exposure of the Group's loans and borrowings to interest rate changes and the repricing dates (before the effect of the debt derivatives) at the balance sheet date is as follows:

EUR million	2014	2013
Less than one year	234.2	345.0
Between one and five years	199.8	273.1
After more than five years	444.7	404.9
Loans and borrowings	878.7	1,023.0

The interest rate and currency profiles of loans and borrowings are as follows:

EUR million	2014			2013		
Currency	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
EUR	188.2	180.1	368.3	328.7	90.0	418.7
GBP	25.5	-	25.5	24.0	-	24.0
USD	473.2	6.4	479.6	562.5	11.9	574.4
Other	3.7	1.6	5.3	4.2	1.7	5.9
Total	690.6	188.1	878.7	919.4	103.6	1,023.0

NOTE 31: LOANS AND BORROWINGS (continued)

When the effects of debt derivatives are taken into account, the interest rate and currency profiles of loans and borrowings are as follows:

EUR million	2014			2013		
Currency	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
EUR	88.2	198.3	286.5	243.7	101.9	345.6
GBP	25.5	-	25.5	24.0	-	24.0
USD	555.0	6.4	561.4	635.6	11.9	647.5
Other	3.7	1.6	5.3	4.2	1.7	5.9
Total	**672.4**	**206.3**	**878.7**	**907.5**	**115.5**	**1,023.0**

The floating rate loans and borrowings bear interest at various rates set with reference to the prevailing EURIBOR or equivalent. The range of interest rates applicable for fixed rate loans and borrowings outstanding is as follows:

	2014		2013	
Currency	Min.	Max.	Min.	Max.
EUR	1.9%	6.8%	1.3%	6.8%
GBP	5.9%	24.1%	5.9%	19.0%
USD	2.8%	6.7%	2.9%	6.8%
Other	2.2%	23.0%	2.4%	21.5%

The fair value of current loans and borrowings approximates their carrying amount. The fair value of non-current loans and borrowings is set out below:

	2014		2013	
EUR million	Fair value	Carrying amount	Fair value	Carrying amount
Bonds	-	-	102.2	100.0
Obligations under finance leases	28.2	28.2	21.3	21.3
Bank loans, loan notes and other loans	772.4	711.3	601.1	571.7
Non-current loans and borrowings	**800.6**	**739.5**	**724.6**	**693.0**

The fair value of the other loans and borrowings is based on either tradable market values, or where such market values are not readily available is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. In the prior period, the fair value of the bonds was determined based on their market prices. See note 38 for fair value hierarchy and further information. Certain of the loans and borrowings in the Group have covenants attached. At year-end, there is no breach of covenants.

NOTE 32: NET DEBT

Net debt is a non-GAAP measure, i.e. its definition is not addressed by IFRS. The Group does not represent net debt as an alternative to financial measures determined in accordance with IFRS. The Group uses the concept of net debt to reflect its indebtedness. Net debt is based on loans and borrowings less cash, cash equivalents and non-current and current asset investments. It excludes the fair value of derivative debt instruments. The hedged loans and borrowings (i.e. those that are accounted for in accordance with the hedge accounting rules of IAS 39) are translated at the contractual foreign exchange rates of the related cross currency swaps. The other loans and borrowings are translated at closing foreign exchange rates.

		31 December 2014			31 December 2013		
EUR million	Notes	Automobile Distribution	Vehicle Glass	Group	Automobile Distribution	Vehicle Glass	Group
Non-current loans and borrowings		6.2	733.3	739.5	102.9	590.1	693.0
Current loans and borrowings		106.7	32.5	139.2	151.9	178.1	330.0
Gross debt		**112.9**	**765.8**	**878.7**	**254.8**	**768.2**	**1,023.0**
Less: Cash and cash equivalents	28	-54.9	-29.9	-84.8	-163.1	-36.5	-199.6
Less: Held-to-maturity investments	14	-176.1	-	-176.1	-298.1	-	-298.1
Less: Other non-current receivables	22	-20.0	-	-20.0	-20.0	-	-20.0
Total net debt		**-138.1**	**735.9**	**597.8**	**-226.4**	**731.7**	**505.3**

NOTE 33: PUT OPTIONS GRANTED TO NON-CONTROLLING SHAREHOLDERS

The Group is committed to acquiring the non-controlling shareholdings owned by third parties in Belron (5.15%), should these third parties wish to exercise their put options. The exercise price of such options granted to non-controlling interest is reflected as a financial liability in the consolidated statement of financial position.

For put options granted to non-controlling shareholders prior to 1 January 2010, the goodwill is adjusted at period end to reflect the change in the exercise price of the options and the carrying value of non-controlling interest to which they relate. This treatment reflects the economic substance of the transaction, and has no impact on the result attributable to equity holders of the Parent.

Due to the introduction of the revised version of IFRS 3 (effective date 1 January 2010), for put options granted to non-controlling shareholders as from 1 January 2010, at inception, the difference between the consideration received and the exercise price of the options granted is recognised against the group's share of equity. At each period end, the re-measurement of the financial liability resulting from these options is recognised in the consolidated statement of profit or loss as a re-measurement item in net finance costs.

At 31 December 2014, the exercise price of all options granted to non-controlling shareholders (put options with related call options, exercisable until 2024) amounts to EUR 75.2 million (2013: EUR 89.0 million).

For put options granted to non-controlling shareholders prior to 1 January 2010, the difference between the exercise price of the options and the carrying value of the non-controlling interest (EUR 30.4 million at 31 December 2014) is presented as additional goodwill (EUR 32.8 million at 31 December 2014).

For put options granted to non-controlling shareholders as from 1 January 2010, the re-measurement at year-end of the financial liability resulting from these options amounts to EUR 2.7 million and is recognised in the consolidated statement of profit or loss as a re-measurement income in net finance costs (see note 9).

The exercise price of the put options takes into account estimates of the future profitability of Belron. Should the underlying estimates change, the value of the put options recognised in the statement of financial position would be impacted, with impacts on the related goodwill and net finance costs.

The carrying value of put options granted to non-controlling shareholders approximates their fair value.

NOTE 34: OTHER NON-CURRENT PAYABLES

Other non-current payables are non interest-bearing deferred consideration on acquisitions (2014: EUR 3.0 million; 2013: EUR 9.6 million) and other creditors (2014: EUR 12.9 million; 2013: EUR 9.4 million), payable after more than 12 months. The carrying value of other non-current payables approximates their fair value.

NOTE 35: TRADE AND OTHER CURRENT PAYABLES

Trade and other payables are analysed below:

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Trade payables	52.7	151.8	204.5	65.5	128.1	193.6
Accrued charges and deferred income	33.3	7.7	41.0	38.4	8.4	46.8
Non-income taxes	7.0	12.1	19.1	1.3	13.8	15.1
Deferred consideration on acquisitions	-	6.5	6.5	-	6.9	6.9
Other creditors	43.7	280.0	323.7	44.1	263.1	307.2
Trade and other payables	**136.7**	**458.1**	**594.8**	**149.3**	**420.3**	**569.6**

Trade and other current payables are expected to be settled within 12 months. The carrying value of trade and other current payables approximates their fair value.

NOTE 36: EMPLOYEE BENEFIT EXPENSE

The employee benefit expense is analysed below:

EUR million	2014 Automobile Distribution	2014 Vehicle Glass	2014 Group	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group
Retirement benefit charges under defined contribution schemes	*-*	*-16.9*	*-16.9*	*-*	*-15.5*	*-15.5*
Retirement benefit charges under Belgian defined contribution schemes considered as defined benefit schemes	*-4.7*	*-*	*-4.7*	*-5.4*	*-*	*-5.4*
Retirement benefit charges under defined benefit schemes (see note 20)	*-1.9*	*-10.3*	*-12.2*	*-0.7*	*-7.9*	*-8.6*
Total retirement benefit charge	-6.6	-27.2	-33.8	-6.1	-23.4	-29.5
Wages, salaries and social security costs	-146.7	-1,090.6	-1,237.3	-130.5	-1,062.6	-1,193.1
Share-based payments: equity-settled	-1.7	-	-1.7	-1.6	-	-1.6
Total employee benefit expense	**-155.0**	**-1,117.8**	**-1,272.8**	**-138.2**	**-1,086.0**	**-1,224.2**
of which: current items	*-155.0*	*-1,117.8*	*-1,272.8*	*-138.0*	*-1,086.0*	*-1,224.0*
unusual items	*-*	*-*	*-*	*-0.2*	*-*	*-0.2*

The above expense includes the amounts accounted for in 2014 (reversal of EUR 3.0 million) and in 2013 (charge of EUR 5.0 million) in respect of the long-term management incentive schemes in the Vehicle Glass segment.

The staff numbers are set out below (average full time equivalents):

	2014	2013
Automobile Distribution	1,818	1,601
Vehicle Glass	26,542	25,645
Group	**28,360**	**27,246**

NOTE 37: SHARE-BASED PAYMENTS

There is in the Group an equity-settled share-based payment scheme. Since 1999, share option schemes have been granted to officers and managers of the Automobile Distribution segment, in the framework of the Belgian law of 26 March 1999. The underlying share is the ordinary share of s.a. D'Ieteren n.v. Under these schemes, vesting conditions are three years' service from grant date and holders of vested options are entitled to purchase shares at the exercice price of the related scheme during the exercise period.

Options outstanding are as follows:

	Number of options (in units)		Exercise price (EUR)	Exercise period	
Date of grant	2014	2013		From	To
2014	122,091	-	33.08	1/01/2018	10/03/2024
2013	65,250	65,250	34.99	1/01/2017	24/11/2023
2013	89,361	89,361	34.23	1/01/2017	18/03/2023
2012	79,100	79,100	36.45	1/01/2016	14/10/2022
2011	217,814	217,814	35.00	1/01/2015	22/12/2021
2010	81,350	81,350	39.60	1/01/2014	3/10/2020
2009	90,140	91,690	24.00	1/01/2013	27/10/2019
2008	57,510	61,060	12.10	1/01/2012	5/11/2018
2007	63,880	64,480	26.40	1/01/2011	2/12/2022
2006	37,600	37,600	26.60	1/01/2010	27/11/2021
2005	32,800	33,600	20.90	1/01/2009	6/11/2020
2004	8,150	9,650	14.20	1/01/2008	28/11/2019
2003	6,100	6,700	16.34	1/01/2007	16/11/2018
2002	13,700	14,400	11.60	1/01/2006	13/10/2015
2001	-	7,950	13.30	1/01/2005	25/10/2014
Total	**964,846**	**860,005**			

All outstanding options are covered by treasury shares (see note 29).

A reconciliation of the movements in the number of outstanding options during the year is as follows:

	Number (in units)		Weighted average exercise price (EUR)	
	2014	2013	2014	2013
Outstanding options at the beginning of the period	860,005	858,814	26.61	27.07
Granted during the period	122,091	154,611	33.08	34.55
Forfeited during the period	-850	-8,350	13.30	26.70
Exercised during the period	-16,400	-145,070	15.03	16.79
Outstanding options at the end of the period	**964,846**	**860,005**	**30.80**	**30.15**
of which: exercisable at the end of the period	*391,230*	*327,130*	*16.88*	*20.98*

In 2014, a large part of the options were exercised during the third quarter of the period. The average share price during the period was EUR 31.95 (2013: EUR 34.39). The forfeited movement during the period relates to the options initially granted in 2001 which have expired in October 2014 and those forfeited in 2013 related to the options initially granted in 2000 which had expired in September 2013.

