

BELRON FINANCE LIMITED

Annual report and financial statements

Registered number 3845434

31 December 2017



Contents

Strategic report	2
Directors' report	3
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Independent auditor's report to the members of Belron Finance Limited	5
Profit and loss account and other comprehensive income	7
Balance Sheet	8
Statement of changes in equity	9
Notes to the financial statements	10-37

Strategic Report

BUSINESS REVIEW

During the financial year Belron Finance Limited (the "Company") was engaged in treasury management for the group of companies owned by Belron Group S.A. (the "Group"). The results of the Company and the development of its business are influenced by the Group's financing requirements.

The Company manages its operations as part of the Group and the directors therefore believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of this business. The performance of the Group, which includes this Company, is discussed in the Annual Report and Accounts of the ultimate parent company S.A. D'leteren N.V. which are publicly available.

FINANCIAL PERFORMANCE AND POSITION

The loss before tax for the year is €28,579,000 (2016: loss of €27,369,000). At 31 December 2017 the Company had net assets of €1,376,857,000 (2016: €614,402,000).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties of the Company are closely linked to those of the Group that are discussed in the Annual Report and Accounts of S.A. D'leteren N.V.



D B Meller
Director
Milton Park
Stroude Road
Egham
Surrey
TW20 9EL

5 September 2018

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The Company acts as a treasury management company for the Group.

DIVIDENDS

On 30 March 2017 a dividend of €189,878,567 (2016 - Nil) was paid to the Company's immediate parent undertaking Carglass-Autoglass BV. During November 2017 Belron Lending UK Ltd became the Company's immediate parent undertaking and a further dividend payment of €79,363,823 (2016 - Nil) was paid to Belron Lending UK Ltd.

FINANCIAL INSTRUMENTS

The Company's risk management objectives and the Company's use of financial instruments is discussed in notes 16 to 18 to the accounts.

DIRECTORS

The directors who held office during the year were as follows:

G Lubner
D B Meller

EMPLOYEES

The Company has no employees and no staff costs are borne by the Company.

AUDITOR

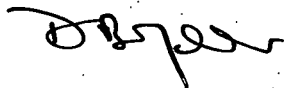
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

REGISTERED ADDRESS

Belron Finance Ltd is a private company limited by share, registered in England, with its registered address at Milton Park, Stroude Road, Egham, Surrey, TW20 9EL.



D B Meller
Director
Milton Park
Stroude Road
Egham
Surrey
TW20 9EL

5 September 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELRON FINANCE LIMITED

Opinion

We have audited the financial statements of Belron Finance Limited ("the company") for the year ended 31 December 2017 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELRON FINANCE LIMITED
(continued)**


Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.


Zulfikar Walji (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

5 September 2018

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2017

	Notes	2017 €'000	2016 €'000
Administrative expenses	2	(928)	(978)
Impairment losses	8	(32,100)	(10,700)
Operating loss		(33,028)	(11,678)
Income from shares in group undertakings	3	24,247	10,000
Other interest receivable and similar income	4	76,805	48,535
Interest payable and similar charges	5	(96,603)	(74,226)
Loss on ordinary activities before taxation		(28,579)	(27,369)
Tax on loss on ordinary activities	6	8,785	2,636
Loss for the financial year		(19,794)	(24,733)
Other comprehensive income			
Cash flow hedges:			
Gains arising during the year		2,804	-
Tax on gains arising during the year		(336)	-
Other comprehensive income for the year, net of tax		2,468	-
Total comprehensive expense for the year		(17,326)	(24,733)

The notes on pages 10 to 37 form part of these financial statements.

Balance Sheet
at 31 December 2017

	Notes	2017 €'000	2016 €'000
Fixed assets			
Tangible assets	7	96	226
Investments	8	1,781,388	915,599
		<u>1,781,484</u>	<u>915,825</u>
Non-current assets			
Debtors	9	1,959	-
Deferred tax asset	14	4,504	-
Current assets			
Debtors	9	1,069,419	651,481
Cash at bank and in hand	10	43,658	24,368
Creditors: amounts falling due within one year	11	(254,552)	(412,819)
Net current assets		<u>858,525</u>	<u>263,030</u>
Total assets less current liabilities		<u>2,646,472</u>	<u>1,178,855</u>
Creditors: amounts falling due after more than one year	12	(1,269,643)	(563,537)
Provisions for liabilities			
Deferred tax liability	14	-	(916)
Net assets		<u>1,376,829</u>	<u>614,402</u>
Capital and reserves			
Called up share capital	15	1,182,715	133,720
Share premium account		49,451	49,451
Revaluation reserve		-	526,244
Foreign exchange reserve		(40,864)	(40,864)
Hedging reserve		2,468	-
Retained earnings		183,059	(54,149)
Shareholders' funds		<u>1,376,829</u>	<u>614,402</u>

The notes on pages 10 to 37 form part of these financial statements.