For share options outstanding at the end of the period, the weighted average remaining contractual life is as follows:

	Number of years
31 December 2014	**7.0**
31 December 2013	*7.6*

NOTE 37: SHARE-BASED PAYMENTS (continued)

IFRS 2 "Share-Based Payments" requires that the fair value of all share options issued after 7 November 2002 is charged to the income statement. The fair value of the options must be assessed on the date of each issue. A simple Cox valuation model was used at each issue date re-assessing the input assumptions on each occasion.The assumptions for the 2014 and 2013 issues were as follows:

	2014	2013	
Number of employees	4	4	128
Spot share price (EUR)	33.28	36.33	34.08
Option exercise price (EUR)	33.08	34.23	34.99
Vesting period (in years)	3.0	3.0	3.0
Expected life (in years)	6.5	6.5	6.5
Expected volatility (in %)	21%	28%	24%
Risk free rate of return (in %)	1.64%	1.62%	1.96%
Expected dividend (EUR)	0.80	0.80	0.70
Probability of ceasing employment before vesting (in %)	0%	0%	0%
Weighted average fair value per option (EUR)	6.88	9.51	8.29

Expected volatility and expected dividends were provided by an independent expert. The risk free rate of return is based upon EUR zero-coupon rates with an equivalent term to the options granted.

NOTE 38: FINANCIAL RISK MANAGEMENT

Treasury policies aim to ensure permanent access to sufficient liquidity, and to monitor and limit interest and currency exchange risks. These are summarised below.

Liquidity Risk

Each business unit of the Group seeks to ensure that it has sufficient committed funding in place to cover its requirements - as estimated on the basis of its long-term financial projections - in full for at least the next 12 months. Funding is managed at the level of each business unit. This funding is supplemented by various sources of uncommitted liquidity (short-term banking facilities, commercial paper).

The long-term funding mainly consists of:

- In the Vehicle Glass segment: syndicated loan facilities and private bonds;
- In the Automobile Distribution segment: public retail bonds and bi-lateral bank facilities.

Repayment dates are spread as evenly as possible and funding sources are diversified in order to mitigate refinancing risk (timing, markets) and its associated costs (credit spread risk).

Cash pooling schemes are sought and implemented each time when appropriate (in the Automobile Distribution and the Vehicle Glass segments) in order to minimise gross financing needs and costs of liquidity.

NOTE 38: FINANCIAL RISK MANAGEMENT (continued)

The following is an analysis of the contractual undiscounted cash flows payable under financial liabilities together with derivative financial instrument assets and liabilities at balance sheet date:

	Due within one year		Due between one and five years		Due after five years		Total	
EUR million	Capital	Interest	Capital	Interest	Capital	Interest	Capital	Interest
At 31 December 2014								
Loans and borrowings								
Public bonds	100.0	4.3	-	-	-	-	100.0	4.3
Obligations under finance leases	23.3	0.6	27.9	2.6	0.3	-	51.5	3.2
Other borrowings and private bonds	16.7	30.0	266.8	92.7	445.5	41.1	729.0	163.8
Total	140.0	34.9	294.7	95.3	445.8	41.1	880.5	171.3
Trade and other payables	594.8	-	-	-	-	-	594.8	-
Derivative financial instruments								
Derivative contracts - receipts	-23.2	-9.2	-	-15.9	-81.8	-13.9	-105.0	-39.0
Derivative contracts - payments	29.4	5.2	2.7	10.5	80.3	9.2	112.4	24.9
Total	**741.0**	**30.9**	**297.4**	**89.9**	**444.3**	**36.4**	**1,482.7**	**157.2**
At 31 December 2013								
Loans and borrowings								
Public bonds	150.0	8.3	100.0	4.3	-	-	250.0	12.6
Obligations under finance leases	19.2	0.5	21.3	2.4	-	-	40.5	2.9
Other borrowings and private bonds	162.0	28.8	168.3	91.6	405.2	54.1	735.5	174.5
Total	331.2	37.6	289.6	98.3	405.2	54.1	1,026.0	190.0
Trade and other payables	569.6	-	-	-	-	-	569.6	-
Derivative financial instruments								
Derivative contracts - receipts	-110.5	-8.6	-	-20.4	-73.1	-17.9	-183.6	-46.9
Derivative contracts - payments	111.2	4.8	-	12.6	80.3	12.6	191.5	30.0
Total	**901.5**	**33.8**	**289.6**	**90.5**	**412.4**	**48.8**	**1,603.5**	**173.1**

Interest Rate Risk

The Group seeks to cap the impact of adverse interest rates movements on its current financial results, particularly in relation to the next 12 months. To manage its interest rate exposures, the Group primarily uses forward rate agreements, interest rate swaps, caps and floors. Each business unit determines its own minimum hedge percentages, which, for the period up to 12 months, are comprised between 50% and 100%, and thereafter sets them gradually lower over time. The overall hedge horizon is typically 3 years. Hedges, or fixed rate indebtedness, beyond 5 years are unusual.

A change of 100 basis points in interest rate at the reporting date would have increased/decreased equity and result from continuing operations by the amounts shown below. This analysis assumes that all other variables remain constant.

	Result from continuing operations		Cash flow hedge reserve	
EUR million	1% increase	1% decrease	1% increase	1% decrease
31 December 2014	**0.6**	**-0.6**	**-**	**-**
31 December 2013	1.5	-2.0	-	-

NOTE 38: FINANCIAL RISK MANAGEMENT (continued)

Currency Risk

The Group's objective is to protect its cash flows, commercial transactions and net investments in foreign operations from the potentially high volatility of the foreign exchange markets by hedging any material net foreign currency exposure. Material means in excess of one million euros.

The Group has certain investments in foreign operations whose net assets and related goodwill are exposed to foreign currency translation risk. These risks are minimised mainly through the creation of liabilities (debt) denominated in the same currency as the cash flows generated by the corresponding assets. To complement these natural hedges, the Group uses instruments such as forwards, swaps, plain-vanilla foreign exchange options and, when appropriate, cross currency swaps. The hedging levels are reviewed periodically, in light of the market conditions and each time a material asset is added or removed.

A 10 percent strenghtening/weakening of the euro against the following currencies at 31 December would have increased/decreased equity and result from continuing operations by the amounts shown below. This analysis assumes that all other variables remain constant.

	Result from continuing operations		Equity	
EUR million	10% strenghtening	10% weakening	10% strenghtening	10% weakening
31 December 2014				
EUR vs GBP	0.1	-0.1	-11.3	13.8
EUR vs USD	1.5	-1.8	0.1	-0.1
31 December 2013				
EUR vs GBP	0.1	-0.1	-9.4	11.5
EUR vs USD	1.6	-2.0	-0.5	0.6

Counterparty Risk

Exposure limits to financial counterparties in respect of both amount and duration are set in respect of derivatives and cash deposits. Such transactions are entered into with a limited number of pre-designated banks on the basis of their publicly available credit ratings, which are checked at least once a year. The required minimum rating is A- (Standard and Poor's). Limits on length of exposure per category of transaction are in place to protect liquidity and mitigate counterparty default risks. The instruments and their documentation must be authorized before entering the contemplated transactions. There is no meaningful price risk other than those mentioned above.

Within this framework, considerable autonomy is granted to each of the businesses.

Financial instruments measured at fair value in the consolidated statement of financial position

All Group's financial assets and liabilities measured at fair value in the consolidated statement of financial position are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted market prices in an active market (that are unadjusted) for identical assets and liabilities;
- Level 2: valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable);
- Level 3: valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

In 2014 and 2013, all Group's financial assets and liabilities measured at fair value in the consolidated statement of financial position (derivative hedging instruments and derivatives held for trading) are classified in level 2.

NOTE 38: FINANCIAL RISK MANAGEMENT (continued)

Fair value disclosed

For all Group's financial and non-financial assets and liabilities not measured at fair value in the consolidated statement of financial position, their fair value approximates their carrying amount, except for:

	31 December 2014		31 December 2013	
EUR million	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Non-current held-to-maturity investments	-	-	9.7	9.9
Investment properties	6.7	18.7	4.8	10.1
Liabilities				
Non-current loans and borrowings	739.5	800.6	693.0	724.6

In 2014, for the non-current loans and borrowings (see note 31), the fair value is classified in level 2 of the fair value hierarchy, described above. In the prior period, the fair value was classified in level 1 (EUR 102.2 million – quoted bond in the Automobile Distribution segment) and level 2 (EUR 593.0 million).

In 2014 and 2013, the fair value of the investment properties (see note 16) is classified in level 3 of the fair value hierarchy as described above (valuation by an independent valuer who holds a recognised and relevant professional qualification).

In the prior period, the fair value of the non-current held-to-maturity investments (see note 14) was classified in level 1 (quoted prices) of the fair value hierarchy as described above.

Valuation techniques

The fair value of the bonds is determined based on their market prices. The fair value of the other loans and borrowings is based on either tradable market values, or should such market values not be readily available is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

The fair values of derivative hedging instruments and derivatives held for trading are determined using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions at the balance sheet date. The fair value of cross currency interest rate swaps and interest rate swaps is calculated as the present value of future estimated cash flows. The fair value of interest rate caps and collars is valued using option valuation techniques. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet date. The fair value of fuel hedge instruments (combination of options, collars and swaps used in the Vehicle Glass segment to hedge the price of fuel purchases) is determined using market valuations prepared by the respective banks that executed the initial transactions at the statement of financial position date based on the present value of the monthly futures forward curve for gasoline given the volume hedged and the contract period. The fair values of forward rate agreements are calculated as the present value of future estimated cash flows.

NOTE 39: CONTINGENCIES AND COMMITMENTS

EUR million	2014	2013
Commitments to acquisition of non-current assets	19.1	12.1
Other important commitments:		
Commitments given	7.2	15.5
Commitments received	25.9	28.0

In 2014, the commitments to acquisition of non-current assets mainly concern other property, plant and equipment in the Vehicle Glass segment.

The Group is a lessee in a number of operating leases (mainly buildings, non-fleet vehicles and items of property, plant and equipment). The related future minimum lease payments under non-cancellable operating leases, per maturity, are as follows:

EUR million	2014	2013
Within one year	123.0	155.7
Later than one year and less than five years	338.0	298.5
After five years	156.8	144.0
Total	**617.8**	**598.2**

The Group also acts as a lessor in a number of operating leases. All of these concern investment properties held by the Automobile Distribution segment. The related future minimum lease payments under non-cancellable operating leases, per maturity, are as follows:

EUR million	2014	2013
Within one year	1.1	1.3
Later than one year and less than five years	6.0	5.5
After five years	0.7	1.3
Total	**7.8**	**8.1**

At each year end, the Group also has various other prepaid operating lease commitments in relation to vehicles sold under buy-back agreements, included in deferred income in note 35.

The revenue, expenses, rights and obligations arising from leasing arrangements regarding investment property are not considered material to the Group, and accordingly a general description of these leasing arrangements is not disclosed.

NOTE 40: RELATED PARTY TRANSACTIONS

EUR million	2014	2013
With entities with joint control or significant influence over the Group:		
Amount of the transactions entered into during the period	1.1	1.1
Outstanding creditor balance at 31 December	0.5	6.2
With associates:		
Revenue	0.1	0.1
Purchases	-	-
Trade receivables outstanding at 31 December	0.1	0.1
With joint ventures in which the Group is a venturer:		
Revenue	94.1	94.2
Purchases	-11.2	-12.3
Trade receivables outstanding at 31 December	13.8	2.5
With key management personnel:		
Compensation:		
Short-term employee benefits	3.6	4.1
Post-employment benefits	0.2	0.2
Termination benefits	-	1.2
Total compensation	3.8	5.5
Amount of the other transactions entered into during the period	n/a	n/a
Outstanding creditor balance at 31 December	n/a	n/a
With other related parties:		
Amount of the transactions entered into during the period	-	-
Outstanding creditor balance at 31 December	-	0.5

NOTE 41: LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The full list of companies concerned by articles 114 and 165 of the Royal Decree of 30 January 2001 implementing the Company Code will be lodged with the Central Balance Sheet department of the National Bank of Belgium. It is also available on request from the Parent head office (see note 1).

The main fully consolidated subsidiaries of the Parent are listed below:

Name	Country of incorporation	% of share capital owned at 31 Dec. 2014	% of share capital owned at 31 Dec. 2013
Automobile Distribution			
s.a. D'Ieteren Sport n.v.	Belgium	75%	75%
Power To Wheels s.a.	Belgium	-	100%
s.a. D'Ieteren Services n.v.	Belgium	100%	100%
s.a. D'Ieteren Treasury n.v.	Belgium	100%	100%
D'Ieteren Trading b.v.	The Netherlands	100%	100%
D'Ieteren Vehicle Glass s.a.	Luxemburg	100%	100%
Dicobel s.a.	Belgium	100%	100%
Verellen n.v.	Belgium	100%	100%
Kronos Automobiles s.a.	Belgium	100%	100%
PC Liège s.a.	Belgium	100%	100%
S.M.A.R.T. & Clean Automotive Services s.a.	Belgium	100%	100%
Garage Joly b.v.b.a.	Belgium	100%	100%
Autonatie n.v.	Belgium	100%	-
Y&N Claessens b.v.b.a.	Belgium	100%	-
Vehicle Glass			
Belron s.a.	Luxemburg	94.85%	94.85%

The main entity accounted for using the equity method is the joint venture Volkswagen D'Ieteren Finance s.a. (50% owned minus one share), incorporated in Belgium. See note 7 for adequate disclosures.

Belron s.a. and its subsidiaries have material non-controlling interests. The ownership interest held by non-controlling interests is 5.15% since the transaction with a non-controlling shareholder that occurred in March 2013 (see note 32 of the 2013 consolidated financial statements). Since the Vehicle Glass segment comprises Belron s.a. and its subsidiaries, no specific additional disclosures are made.

NOTE 42: EXCHANGE RATES

Monthly income statements of foreign operations are translated at the relevant rate of exchange for that month. Except for the statement of financial position which is translated at the closing rate, each line item in these consolidated financial statements represents a weighted average rate.

The main exchange rates used for the translations were as follows:

Number of euros for one unit of foreign currency	2014	2013
Closing rate		
AUD	0.66	0.65
BRL	0.30	0.31
CAD	0.71	0.69
GBP	1.27	1.20
USD	0.82	0.73
Average rate (1)		
AUD	0.68	0.72
BRL	0.32	0.35
CAD	0.68	0.72
GBP	1.24	1.18
USD	0.76	0.77

(1) Effective average rate for the profit or loss attributable to equity holders.

NOTE 43: SERVICES PROVIDED BY THE STATUTORY AUDITOR

The external audit is conducted by KPMG Réviseurs d'Entreprises, represented by Alexis Palm, whose auditing term expires at the General Meeting of June 2017.

EUR million	2014	2013
Audit services	**2.7**	**2.0**
KPMG Belgium	0.3	-
Other offices in the KPMG network	2.4	2.0
Non-audit services	**2.0**	**0.5**
KPMG Belgium	-	-
Other offices in the KPMG network	2.0	0.5
Services provided by the Statutory Auditor	**4.7**	**2.5**

NOTE 44: SUBSEQUENT EVENTS

No significant transactions out of the ordinary course of business occurred between the closing date and the date these consolidated financial statements were authorised for issue.

Statutory Auditor’s report

Statutory auditor's report to the general meeting of D’Ieteren SA as of and for the year ended 31 December 2014

FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR’S REPORT ORIGINALLY PREPARED IN FRENCH

In accordance with the legal requirements, we report to you in the context of our statutory auditor’s mandate. This report includes our report on the consolidated financial statements as of and for the year ended 31 December 2014, as defined below, as well as our report on other legal and regulatory requirements.

Report on the consolidated financial statements - unqualified opinion

We have audited the consolidated financial statements of D’Ieteren SA (“the Company”) and its subsidiaries (jointly “the Group”), prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2014, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR 3,387.2 million and the consolidated statement of profit or loss shows a loss for the year of EUR 14.6 million.

Board of directors’ responsibility for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines, is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor’s responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Group’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We have obtained from the Company’s officials and the board of directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

Unqualified opinion

In our opinion, the consolidated financial statements give a true and fair view of the Group’s equity and consolidated financial position as at 31 December 2014 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the annual report on the consolidated financial statements.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we provide the following additional statement which do not modify the scope of our opinion on the consolidated financial statements:

- The annual report on the consolidated financial statements includes the information required by law, is consistent, in all material respects, with the consolidated financial statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.

Brussels, 2 April 2015
KPMG Réviseurs d’Entreprises
Statutory Auditor
represented by
Alexis Palm
Réviseur d’Entreprises / Bedrijfsrevisor

s.a. D'Ieteren n.v.
Summarised Statutory Financial Statements 2014

Contents

The statutory financial statements of s.a. D'Ieteren n.v. are summarised below in accordance with article 105 of the Company Code. The unabridged version of the statutory financial statements of s.a. D'Ieteren n.v., the related management report and Statutory Auditor's report shall be deposited at the National Bank of Belgium within the legal deadline and may be obtained free of charge from the internet site www.dieteren.com or on request from:
s.a. D'Ieteren n.v.
Rue du Mail 50
B–1050 Brussels

The Statutory Auditor has issued an unqualified opinion on the statutory financial statements of s.a. D'Ieteren n.v.

Summarised Balance Sheet

At 31 December

EUR million	2014	2013
ASSETS		
Fixed assets	2,529.7	2,507.1
II. Intangible assets	7.8	6.0
III. Tangible assets	116.9	101.1
IV. Financial assets	2,405.0	2,400.0
Current assets	367.4	353.5
V. Non-current receivables	20.0	20.0
VI. Stocks	297.2	270.2
VII. Amounts receivable within one year	20.6	32.2
VIII. Investments	25.7	25.6
IX. Cash at bank and in hand	0.2	0.3
X. Deferred charges and accrued income	3.7	5.2
TOTAL ASSETS	2,897.1	2,860.6

EUR million	2014	2013
LIABILITIES		
Capital and reserves	882.3	930.4
I.A. Issued capital	160.0	160.0
II. Share premium account	24.4	24.4
IV. Reserves	696.4	696.3
V. Accumulated profits	1.5	49.7
Provisions and deferred taxes	24.7	26.2
Creditors	1,990.1	1,904.0
VIII. Amounts payable after one year	761.1	1,100.3
IX. Amounts payable within one year	1,175.7	744.0
X. Accrued charges and deferred income	53.3	59.7
TOTAL LIABILITIES	2,897.1	2,860.6

Summarised Income Statement

Year ended 31 December

EUR million		2014	2013
I.	Operating income	2,593.2	2,600.0
II.	Operating charges	2,543.4	2,556.4
III.	Operating profit	49.8	43.6
IV.	Financial income	5.8	28.0
V.	Financial charges	56.7	50.6
VI.	Result on ordinary activities before income taxes	-1.1	21.0
VII.	Extraordinary income	9.7	-
VIII.	Extraordinary charges	12.8	7.3
IX.	Result for the period before taxes	-4.2	13.7
IXbis.	Deferred taxes	-	-
X.	Income taxes	-0.1	-0.1
XI.	Result for the period	-4.3	13.6
XII.	Variation of untaxed reserves [1]	0.1	0.1
XIII.	Result for the period available for appropriation	-4.2	13.7

(1) Transfers from untaxed reserves (+) / Transfers to untaxed reserves (-).

Summarised Appropriation

Year ended 31 December

EUR million	2014	2013
APPROPRIATION ACCOUNT		
Profit (loss) to be appropriated	45.5	93.7
Gain (loss) of the period available for appropriation	-4.2	13.7
Profit (loss) brought forward	49.7	80.0
Withdrawals from capital and reserves	0.8	0.7
from reserves	0.8	0.7
Transfer to capital and reserves	0.9	0.7
to other reserves	0.9	0.7
Profit (loss) to be carried forward	1.5	49.7
Profit to be distributed	43.9	44.0
Dividends	43.9	44.0

This proposed appropriation is subject to approval by the Annual General Meeting of 28 May 2015.

Summary of Accounting Policies

The **capitalised costs for the development of information technology projects (intangible assets)** are amortised on a straight-line basis over their useful life. The amortisation period cannot be less than 2 years nor higher than 7 years.

Tangible Fixed Assets are recognised at their acquisition value; this value does not include borrowing costs. Assets held by virtue of long-term leases ("emphytéose"), finance leases or similar rights are entered at their capital reconstitution cost. The rates of depreciation for fixed assets depend on the probable economic lifetime for the assets concerned. As from 1 January 2003, tangible fixed assets acquired or constructed after this date shall be depreciated pro rata temporis and the ancillary costs shall be depreciated at the same rate as the tangible fixed assets to which they relate.

The main depreciation rates are the following:

	Rate	Method
Buildings	5%	L/D
Building improvements	10%	L/D
Warehouse and garage	15%	L/D
Network identification equipment	20%	L/D
Furniture	10%	L/D
Office equipment	20%	L/D
Rolling stock	25%	L
Heating system	10%	L/D
EDP hardware	20%-33%	L/D

L: straight line.

D: declining balance (at a rate twice as high as the equivalent straight line rate).

Tangible fixed assets are revalued if they represent a definite, long-term capital gain. Depreciation of any revaluation surplus is calculated linearly over the remaining lifetime in terms of the depreciation period of the asset concerned.

Financial Fixed Assets are entered either at their acquisition price, after deduction of the uncalled amounts (in the case of shareholdings), or at their nominal value (amounts receivable). They can be revalued, and are written down if they suffer a capital loss or a justifiable long-term loss in value. The ancillary costs are charged to the income statement during the financial year.

Amounts Receivable within one year and those receivable after one year are recorded at their nominal value. Write-downs are applied if repayment by the due date is uncertain or compromised in whole or in part, or if the repayment value at the closing date is less than the book value.

Stocks of new vehicles are valued at their individual acquisition price. Other categories of stocks are valued at their acquisition price according to the fifo method, the weighted average price or the individual acquisition price. Write-downs are applied as appropriate, according to the selling price or the market value.

Treasury Investments and Cash at Bank and in Hand are recorded at their acquisition value. They are written down if their realisation value on the closing date of the financial year is less than their acquisition value.

When these treasury investments consist of own shares held for hedging share options, additional write-downs are applied if the exercise price is less than the book value resulting from the above paragraph.

Provisions for Liabilities and Charges are subject to individual valuation, taking into account any foreseeable risks. They are written back by the appropriate amount at the end of the financial year if they exceed the current assessment of the risks which they were set aside to cover.

Amounts Payables are recorded at their nominal value.

Valuation of assets and liabilities in foreign currencies
Financial fixed assets are valued in accordance with recommendation 152/4 by the Accounting Standards Commission. Stocks are valued at their historical cost. However, the market value (as defined by the average rate on the closing date of the balance sheet) is applied if this is less than the historical cost. Monetary items and commitments are valued at the official rate on the closing date, or at the contractual rate in the case of specific hedging operations. Only negative differences for each currency are entered in the income statement.

Corporate Governance Statement

The Company adheres to the corporate governance principles set out in the Belgian Code of Corporate Governance 2009 published on the website www.corporategovernancecommittee.be. It has published its Corporate Governance Charter on its website (www.dieteren.com) since 1 January 2006. However, the implementation of these principles takes into consideration the particular structure of the Company's share capital, with family shareholders owning the majority and having ensured the continuity of the Company since 1805. Exceptions to the principles are set out page 85.

1. Composition and operation of the Board, executive management and control bodies

1.1. BOARD OF DIRECTORS

1.1.1. Composition

The Board of Directors consists of:

- six non-executive Directors, appointed on the proposal of the family shareholders;
- six non-executive Directors, three of whom being independent, chosen on the basis of their experience[1];
- the managing director (CEO).