These financial statements were approved by the board of directors on 5 September 2018 and were signed on its behalf by:



D B Meller
Director
Company registered number: 3845434

Statement of Changes in Equity

at 31 December 2017

	Called up Share Capital €'000	Share Premium account €'000	Revaluation reserve €'000	Foreign exchange reserve €'000	Hedging reserve €'000	Retained earnings €'000	Total equity €'000
At 1 Jan 2016	133,720	49,451	526,244	(40,864)	-	(29,416)	639,135
Loss for the financial year	-	-	-	-	-	(24,733)	(24,733)
At 31 Dec 2016	133,720	49,451	526,244	(40,864)	-	(54,149)	614,402

	Called up Share Capital €'000	Share Premium account €'000	Revaluation reserve €'000	Foreign exchange reserve €'000	Hedging reserve €'000	Retained earnings €'000	Total equity €'000
At 1 Jan 2017	133,720	49,451	526,244	(40,864)	-	(54,149)	614,402
Capitalisation of Ordinary (bonus) shares	526,244	-	(526,244)	-	-	-	-
Cancellation of Ordinary (bonus) shares	(526,244)	-	-	-	-	526,244	-
Share capital issued	1,048,995	-	-	-	-	-	1,048,995
Dividend paid	-	-	-	-	-	(269,242)	(269,242)
Loss for the financial year	-	-	-	-	-	(19,794)	(19,794)
Other comprehensive income	-	-	-	-	2,468	-	2,468
At 31 Dec 2017	1,182,715	49,451	-	(40,864)	2,468	183,059	1,376,829

The notes on pages 10 to 37 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

The Company is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2013/14 Cycle) issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is euro.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

FRS 101 defines the Company as a financial institution and as such these accounts have been prepared accordingly. FRS 101 grants certain exemptions from the full requirements of Adopted IFRSs in the transition period. The following exemptions have been taken in these financial statements:

- Investments in subsidiaries – carrying amount of the Company's cost of investment in subsidiaries under existing UK GAAP is its deemed cost at 1 January 2014 on transition to FRS 101.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRS.

The Company's ultimate parent undertaking, S.A. D'leteren N.V. includes the Company in its consolidated financial statements. The consolidated financial statements of S.A. D'leteren N.V. are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from S.A. D'leteren N.V., Rue du Mail 50, B-1050 Brussels, Belgium. The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial instruments classified as fair value through the profit and loss or as available-for-sale. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

The Company's currency is Euro and unless otherwise stated the financial statements are rounded to the nearest thousand.

Notes *(continued)***1 Accounting policies** *(continued)***1.2 Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2. The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the Directors' Report. In addition, notes 16 to 18 to the financial statements include the Company's objectives, policies and processes for its financial risk management objectives, details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk.

The Company has considerable financial resources and the directors believe that the Company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated into the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss except for differences arising on the retranslation of qualifying cash flow hedges, which are recognised in other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

1.4 Impairment excluding deferred tax assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Intra-group financial instruments

Intra-group receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Intra-group payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Notes (continued)

1 Accounting policies (continued)

1.6 Derivative financial instruments and hedging

Loans and borrowings

Loans and borrowings are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit and loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the profit and loss on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. Land is not depreciated. The estimated useful lives are as follows:

- a. computer software and hardware 7 years

1.8 Expenses

Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.9 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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 substantively 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 temporary difference can be utilised.

Notes *(continued)***2 Administrative expenses****2(a) Expenses and auditor's remuneration**

	2017 €'000	2016 €'000
Administrative Expenses	<u>928</u>	<u>978</u>

The directors did not receive any remuneration from the Company during the year (2016: nil), as the services provided to the Company are incidental to their duties to the Group.

	2017 €'000	2016 €'000
Auditor's remuneration:		
Audit of these financial statements	<u>18</u>	<u>18</u>

The auditors have been remunerated by other Group companies and no part of this remuneration has been borne by the Company.

2(b) Staff numbers and costs

Services are provided by other Group undertakings. As such there are no employees or associated costs within the Company.

3 Income from shares in Group undertakings

	2017 €'000	2016 €'000
Dividends receivable	<u>24,247</u>	<u>10,000</u>

During the year dividends of €24,247,000 (2016: €10,000,000) were received from Belron International Limited.

Notes (continued)**4 Other interest receivable and similar income**

	2017	2016
	€'000	€'000
Intercompany interest income on unimpaired financial assets	18,228	24,379
External interest income on unimpaired financial assets	141	127
Net gain on financial instruments	472	1,636
Net foreign exchange gain	56,436	22,393
Loan recovered	1,528	-
Total interest receivable and similar income	76,805	48,535

Net foreign exchange gain includes a gain on the revaluation of fixed-term loan-note debt of €51,858,000 (2016: loss of €19,633,000) and a gain on the maturity of an intra-group foreign exchange swap of €1,560,000 (2016: €13,174,000). The remaining balance relates to the revaluations of cash and cash equivalents, Foreign exchange contracts and intra-group non-derivate financial instruments. Note 18c provides further details on the Company's foreign currency exposure.