The Chairman and Deputy Chairmen of the Board are selected among the Directors appointed on the proposal of the family shareholders.

Two female directors are in the Board. At least one of them is also a member of each Committee of the Board.

1.1.2. Roles and activities

Without prejudice to its legal and statutory attributions and those of the General Meeting, the roles of the Board of Directors are to:

- determine the Company's strategy and values;
- approve its plans and budgets;
- decide on major financial transactions, acquisitions and divestments;
- ensure that appropriate organization structures, processes and controls are in place to achieve the Company's objectives and properly manage its risks;
- appoint the Directors proposed by the Company for the Boards of Directors of its main subsidiaries;
- appoint and revoke the CEO and, based on a proposal by the latter, the managers reporting to him and determine their remuneration;
- monitor and review day-to-day management performance;
- supervise communications with the Company's shareholders and the other interested parties;
- approve the Company's statutory and consolidated financial statements, as well as set the dividend which will be proposed to the General Meeting. In that framework, the Board of Directors intends to maintain its ongoing policy of providing the largest possible self-financing, which has supported the group's development, with a view to strengthen its equity capital and to maintain quality financial ratios. Absent major unforeseen events, the Board will ensure a stable or, results permitting, a steadily growing dividend.

(1) A third independent Director, Pierre-Olivier Beckers sprl (represented by Mr Pierre-Olivier Beckers), was temporarily appointed by the Board of Directors on 16 January 2014 to complete the term of Mr Christian Varin, who resigned. The Ordinary General Meeting of 5 June 2014 ratified this temporary appointment and renewed this term.

Composition of the Board of Directors (as at 31 December 2014)		Joined the Board in	End of term
Roland D'Ieteren (72)[1]	Chairman of the Board Graduate of Solvay Business School, MBA (INSEAD). Chairman and managing director of D'Ieteren from 1975 to 2005. Chairman of the Board of Directors of D'Ieteren since 2005. Honorary Director of Belron.	1968	May 2018
Nicolas D'Ieteren (39)[1]	Deputy Chairman of the Board BSc Finance & Management (University of London); Asia Int'l Executive Program and Human Resources Management in Asia Program (INSEAD). Led projects at Bentley Germany and Porsche Austria. From 2003 to 2005, finance director of a division of Total UK. Since 2005, managing director of a Private Equity fund investing in young companies. Director of Belron.	2005	May 2015
Olivier Périer (43)[1]	Deputy Chairman of the Board Degree in architecture and urban planning (ULB); Executive Program for the Automotive Industry (Solvay Business School); International Executive Program and Business Strategy Asia Pacific (INSEAD). Founding partner of architectural firm Urban Platform. Managing director of SPDG, private holding company, since 2010. Member of the advisory board of Amethis Finance and of the supervisory board of various venture capital companies. Director of Belron.	2005	May 2015
Axel Miller (49)	Managing director Law degree (ULB). Partner at Stibbe Simont, then at Clifford Chance (1996–2001). After holding several executive positions within the Dexia Group, became Chairman of the executive committee of Dexia Bank Belgium (2002–2006) and managing director of Dexia SA (2006–2008). Partner at Petercam from 2009 to March 2012. Directorships: Carmeuse (Chairman), Spadel, Duvel Moortgat.	2010	May 2018
GEMA sprl[1]	Non-executive Director – Permanent representative: Michel Allé (64) Civil engineer and economist (ULB). Joined Cobepa in 1987, member of its Executive Committee (1995–2000). CFO of Brussels Airport (2001–2005). CFO of SNCB Holding (2005–2013). CFO of SNCB since 1 January 2014. Director of Zetes Industries and Chairman of the Board of Euroscreen. Professor at ULB.	2014	May 2018
s.a. de Participation et de Gestion (SPDG)[1]	Non-executive Director – Permanent representative: Denis Pettiaux (46)[2] Civil engineer in physics and Executive Master in Management (ULB). Member of SPDG executive committee, in charge of finance and a non-executive member of various Boards of Directors, advisory boards and investment committees. Joined Coopers&Lybrand in 1997. Until 2008, Director of PricewaterhouseCoopers Advisory in Belgium. Until 2011, Director of PricewaterhouseCoopers Corporate Finance in Paris.	2014	May 2018
Nayarit Participations s.c.a.[1]	Non-executive Director – Permanent representative: Frédéric de Vuyst (41) Bachelor of Laws (FUNDP), BA Business & BSc Finance (London Metropolitan Business School). Managing Director Corporate & Investment Banking BNP Paribas Belgium until 2008. Management Committee Corporate & Public Banking and Management Committee Investment Banking BNP Paribas Fortis until 2012. Since then, managing director of a private equity fund.	2001	May 2018
Pierre-Olivier Beckers sprl	Independent Director – Permanent representative: Pierre-Olivier Beckers (54)[3] Master in Management Sciences (LSM), Louvain-la-Neuve; MBA Harvard Business School. Career at Delhaize Group (1983–2013); Chairman of the Executive Committee and managing director of Delhaize Group (1999–2013). Chairman of the Belgian Olympic and Interfederal Committee since 2004; Member of the International Olympic Committee (IOC) and Chairman of its Audit Committee. Deputy Chairman of the FEB. Director of Guberna. Various Directorships.	2014	May 2018
Jean-Pierre Bizet (66)	Non-executive Director Graduate of Solvay Business School, MBA (Harvard), PhD in Applied Economics (ULB). Consultant, partner, Director at McKinsey (1980–1994). CEO of GIB Group (1999–2002). Joined D'Ieteren in 2002, CEO (2005–2013). Various Directorships. Professor of strategy, ULB.	2005	May 2015
Christine Blondel (56)	Independent Director Ecole Polytechnique (France), MBA (INSEAD). Held executive positions at Procter & Gamble and led the Wendel Centre for Family Enterprise at INSEAD, where she is Adjunct professor of Family business. Founder of FamilyGovernance, advising family businesses. Director of INSEAD Foundation.	2009	June 2017
Pascal Minne (64)	Non-executive Director Law degree (ULB), Masters in Economics (Oxford). Partner and Chairman of PricewaterhouseCoopers Belgium (until 2001). Partner and Director of Petercam since 2001. Various Directorships. Professor of tax law at ULB.	2001	May 2018
Alain Philippson (75)	Non-executive Director Graduate of Solvay Business School. Joined Banque Degroof in 1972, currently Chairman. Chairman of the Board and Director of several family and other foundations.	1987	May 2015
Michèle Sioen (49)	Independent Director Degree in economics. CEO of Sioen Industries. Chairman of the FEB since May 2014. Director at ING Belgium and Guberna, amongst others. Member of the Corporate Governance Committee.	2011	May 2015

(1) Appointed on the proposal of family shareholders.

(2) Until the Ordinary General Meeting of 5 June 2014, the permanent representative of s.a. de Participation et de Gestion was Mr Michel Allé.

(3) Pierre-Olivier Beckers sprl (represented by Pierre-Olivier Beckers) was temporarily appointed by the Board of Directors on 16 January 2014 to complete the term of Mr Christian Varin, who resigned. The Ordinary General Meeting of 5 June 2014 ratified this appointment and renewed this term.

The Board of Directors meets at least six times a year. Additional meetings are held as necessary. The Board of Directors' decisions are taken by a majority of the votes, the Chairman having a casting vote in case of a tie. In 2014, the Board met 8 times. All of the Directors attended all of the meetings, except for:

- Mr Alain Philippson, excused for two meetings;
- Mrs Michèle Sioen, the s.a. SPDG represented by Mr Michel Allé and Mr Jean-Pierre Bizet, each excused for one meeting.

1.1.3. Tenures of Directors

Having reached the age limit of 75, Mr Maurice Périer made his Directorship available for the Company at the Ordinary General Meeting of 5 June 2014. The Board of Directors decided to appoint Messrs Nicolas D'Ieteren and Olivier Périer as Deputy Chairmen of the Board as from this date. The General Meeting also ratified the appointment of GEMA sprl, represented by Mr Michel Allé, as non-executive Director for 4 years.

Pierre-Olivier Beckers sprl, represented by Mr Pierre-Olivier Beckers, was temporarily appointed by the Board of Directors on 16 January 2014 to complete the term of Mr Christian Varin, who resigned. The Ordinary General Meeting of 5 June 2014 ratified this appointment and renewed this Directorship as independent Director for 4 years.

During the same Ordinary General Meeting, the Directorships of Messrs Roland D'Ieteren, Axel Miller and Pascal Minne, as well as of Nayarit Participations s.c.a., represented by Mr Frédéric de Vuyst, and s.a. SPDG, represented by Mr Denis Pettiaux, were renewed for 4 years.

1.1.4. Committees of the Board of Directors

Composition (as at 31/12/2014)	Audit Committee[1]	Nomination Committee	Remuneration Committee[1]
Chairman	Pascal Minne	Roland D'Ieteren	Roland D'Ieteren
Members	Christine Blondel[2]	Christine Blondel[2]	Christine Blondel[2]
	Frédéric de Vuyst[3]	Nicolas D'Ieteren	Michèle Sioen[2]
	Denis Pettiaux[4]	Pascal Minne	
		Maurice Périer[5]	
		Olivier Périer	
		Alain Philippson	

(1) Given their respective education and management experience in industrial and financial companies, the members of the Audit Committee, on the one hand, and of the Remuneration Committee, on the other, have the expertise in accounting and audit required by law for the former, and in remuneration policy for the latter.

(2) Independent Director.

(3) Since 16 January 2014. Permanent representative of Nayarit Participations s.c.a.

(4) Since 5 June 2014. Permanent representative of s.a. SPDG.

(5) Until 5 June 2014.

The **Audit Committee**, met 4 times in 2014, twice in the presence of the Auditor. All of its members attended all of the meetings.

The **Nomination Committee**, met 3 times in 2014. All of its members attended all of the meetings.

The **Remuneration Committee**, met 4 times in 2014. All of its members attended all of the meetings, with the exception of Mrs Michèle Sioen, excused for two meetings, and Mr Roland D'Ieteren, excused for one meeting.

Each Committee has reported on its activities to the Board.

Operation of the Committees

Audit Committee

At 31 December 2014, the Audit Committee comprises four non-executive Directors, with at least one independent Director. The Audit Committee's terms of reference primarily include the monitoring of the Company's financial statements and the supervision of the risk management and internal controls systems. The Committee will review auditor's reports on half-year and year-end financial statements of the subsidiaries which are consolidated into the Company's accounts. The Audit Committee meets at least four times a year, including at least once every six months in the presence of the Auditor, and reports on its activities to the Board of Directors. At least one specific meeting is dedicated to the supervision of the risk management and internal controls systems. The Auditor KPMG, appointed by the Ordinary General Meeting of 5 June 2014, has outlined the methodology for auditing the statutory and consolidated statements as well as the applicable materiality and reporting thresholds. The Committee's charter adopted by the Board is set out in Appendix I of the Charter published on the Company's website.

Nomination Committee

At 31 December 2014, the Nomination Committee comprises six non-executive Directors, including the Chairman of the Board, who chairs it, with at least one independent Director. The Committee makes proposals to the Board concerning appointments of non-executive Directors, the CEO, and based on a proposal by the latter, the managers reporting to him, and ensures that the Company has official, rigorous and transparent procedures to support these decisions. The Committee meets at least twice a year and reports on its work to the Board of Directors. The Committee's Charter, adopted by the Board, is reproduced in Appendix II a of the Company Governance Charter available on the Company's website.

Remuneration Committee

At 31 December 2014, the Remuneration Committee comprises three non-executive Directors, including the Chairman of the Board, who chairs it, and two independent Directors. The Committee makes proposals to the Board regarding the remuneration of the non-executive Directors, the CEO, and, based on a proposal by the latter, the managers reporting to him, and ensures that the Company has official, rigorous and transparent procedures to support these decisions. The Committee also prepares the remuneration report and comments it during the General Meeting. The Committee meets at least twice a year and reports on its work to the Board of Directors. The Committee's Charter adopted by the Board is reproduced in Appendix II b of the Corporate Governance Charter available on the Company's website.

Consultation Committee

The Chairman and the Deputy Chairmen of the Board meet once a month with the managing director, as a Consultation Committee, an advisory body, in order to monitor the Company's performance, review progress on major projects and prepare meetings of the Board of Directors.

Policy for transactions and other contractual relationships not covered by the legal provisions on conflicts of interest

Directors and managers are not authorised to provide paid services or to purchase or sell goods directly or indirectly to or from the Company or to its group's companies within the framework of transactions not covered by their mandates or duties, without the specific consent of the Board of Directors, except for transactions realised in the normal course of business. They are to consult the Chairman or managing director, who shall decide whether an application for derogation can be submitted to the Board of Directors; if so, they will notify the details of the transaction to the Company secretary, who will ensure that the related legal matters are applied. Such transactions shall only be authorised if carried out at market conditions.

Evaluation of the Board and its Committees

The Board and its Committees assess on a regular basis, and at least once every three years, their size, composition, procedures, performance and their relationships with the managers as bodies of the Company, as well as the individual contribution of each Director to overall functioning, in order to constantly improve the effectiveness of their actions and the contribution of said actions to the group's proper governance.

The Board received the conclusions of the last triennial self-assessment of the Board and its Committees in December 2012. This self-assessment was carried out using a detailed questionnaire sent to each Director and covering various aforementioned assessment criteria, the responses of which were discussed during individual interviews by two Directors who are members of the Nomination Committee. These Directors presented a summary of the answers to the questionnaire and of the individual interviews to the Board of Directors, and they made concrete recommendations.

1.2. GROUP EXECUTIVE MANAGEMENT

The Group's executive management is comprised of the CEO, the CFO, the CLO – also responsible for the Board's secretariat – and the Treasurer. The managing director-CEO is responsible for day-to-day management. He is assisted by the group's executive management, which is responsible at the Group level for finance, financial communications, investor relations, account consolidation, treasury, business development, legal and tax functions.

1.3. EXECUTIVE MANAGEMENT OF THE TWO ACTIVITIES

The Automobile Distribution sector – D'Ieteren Auto, an operational department of s.a. D'Ieteren n.v. without separate legal status – is managed by the CEO of D'Ieteren Auto, reporting to the Group's managing director. The CEO of D'Ieteren Auto chairs a management committee comprising six other members responsible for Retail, Administration and Finance, Group Service, Marketing, Training & Direct Sales, Automobile Financial Services (Volkswagen D'Ieteren Finance) as well as Human Resources.

The Vehicle Glass sector is comprised of Belron, of which D'Ieteren owned 94.85% at 31 December 2014, and its subsidiaries. On 31 December 2014, Belron is governed by a Board of Directors consisting of 9 members: D'Ieteren's managing director (who chairs it), the group CFO, Belron's CEO and CFO, D'Ieteren's two Deputy Chairmen of the Board and 3 non-executive Directors.

1.4. EXTERNAL AUDIT

The external audit is conducted by KPMG Bedrijfsrevisoren – Réviseurs d'Entreprises, represented by Alexis Palm, whose auditing term expires at the General Meeting of June 2017.

The total fees charged by the Statutory Auditor and linked companies for the work carried out in 2014 on behalf of s.a. D'Ieteren n.v. and linked companies amounted to EUR 4.7 million, excluding VAT. Details of the fees are included in note 43 of the 2014 Consolidated Financial Statements (page 75).

DEROGATIONS TO THE 2009 BELGIAN CORPORATE GOVERNANCE CODE

The Company derogates from the Code on the following principles:

→ Derogation to principle 2.2.

The group of Directors appointed on the proposal of the family shareholders is in a position to dominate decisions. In companies where family shareholders hold a majority of the share capital, the family shareholders do not have, as do other shareholders, the opportunity to sell their shares if they do not agree with the orientations defined by the Board. Their joint or majority representation on the Board enables them to influence these orientations, thereby ensuring the shareholding stability necessary to the profitable and sustainable growth of the Company. The potential risks for corporate governance resulting from the existence of a high degree of control by the majority shareholder on the working of the Board can be mitigated, on the one hand, by appropriate use of this power by the Directors concerned in respect of the legitimate interests of the Company and of its minority shareholders and, on the other hand, by the long-term presence of several non-executive Directors not representative of the family shareholding, which ensures genuine dialogue on the Board.

→ Derogation to principles 5.2./4 and 5.3./1

The composition of the Audit Committee and of the Nomination Committee, each of which includes at least one independent Director, derogates from the Belgian Corporate Governance Code, which recommends the presence of a majority of independent Directors. This is because the Board believes that an in-depth knowledge of the Company is at least as important as independent status.

2. Remuneration Report

2.1. DETERMINATION OF THE REMUNERATION POLICY FOR THE MANAGERS AND OF THE INDIVIDUAL AMOUNTS

The remuneration policy for the non-executive Directors and executive management of s.a. D'Ieteren n.v. and the individual remuneration amounts are determined by the Board of Directors based on the recommendations of the Remuneration Committee. Belron s.a., who has minority shareholders, has its own Board of Directors and Remuneration Committee, who determine the remuneration of its non-executive Directors and executive managers.

D'Ieteren's Remuneration Committee considers the following elements at the end of each year and submits them to the Board for approval, based on the recommendations of the CEO when his direct reports are concerned:

- the remuneration of the non-executive Directors for the following year;
- the variable remuneration of the executive managers for the past year, taking into account any annual or multi-annual criteria related to the performance of the Company and/or of the beneficiaries to which its granting is submitted;
- any changes to the fixed remuneration of executive managers and their target variable remuneration for the following year, and associated performance criteria.

The Board intends to maintain this procedure for the next two years.

2.2. REMUNERATION OF THE NON-EXECUTIVE DIRECTORS

The Company implements a remuneration policy designed to attract and retain on the Board a group of non-executive Directors with a wide variety of expertise in the various areas necessary to the profitable growth of the Company's activities. These Directors receive an identical fixed annual remuneration, independent of their presence at Board meetings. Some Directors are entitled to a fixed remuneration for rendering specific services as Chairman or Deputy Chairman of the Board, for participating to one or more Board committees and, in some cases, for the benefit of the provision of company cars. Some Directors receive a fixed annual remuneration from Belron s.a. for the exercise of a directorship. The total amount of these remunerations is given in the following table. The non-executive Directors do not receive any remuneration related to the Company's performance. The CEO does not receive any specific remuneration for his participation on the Board of Directors.

For the year ended 31 December 2014, a total of EUR 1,588,852 has been paid to the non-executive Directors by the Company and by the group's subsidiaries, broken down as follows. No other benefit or remuneration, loan or guarantee has been granted to them by D'Ieteren or its subsidiaries.

2014 (in EUR)	Base remuneration[1]	Specialised Committees	Total remuneration
D'Ieteren R.	430,910		430,910
D'Ieteren N.[2]	115,909	4,167	120,076
Périer O.[2]	117,693	4,167	121,860
P.-O. Beckers sprl	70,000		70,000
Bizet J.-P.	70,000		70,000
Blondel C.	70,000	60,000	130,000
Gema (Allé M.)[3]	40,833		40,833
Minne P.	70,000	90,000	160,000
Nayarit (de Vuyst F.)	70,000	40,000	110,000
Périer M.[4]	81,840		81,840
Philippson A.	70,000	10,000	80,000
Sioen M.	70,000	10,000	80,000
SPDG (Allé M.)[5]	29,167		29,167
SPDG (Pettiaux D.)[5]	40,833	23,333	64,167
Total Board of Directors	1,347,186	241,667	1,588,852

(1) The base remuneration also includes, in the case of the Chairman and Deputy Chairmen of the Board, company car fringe benefits.
(2) Remuneration modified on 05/06/2014 due to his appointment as Deputy Chairman of the Board.
(3) Appointment of Gema sprl (represented by M. Allé) as from 05/06/2014.
(4) Until 05/06/2014.
(5) Replacement of M. Allé by D. Pettiaux as permanent representative of SPDG and participation of D. Pettiaux to the Audit Committee as from 05/06/2014.

2.3. REMUNERATION OF THE EXECUTIVE MANAGERS

General principles

The executive managers are Axel Miller, CEO, Benoit Ghiot[1], Chief Financial Officer, Marc-Henri Decrop, Group Treasurer and Anne del Marmol, Chief Legal Officer. The group has its own remuneration policy for attracting and retaining managers with the appropriate background and motivating them by means of appropriate incentives. This policy is based on external fairness criteria, measured in terms of comparable positions outside the group, and on internal fairness criteria among colleagues within the Company.

The policy is to position executive managers' total individual remuneration, as a minimum, at the median of remuneration for positions of similar responsibility in comparable Belgian or foreign companies, as determined through benchmarking undertaken by independent experts. The last benchmarking was carried out in 2014.

Description of the various components

Axel Miller's managing director's contract comprises the following remuneration components:

- an «all in» annual fixed base remuneration of EUR 750,000, which includes employer contributions to pension schemes which are subscribed to in a personal capacity (until 31 December 2014), private medical and life insurance premiums, social security contributions, company car fringe benefits and a remuneration for the exercise of Directorships in group subsidiaries;

- a variable remuneration comprising:

    • an annual variable remuneration, whose target is set at maximum 50% of the short-term fixed remuneration;

    • and a long-term incentive plan in the form of share options.

As of 1 January 2015, the Company also supports the contributions to disability, pension and life insurance schemes to the benefit of the managing director for an annual amount of EUR 96,379.

The remuneration of the other executive managers comprises:

A. a fixed remuneration, consisting of a base remuneration, employer contributions to pension schemes, private medical and life insurance, company car fringe benefits, and, as the case may be, a remuneration for the exercise of directorships in group subsidiaries.

   The executive managers' defined contribution pension scheme comprises:

   - a base plan into which the employer pays an indexed fixed premium for retirement (possible from the age of 60 according to the thresholds set by law depending on the length of the career of the interested party), invested at a guaranteed rate with an insurer (who may add any participating bonuses). In the event of death before retirement, the employer will fund with the same insurer a lump sum equal to a multiple of the annual gross salary plus a multiple of the portion of this salary exceeding the maximum legal pension plan amount;

   - a supplementary plan into which the employer pays a premium equal to a percentage of the gross revenues for the previous year, variable according to the age of the beneficiary, which is capitalized with the insurer at the same guaranteed rate(to which he may add any participating bonuses) until retirement or death of the beneficiary.

B. a variable remuneration comprising:

   - an annual variable remuneration, whose target is about 40% to 50% of the fixed short term remuneration;

   - a long term incentives plan in the form of share options.

   As regards the phasing of the payment of the components of this variable remuneration over time, the Company complies with the legal requirements in terms of relative proportions relating to:

   – the target annual variable remuneration, which shall not exceed 50% of the total variable remuneration and the amount of which, adjusted according to whether performance criteria have been achieved, is paid at the beginning of the year following the services provided;

   – the long-term variable remuneration in the form of share options, which can be exercised at the earliest from the fourth year following the year in which they were allocated.

   The allocation of the variable remuneration depends on the compliance with collective quantitative performance criteria (consolidated result compared with the budget, which includes all the objectives and missions approved by the Board of Directors with a view to creating long-term value) and individual (related to the job description) and collective (related to the development and execution of the group's strategy, to the development of its human and financial resources, and to the conduct of specific important projects) qualitative criteria.

(1) On 26 February 2015, Benoit Ghiot decided to resign from his position at D'Ieteren. This decision became effective on 31 March 2015.

The annual bonus depends for 50% on the achievement of the annual quantitative objective, and for 50% on the achievement of the qualitative objectives. It can vary from 0% to 150% of the target in EUR, according to the performance evaluation carried out annually.

An assessment of the performance of the interested parties is carried out at the start of the year following the one to which the remuneration in question is allocated, by the CEO for his direct reports and by the Board for the CEO, on the recommendation of the Remuneration Committee and in accordance with the agreed performance criteria.

The **long term incentives plan** for executive managers consists in the granting of a determined number of D'Ieteren stock options decided by the Board of Directors on proposal by the Remuneration Committee, and fixed with regard to the long term median of remunerations for positions of similar responsibilities in comparable Belgian or foreign companies, such as that determined with the help of a benchmarking process conducted by independent experts, the most recent of which was conducted in 2014.

The features of the D'Ieteren share option schemes are those approved by the Ordinary General Meeting of 26 May 2005; these options give the right to acquire existing shares of the Company at an exercise price that corresponds, for each plan, either to the average price over the 30 calendar days preceding the offer date, or to the closing price on the working day preceding the offer date, as decided by the Chairman the working day preceding the launch of the plan.

These options are exercisable from 1 January of the 4th year following the date they were granted and up until expiry of the tenth year following the granting, with the exception of the 1.5-month periods preceding the dates of full-year and half-year financial communication. The actual exercise of the options depends upon the evolution of the share price allowing for the option exercise after the 3-year vesting period. Additional details on the share option plans are provided in Note 37 of the consolidated financial statements.

Remuneration allocated to the executive management for 2014

The following table summarises the various categories of remuneration of the managing director and the other executive managers of the group allocated for 2014.

2014 (in EUR)	CEO[1]	Other executive managers[2]
> Fixed remunaration	750,000	675,451
> Short-term variable remunaration[3]	325,000	186,851
> Contribution to disability, pension and life insurance schemes	0	160,022

Moreover, 105,000 share options were granted to the executive managers for the fiscal year 2014, at the strike price of EUR 32.10 per D'Ieteren share, allocated as follows:

2014	Options granted	Otions exercised	Options lapsed
> Chief Executive Officer	50,000	-	-
Other executive managers			-
> Chief Financial Officer	25,000	-	-
> Group Treasurer	20,000	-	-
> Chief Legal Officer	10,000	-	-

Main contractual conditions concerning the departure of members of the executive management and right to claim reimbursement of all or part of the variable remuneration.

Barring cases of unprofessional conduct, incapacity or gross negligence, Axel Miller's managing director's contract provides for a severance pay of 9 months (2015-2017) or 12 months (from 2017).

The employment contracts of the other members of the executive management are subject to the rules of common law applicable to employment contracts in Belgium and do not provide for a specific severance pay in the event of termination of contract.

These contracts do not contain claw back clauses applicable if the variable remuneration has been allocated on the basis of incorrect information.

(1) With an independent contract.
(2) Gross amounts, excluding employer's Social Security contributions.
(3) For the phasing of the variable remuneration, see "Description of the variable remuneration components", section B.

3. Internal controls and risk management systems

The Board of Directors performs its control duties on D'Ieteren's entities by (i) ensuring that these entities' bodies correctly perform their own control duties and that committees entrusted with special survey and control tasks (such as an Audit Committee and a Remuneration Committee) are put in place and function properly and (ii) ensuring that reporting procedures are implemented to allow the Board to follow up at regular intervals the entities' businesses, notably regarding the risks they are facing.

The Board of Directors is assisted by the Audit Committee in the exercise of its control responsibilities on the Company's entities, in particular as regards the financial information distributed to shareholders and to third parties and in monitoring the mechanisms for risk management and internal control.

Against this background, the effectiveness of D'Ieteren's system of controls, including operational and compliance controls, risk management and the company's internal control arrangements, has been reviewed. Such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

These reviews have included an assessment of both financial and operational internal controls by the internal audit of each entity and reports from the external auditor on matters identified in the course of its statutory audit work.

3.1. INTERNAL CONTROL ENVIRONMENT

3.1.1. The system of internal control includes but is not limited to:

- clear definition of the organization structure and the appropriate delegation of authorities to management;
- maintenance of appropriate separation of duties together with other procedural controls;
- strategic planning and the related annual budgeting and regular review process;
- monthly reporting and review of financial results and key performance statistics;
- adoption of accounting policies to help ensure the consistency, integrity and accuracy of the company's financial records;
- specific treasury policies and the regular reporting and review of all significant treasury transactions and financing activities;
- procedures for the authorisation of capital expenditure;
- internal audit reviews;
- policies and business standards.

3.1.2. The effectiveness of the system of internal control has been reviewed through the following processes:

- review of internal and external audit plans;
- review of any significant reported unsatisfactory control matters;
- review of any control issues that arise from internal and external audits together with any additional matters brought to the attention of the Audit Committee;
- review of any significant risks identified by the company's risk management process;
- discussions with management on any significant new risk areas identified by management and the internal and external audit processes.

D'Ieteren's Audit Committee receives a regular report on the work carried out by the Audit Committee of each entity and makes in turn its own reporting to the Board.

3.2. ASSESSMENT OF BUSINESS RISK

3.2.1. D 'Ieteren ensures that business risks, whether strategic, operational, reputational, financial, legal or environmental, are both understood and visible as far as practicable. D'Ieteren's policy is to ensure that risk is taken on an informed rather than unintentional basis.

3.2.2. Each entity conducts an annual risk review and updates its risk register with each risk's impact and mitigation actions. This approach forms the cornerstone of the risk management activities of D'Ieteren, the aim of which is to provide the assurance that the major risks the company faces have been identified and assessed, and that there are controls either in place or planned to manage these risks.

A summary of the main risks the company faces is provided hereafter.

3.3. INTERNAL AUDIT

3.3.1. Each entity has its own internal audit and risk management function, which is independent of its external auditors and which may work in partnership with an outsourced provider, where specialist skills are required. A periodic review ensures that these functions are appropriately staffed, that their scope of work is adequate in the light of the key identified risks the entity faces and that the annual internal audit plan is properly approved.

3.3.2. The Audit Committee of each entity ratifies the appointment and dismissal of its internal audit manager and assesses his independence and objectivity and helps ensure that he has unfettered access to management and to the Audit Committee.

3.3.3. The role of internal audit of each entity is to:

- assess the design and operating effectiveness of controls governing key operational processes and business risks;
- provide an assessment, independent of management, of the adequacy of the entity's internal operating and financial controls, systems and practices;
- provide advisory services to management in order to enhance the control environment and improve business performance.

3.4. KEY RISKS

3.4.1. Business risks

3.4.1.1. Industry risk

The automobile distribution business may be impacted by several factors relating to the car industry and the volume of cars sold on the Belgian market. Overall demand and mix may be affected by factors including general economic conditions, availability of credit to potential buyers, the tax treatment of company cars or CO_2 emissions. Specific demand for the distributed makes depends on the success of models developed by their automotive suppliers (VW, Porsche, Yamaha, etc.) and their adequate pricing on the Belgian market.

In the vehicle glass repair and replacement business, mild weather conditions, a reduction in the number of miles driven (e.g. as a result of an increase in fuel prices) or reduction of average speed on roads as a result of speed limit enforcements are unfavourable factors as they tend to reduce the frequency of glass breakage. Changes in insurance policies regarding glass breakage, such as an increase of deductibles may reduce demand or increase price pressure.

Disruptions in the recent used car market as a result of economic conditions or intense price competition in the new car market may affect residual values on buyback cars repurchased from car rental companies at D'Ieteren Auto.

These developments are actively monitored by each entity and fed in a planning process including strategic planning, long term financial planning, budgets and monthly reporting. This process allows a good anticipation of these trends or quick reaction to sudden events and provides management with a base for decisions regarding the range of products and services offered, their pricing and the sizing of the organisation.

Where business is by essence subject to rapid changes in demand, structures have been adapted to provide the maximum flexibility.

3.4.1.2. Project risk

In 2014, D'Ieteren announced that it was planning to review the footprint and the structure of the D'Ieteren Car Centers in order to improve their financial and commercial performance. It also announced a new structure for the distribution network, dividing the territory into a number of homogeneous market areas in order to improve the profitability of the independent dealers.

Belron, on the other hand, announced plans to improve the operational efficiency in a number of European countries that are facing adverse market or competitive conditions, as well as in China.

The implementation of these changes could temporarily cause commercial or operational disturbances which may impact the results as well as lead to potential credit losses. Project management structures are being set up for each of these projects in order to ensure the smoothest transition possible and prevent any negative effect on the activities and results.

3.4.1.3. Sourcing risk

D'Ieteren Auto imports and distributes new cars and spare parts of the makes of the Volkswagen group. The relationship with Volkswagen has been built over the last 60 years and is formalized in wholesale agreements with each of the makes with no specified end dates. Any adverse changes to the terms of the agreements, any deterioration in the relationship with the Volkswagen group or any significant change in policy towards independent importers is likely to have an adverse effect on the financial condition and the results of the entity.

The key defence against this risk resides in the company's ability to demonstrate to the Volkswagen group its added value through the management of the Belgian network of distributors. The company is strictly aligned to the commercial, marketing and services policies of the Volkswagen group.

VGRR business is critically dependent on the supply of vehicle glass, polyurethane and repair resin. In order to avoid that the loss of a key supplier in any of these areas significantly disrupts its operations, purchasing teams have developed a strategy to diversify sourcing and actively allocate volumes.

3.4.1.4. Key account risk

In both entities of D'Ieteren, a significant part of the business is transacted with large key accounts such as businesses, fleet leasing companies or insurers. Any loss of one or several major key account(s) could have an adverse effect on the financial condition and the results of D'Ieteren.

Each entity undertakes many activities to ensure that its relationship with key accounts remains strong. Every major account will have a dedicated manager who will develop a key account plan with clear objectives on how to develop the relationship further. Each entity ensures that its customer portfolio remains sufficiently balanced.

3.4.1.5. Product/service failure risk

Vehicles or spare parts distributed by D'Ieteren Auto may be subject to a major defect. In this case, all the technical and PR response to such failure would be organised by the Volkswagen group.

In the vehicle glass repair and replacement business, as the windscreen is an important part of the safety of a vehicle, any badly fitted windscreen could adversely impact the safety of the vehicle and have a legal, financial and reputational impact.

In order to minimise this risk, Belron develops clear fitting standards, rolls them out throughout the organisation, and regularly monitors compliance through technical teams in every business unit. In addition, events such as the "Best of Belron", a worldwide competition to elect the best fitter of the group, based on compliance with standards and quality of execution, reinforce the importance of the highest fitting standards.

3.4.1.6. Loss of key personnel

Continuity of the business may be impaired by the loss of personnel responsible for key business processes, for physical reasons or as a result of their decision to leave the organisation.

Personnel retention is managed through the offering of a competitive compensation, regularly benchmarked against market practice, good career perspectives, regular feedback and employee satisfaction surveys. Succession plan of key personnel is regularly reviewed by the top management of each entity.

3.4.2. Finance and IT risks

3.4.2.1. Catastrophic loss risk

D'Ieteren's entities are heavily dependent on key resources such as IT systems, call centres and distribution centres. Major disaster affecting these resources may result in the inability of the entity to provide essential products or services either locally or globally. Absent mitigating actions, operating costs resulting from the occurrence of a disaster could be significant.

Management regularly reviews the underlying potential causes of loss and implements protective measures. In addition, Business Continuity Plans are designed to ensure continuity of the entities should a disaster occur. More specifically for IT systems, duplication of key data and systems mitigate the impact of a potential major system failure. Residual risk may be covered by appropriate insurance policies.

3.4.2.2. Liquidity risk

A substantial proportion of D'Ieteren's entities is financed by loans, whose availability depends on access to credit markets. Lack of availability of funds or a breach of financial covenant could result in the inability of all or part of the company to operate or may lead to a significant increase of the cost of funding.

Each entity seeks to ensure that it has a core level of long-term committed funding in place with maturities spread over a number of years.

This core funding is supplemented with shorter-term committed and uncommitted facilities particularly to cover seasonal debt requirements. All funding is arranged with a wide range of providers, on both a public and private basis. Each entity maintains a regular dialogue with debt providers and keeps them updated on the general situation of the company.

Following the sale of Avis Europe and the contribution of D'Ieteren Lease in a joint venture wholly financed by Volkswagen Financial Services, the liquidity risk has been considerably reduced.

3.4.2.3. Interest rate and currency risk

D'Ieteren's international operations expose it to foreign currency and interest rate risks. The majority of the business carried out by the company is transacted in euro, pounds and US dollars. In each country where D'Ieteren has a subsidiary, revenue generated and costs incurred are primarily denominated in the relevant local currency, thereby providing a natural currency hedge. In the vehicle glass repair and replacement activity, the policy is, whenever possible, to hedge the value of foreign currency denominated investment with an equivalent amount of debt in the same currency to protect their value in euro.

Interest rate risk arises from the borrowings, which, after foreign currency risk hedging, principally arise in euro, pound sterling and U.S. dollar. Borrowings issued at variable rates expose the company to cash flow interest rate risk whereas borrowings issued at fixed rates expose the company to fair value interest rate risk.

To manage these risks, D'Ieteren is financed through a combination of both fixed and floating rate facilities possibly combined with derivatives-based hedges (see notes 18 and 19 of the 2014 financial consolidated statements concerning the financial instruments that were used). As present debt facilities mature, D'Ieteren is exposed to higher credit spreads on its borrowings.

3.4.3. Other risks

3.4.3.1. Compliance risk

In geographies where D'Ieteren's businesses have significant market shares and/or are governed by vertical agreements falling in the scope of Block Exemption regulations, the key legislative risk relates to Competition Law. Any Competition Law breach could result in significant fines. In addition to this, there has recently been a significant development in Data Protection legislation with substantial fines for violations.

In order to mitigate these risks, clear policies and legal monitoring have been put in place and widely communicated. Their application is audited on a regular basis.

3.4.3.2. Integrity risk

D'Ieteren's reputation or assets may be affected if unethical or fraudulent activities were perpetrated by employees, customers, suppliers or agents against D'Ieteren for personal gains, or if D'Ieteren was considered jointly responsible for such acts perpetrated by third parties.

The company is putting in place a series of measures in order to avoid these risks to the maximum extent possible, including established policies and procedures, ethics policy or code of conduct applicable to all staff, appropriate training of the staff, delegation of authority in place with separation of duties, management information, internal audit and financial controls.

4. Capital information

Denominator

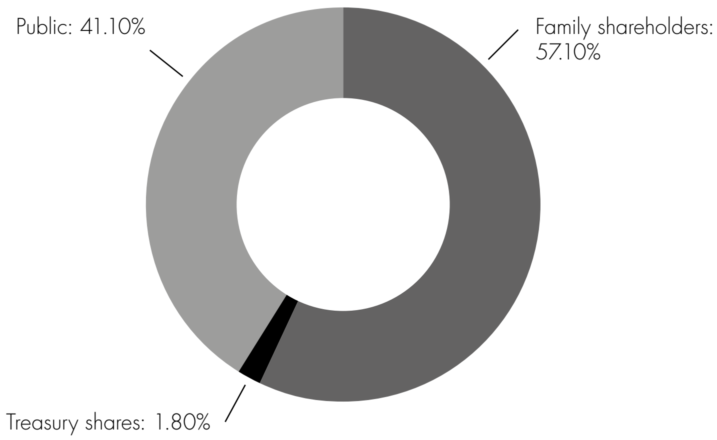
At 31 December 2014	Number	Related voting rights
Ordinary shares	55,302,620	55,302,620
Participating shares	5,000,000	5,000,000
Total		**60,302,620**

Shareholding structure

At 31 December 2014	In capital share	In voting rights
Family shareholders	**57.10%**	**60.66%**
of which Nayarit Group	*31.99%*	*35.56%*
of which SPDG Group	*25.11%*	*25.10%*
Treasury shares	**1.80%**	**1.65%**
Free float	**41.10%**	**37.69%**
of which MFS Investment Management	*5.47%**	*5.02%**

* At 18 June 2014, when the last notification of participation of MFS Investment Management was received.

In capital share



Disclosure of significant shareholdings (Transparency law)

In compliance with Article 14 paragraph 4 of the law of 2 May 2007 on the disclosure of significant shareholdings, the shareholding structure such as it results from the latest notification received by the Company (on 18 June 2014) is presented in Note 29 (see page 60).

The Company is not aware of any subsequent notification modifying the information presented in this Note.

Dematerialisation of bearer shares

In accordance with the applicable regulation, the Company will sell on the regulated market the company bearer shares which are not subject to an opposition and whose owners are unknown. At 31 December 2014, 43,330 bearer shares were still held.

Elements that can have an influence in case of a takeover bid on the shares of the Company

In accordance with Article 74 § 7 of the Law of 1 April 2007 on takeover bids, s.a. D'Ieteren n.v. received on 20 February 2008 a notification from the Nayarit group (whose members are listed in Note 29 of the Consolided Financial Statements, page 60), which mentions that, either separately or acting in concert with other people, on 30 September 2007 this group held more than 30% of the voting shares issued by the Company. This notification remains relevant at the date of this report.

The Extraordinary General Meeting of 5 June 2014 renewed the authorisation to the Board to:

- increase the share capital in one or several times by a maximum of 60 million EUR. The capital increases to be decided upon in the framework of the **authorised capital** can be made either in cash or in kind within the limits set up by the Company Code, or by incorporation of available as well as non-available reserves or a share premium account, with or without creation of new shares, either preference or other shares, with or without voting rights and with or without subscription rights. The Board of Directors may limit or waive, in the Company's best interest and in accordance with the conditions determined by the law, the preferential subscription right for the capital increases it decides, including in favour of one or more determined persons;

- decide, in the framework of the authorised capital, on the issuance of convertible bonds, subscription rights or financial instruments which may in term give right to Company shares, under the conditions set up by the Company Code, up to a maximum, such that the amount of the capital increases which could result from the exercise of the above mentioned rights and financial instruments does not exceed the limit of the remaining capital authorised as the case may be, without the preferential subscription right of bondholders.

Without prejudice to the authorisations given to the Board of Directors according to the previous paragraphs, the Extraordinary General Meeting of 5 June 2014 also authorized the Board of Directors:

- for a renewable 3-year period, to proceed – in the event of takeover bids on the Company's shares and provided the required notification has been made by the FSMA within a 3-year period as from the decision of the General Meeting – to capital increases by contribution in kind or in cash, as the case may be, **without the preferential subscription** right of shareholders;

- in order to prevent the Company from suffering a severe and imminent damage, to sell own shares on the stock exchange or through a sale offer made under the same conditions to all shareholders in accordance with the law. These authorisations also apply, under the same conditions, to the purchase and sale of the Company's shares by subsidiaries in accordance with clauses 627, 628 and 631 of the Company Code.

Finally, the Extraordinary General Meeting of 5 June 2014 approved the renewal of the 5-year authorization granted to the Board to purchase own shares under the legal conditions, notably to cover stock option plans for managers of the Company.

The rules governing the **appointment and replacement of Board members** and the **amendment of the articles of association** of the Company are those provided for by the Company Code.

The **change of control clauses** included in the credit agreements concluded with financial institutions and in the prospectus for the public bond offering of 23 December 2009 was approved by the General Meeting of shareholders of 27 May 2010, in accordance with article 556 of the Company Code.

Share Information

D'IETEREN SHARE

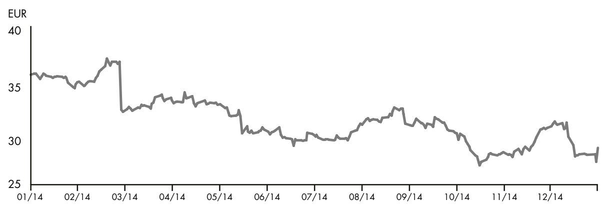
Minimum lot	1 share
ISIN code	BE0974259880
Reuters code	IETB.BR
Bloomberg code	DIE:BB

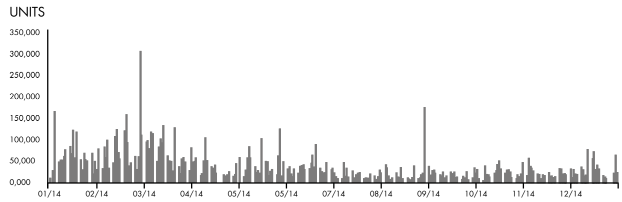
STOCK MARKET INDICES

Since 19 March 2012, the D'Ieteren share belongs to the BEL20 index with a weight of 0.77% at 31 December 2014. The D'Ieteren share also forms part of the Next 150 and Belgian All Shares (BAS) indexes of Euronext with a respective weighting of 0.90% and 0.30% at the same date. Finally, it also forms part of sector indexes published by Dow Jones, Eurostoxx and Bloomberg.

EVOLUTION OF THE SHARE PRICE AND TRADED VOLUMES IN 2014

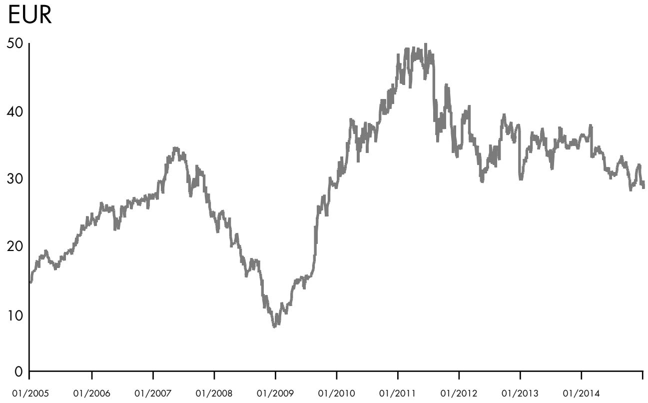
	2014	
Performance	-19.1%	
Total shareholder return	-17,4%	
Average price (EUR)	31.95	
Maximum price (EUR)	37.68	18/02/2014
Minimum price (EUR)	27.66	16/10/2014
Average volume (in units)	40,302	
Maximum volume (in units)	302,922	27/02/2014
Minimum volume (in units)	5,788	06/10/2014





EVOLUTION OF THE SHARE PRICE OVER 10 YEARS

	01/01/2005 - 31/12/2014	
Performance	114.6%	
Total annual shareholder return	9.5%	
Average price (EUR)	28.99	
Maximum price (EUR)	49.85	14/06/2011
Minimum price (EUR)	7.22	29/12/2008
Average volume (in units)	63,783	
Maximum volume (in units)	820,930	30/05/2008
Minimum volume (in units)	1,930	28/05/2007



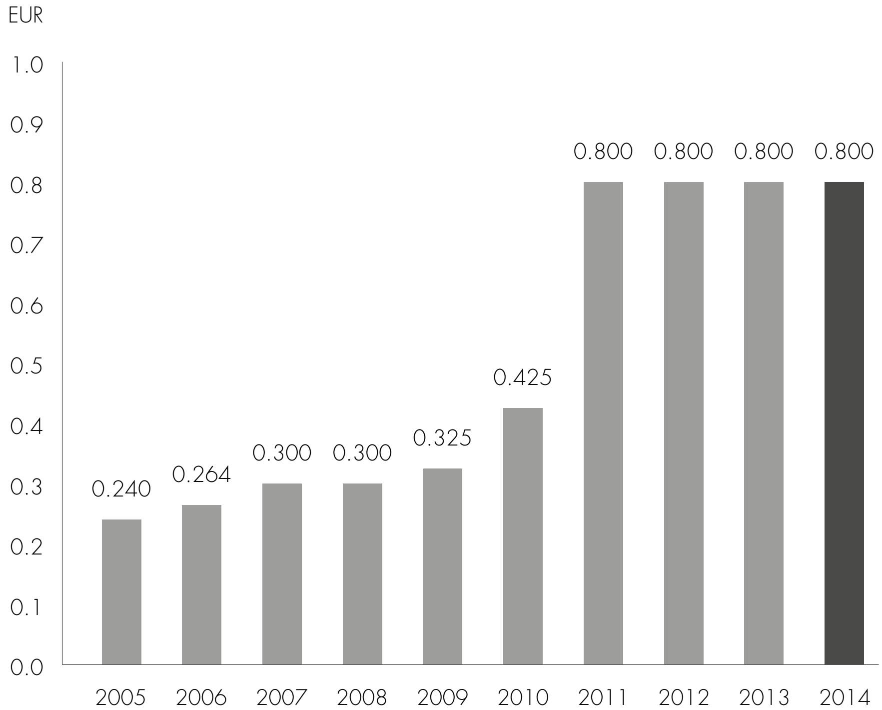
Detailed and historic information on the share price and the traded volumes are available on the website of D'Ieteren (www.dieteren.com).

DIVIDEND

If the allocation of results proposed in Note 29 of this report is approved by the Ordinary General Meeting of 28 May 2015, a gross dividend for the year 2014 of EUR 0.800 per share will be distributed.

The dividend will be paid starting on 4 June 2015.

EVOLUTION OF THE GROSS DIVIDEND PER SHARE OVER 10 YEARS



Global Reporting Initiative – Disclosure on sustainable development

- D'Ieteren's self-assessment puts it at level C. 13 GRI indicators are reported, of which 11 relate to environment;
- The scope of this report covers D'Ieteren's two activities: D'Ieteren Auto and Belron;
- D'Ieteren continues to develop its CSR strategy and initiatives notably by engaging with stakeholders and responding appropriately to their CR concerns.

STRATEGY AND ANALYSIS

§	GRI Content	Reference/Comment
1.1	CEO statement	See Activity Report 2014 – page 2

COMPANY PROFILE

2.1	Name	s.a. D'Ieteren n.v.
2.2	Brands, products and services	Distribution in Belgium of Volkswagen, Audi, Seat, Škoda, Bentley, Lamborghini, Bugatti, Porsche and Yamaha vehicles; Vehicle Glass Repair and Replacement (VGRR) across the world through more than ten major brands including Carglass®, Safelite® AutoGlass and Autoglass®; For further information, please refer to the corporate website www.dieteren.com.
2.3	Operational structure	See page 1 of the Activity Report
2.4	Location of headquarters	Rue du Mail, 50 - 1050 Brussels, Belgium
2.5	Number of countries	34 countries on 5 continents (see map on page 1 of the Activity Report)
2.6	Nature of ownership and legal form	Public company established and domiciled in Belgium, whose controlling shareholders are listed in note 29 of the 2014 Consolidated Financial Statements (see page 60).
2.7	Markets served	See map on page 1 of the Activity Report
2.8	Scale	See the 2014 Consolidated Financial Statements
2.9	Significant changes regarding size, structure or ownership	No changes from previous reports

REPORT PARAMETERS

3.1	Reporting period	January 1, 2014 to December 31, 2014
3.2	Date of most previous report	December 2014 - This is the fifth year that D'Ieteren reports following the GRI reporting Guidelines
3.3	Reporting cycle	Yearly
3.4	Contact point for questions	Financial indicators: Pascale Weber, pascale.weber@dieteren.be, tel: +32 2 536 54 39 Environmental and Social indicators: Catherine Vandepopeliere, catherine.vandepopeliere@dieteren.be, tel: +322 536 91 91

3.5	Process for defining report content	Materiality of CSR stakes directly related to the two core activities of the group has been the main selection criteria; The selection of content and indicators has been reviewed and validated by a representative team of D'Ieteren.
3.6	Boundaries	Belron has activities in 25 corporately-operated countries. D'Ieteren Auto has 16 corporately-owned sites in Belgium.
3.7	Limitations on the scope	At Belron, the activities of the 9 franchised countries are not included in this report. At D'Ieteren Auto, this also applies to the activities of the independent dealerships, as well as to the independent dealerships that were acquired by D'Ieteren Auto at the end of 2013 and in H1 2014.
3.8	Basis for reporting	Same as 2014 Consolidated Financial Statements
3.10	Effects of re-statement of information provided in earlier reports	No restatement of information provided in earlier reports
3.11	Significant changes in scope, boundary or measurement methods	No significant changes from previous reports
3.12	GRI content index	See Table page 99

GOVERNANCE, COMMITMENT AND ENGAGEMENT

4.1	Governance	D'Ieteren adheres to the corporate governance principles set out in the Belgian Code of Corporate Governance 2009 published on the website www.corporategovernancecommittee.be. However, the implementation of these principles takes into consideration the particular structure of the Company's share capital, with family shareholders owning the majority and having ensured the continuity of the Company since 1805. The Board of Directors consists of: • six non-executive Directors, appointed on the proposal of the family shareholders; • six non-executive Directors, three of whom being independent, chosen on the basis of their experience[1]; • the managing director (CEO). Information relative to the D'Ieteren Corporate Governance Charter is available on www.dieteren.com Contact persons for questions: Financial indicators: Pascale Weber, pascale.weber@dieteren.be Environmental and Social indicators: Catherine Vandepopeliere, catherine.vandepopeliere@dieteren.be
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	
4.3	Number of members of the highest governance body that are independent and/or non-executive members	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	First discussions with external stakeholders have been initiated in 2012. They are involved on the basis of their interest in, impact on, and knowledge of the main challenges of D'Ieteren's core activities. Examples include green mobility, professional training in automobile skills, sustainable buying and selling practices.
4.14	List of stakeholder groups engaged by the organization	
4.15	Basis for identification and selection of stakeholders with whom to engage	

(1) A third independent Director, Pierre-Olivier Beckers sprl (represented by Mr Pierre-Olivier Beckers), was temporarily appointed by the Board of Directors on 16 January 2014 to complete the term of Mr Christian Varin, who resigned. The Ordinary General Meeting of 5 June 2014 ratified this temporary appointment and renewed this term.

				D'Ieteren Auto			Belron		
			Units	2012	2013	**2014**	2012	2013	**2014**
ECONOMIC PERFORMANCE									
Direct economic value generated and distributed		EC1	EUR million	2,787.3	2,627.4	**2,660.5**	2,727.0	2,843.1	**2,881.1**
Significant financial assistance received from government		EC4	Not material - D'Ieteren Auto and Belron have never received assistance from governments						
ENVIRONMENTAL PERFORMANCE									
Energy consumption									
Direct	Heating fuel	EN3	MWh/yr	1,065	979	**955**	4,788	4,386	**2,747**
	Natural gas consumption		MWh/yr	27,232	28,421	**24,559**	88,189	102,184	**99,792**
	Other (Coal, Biofuel, ethanol, hydrogen)		MWh/yr	-	-	**-**	-	-	**-**
	Company owned vehicles fuel consumption		liters	1,707,188	1,658,883	**1,644,398**	54,247,388	56,625,446	**56,736,222**
Indirect	Electricity consumption	EN4	MWh/yr	11,866	11,430	**10,905**	107,855	107,805	**115,321**
GHG emissions									
Direct	Heating fuel	EN16	tCO_2e/yr	288	264	**257**	1,104	1,007	**630**
	Natural gas consumption		tCO_2e/yr	5,193	5,113	**4,502**	17,130	19,897	**19,287**
	Gases for cooling systems		tCO_2e/yr	256	261	**346**	2,031	1,793	**2,372**
	Company owned vehicles		tCO_2e/yr	4,725	4,747	**4,280**	126,254	132,775	**131,523**
	Company controlled logistics		tCO_2e/yr	NA	NA	**NA**	15,431	26,489	**26,147**
	Fork Lift Trucks		tCO_2e/yr	NA	NA	**NA**	171	125	**108**
Indirect	Electricity consumption	EN17	tCO_2e/yr	1,903	1,895	**1,952**	42,300	40,375	**43,542**
Initiatives to reduce energy consumption and to mitigate environmental impact									
Energy saved due to conservation and efficiency improvements	Initiatives to reduce energy use and improve energy efficiency	EN5		Activity Report 2014 - CSR section/ additional information below			Activity Report 2014 - CSR section/additional information on www.belron.com (CSR section: our way of managing our impact)		
	Initiatives to provide energy-efficient products and services								
	EMS/ISO 14001								
Initiatives to reduce indirect energy consumption		EN7							
Initiatives to reduce greenhouse gas emissions		EN18							
Initiatives to mitigate environmental impacts of products & services		EN 26							
Waste									
	Recycling flows	EN22	ton/yr	1,012	1,141	**1,320**	60,771	99,498	**104,340**
	Incinerators		ton/yr	426	363	**388**	2,743	1,526	**1,884**
	Landfill		ton/yr	-	0.44	**-**	73,570	41,704	**49,855**
	Hazardous		ton/yr	313	300	**346**	223	430	**271**
Transport									
Environmental impacts of transportation of products	Business travel (air, road, rail)	EN29	tCO_2e/yr	584	438	**671**	19,613	23,431	**15,288**
	CO_2 emissions of logistics: corporately owned vehicles		tCO_2e/yr	-	-	**-**	15,431	26,489	**26,147**
	Outsourced Logistics		tCO_2e/yr	4,369	4,448	**4,617**	21,110	20,909	**21,252**
LABOR PRACTICES & DECENT WORK									
Total workforce by employment type, employment contract, and region	Total workforce	LA1	Average FTE	1,587	1,601	**1,604**	24,200	25,645	**26,542**
	% of total employees who are part time		%	3.4	3.4	**2.7**	NA	NA	**NA**
Programs for skills management and lifelong learning		LA11		Activity Report 2014 - CSR section			Activity Report 2014 - CSR section/ additional information on www.belron.com (CSR section: our people)		

Additional information
D'Ieteren Auto has developped its own monitoring of its environmental performances. Yearly audits are performed at the own sites; energy, waste, water use are reported twice a year. Total GHG emissions include emissions from spare parts logistics since 2011. **Belron:** The GHG emissions of the business units are reported twice a year and followed by the Belron central team in the Belron Environmental Reporting System (BERS), allowing for a close monitoring of the emissions.

Notes

FINANCIAL CALENDAR

General Meeting & Trading update	28 May 2015
Ex date	2 June 2015
Payment date	4 June 2015
2015 Half-Year Results (after market) / Analyst meeting & press conference	31 August 2015

PRESS AND INVESTOR RELATIONS – D'IETEREN GROUP

Pascale Weber
s.a. D'Ieteren n.v.
rue du Mail, 50
B-1050 Brussels
Belgium
Tel. : + 32 2 536 54 39
Fax : + 32 2 536 91 39

E-mail: financial.communication@dieteren.be
Website: www.dieteren.com/en

VAT BE 0403.448.140 - Brussels RPM

Information about the group (press releases, annual reports, financial calendar, share price, financial information, social documents…) is available, mostly in three languages (French, Dutch and English), on www.dieteren.com or on request.

Ce rapport est également disponible en français. Dit verslag is ook beschikbaar in het Nederlands.

Design and production: EMAKINA (www.emakina.be)

PRINTING: PRINT'IN By D'Ieteren

FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking information that involves risks and uncertainties, including statements about D'Ieteren's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of D'Ieteren. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, D'Ieteren does not assume any responsibility for the accuracy of these forward-looking statements.

1805
D'Ieteren

www.dieteren.com/en

Download the D'Ieteren App

Available on the App Store

Get it on Google play