5 Interest payable and similar charges

	2017	2016
	€'000	€'000
Net loss on financial instruments held for trading (including all derivatives not used as hedging instruments)	491	616
Intercompany interest expense on financial liabilities measured at amortised cost	8,177	528
External interest expense on financial liabilities measured at amortised cost	75,746	33,861
Net foreign exchange loss	12,189	35,674
Loan write off	-	3,547
Total other interest payable and similar charges	96,603	74,226

Net foreign exchange loss includes revaluations of intra-group non-derivative financial instruments of €10,535,000 (2016: €5,228,000). The remaining balance relates to revaluations on intra-group non-derivate financial instruments. The 2016 balances includes a loss on revaluation of fixed term loan notes debt of €19,633,000. Note 18c provides further details on the Company's policy with respect to foreign currency exposure.

Total interest expense on financial liabilities measured at amortised cost includes interest payable on bank loans and overdrafts of €75,746,000 (2016: €33,861,000), of which €48,652,000 (2016: nil) related to accelerated interest payable on termination of the US Private Placement debt, as per note 12.

Notes (continued)**6 Taxation****6 (a) Tax on profit on ordinary activities**

	2017	2016
	€'000	€'000
<i>UK corporation tax</i>		
The tax credit is made up as follows:		
<i>Current tax:</i>		
Corporation tax - current year	(2,114)	(1,416)
Corporation tax - prior year	(1,035)	93
Foreign taxes withheld	92	129
Foreign tax	28	-
Total current tax credit	(3,029)	(1,194)
<i>Deferred tax (see note 14)</i>		
Origination and reversal of temporary differences	(6,518)	(1,442)
Effect of changes in tax rate	762	88
Prior year timing differences	-	(88)
Total deferred tax	(5,756)	(1,442)
Tax credit on ordinary activities	(8,785)	(2,636)

Notes (continued)**6 Taxation (continued)****6(b) Factors affecting the current tax charge**

The tax assessed on the profit on ordinary activities for the year is less than the standard rate of corporation tax in the UK of 19.25% (2016: 20%).

The difference is reconciled below:

	2017 €'000	2016 €'000
Loss on ordinary activities before taxation	<u>(28,579)</u>	<u>(27,369)</u>
Corporation tax at standard rate of 19.25% (2016: 20%)	(5,501)	(5,474)
Permanent differences:		
Intercompany loans written off, not deductible	(314)	121
Non-deductible expenses	115	2,840
Non-taxable fair value gains	12	-
Impairment losses - intercompany	6,179	-
Foreign taxes withheld	92	-
Foreign taxes	28	-
Foreign taxes taken as a deduction	(18)	(26)
Prior year adjustments	(1,035)	5
Thin cap adjustment	1,052	-
Non-taxable foreign exchange gains	(5,489)	1,810
Non-taxable income from investments:		
Non-taxable dividend income	(4,668)	(2,000)
Timing difference		
Effect of changes in tax rate	762	88
Total tax credit included in loss	<u>(8,785)</u>	<u>(2,636)</u>

Income tax recognised in other comprehensive income of €336k,

The major factors affecting the tax charge in the medium term are expected to be the level of permanent differences and the impact of the differences between depreciation and capital allowances.

On 16 March 2016, the UK government announced that UK corporation tax rate will be reduced to 17% from 1 April 2020. The UK corporation tax rate was 19% from 1 April 2017 and it will remain 19% to 31 March 2020.

The deferred tax asset at 31 December 2017 has been calculated based on the rate of 17%, which was substantively enacted at the balance sheet date.

It has not yet been possible to quantify the full anticipated effect of the announced further rate reductions, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly.

Notes (continued)**7 Tangible fixed assets**

	Computer software and hardware €'000	Total €'000
Cost		
Balance at 1 January 2017	892	892
Additions	-	-
Balance at 31 December 2017	<u>892</u>	<u>892</u>
Depreciation		
Balance at 1 January 2017	(666)	(666)
Depreciation charge for the year	(130)	(130)
Balance at 31 December 2017	<u>(796)</u>	<u>(796)</u>
Net book value		
At 31 December 2017	<u>96</u>	<u>96</u>
At 1 January 2017	<u>226</u>	<u>226</u>

Notes (continued)**8 Investments**

	Shares in external undertakings	Shares in group undertakings	Total
	€'000	€'000	€'000
<i>Cost</i>			
At beginning of year	-	965,648	965,648
Additions	251	897,638	897,889
At end of year	251	1,863,286	1,863,537
<i>Impairment</i>			
At beginning of year	-	(50,049)	(50,049)
Additions	-	(32,100)	(32,100)
At end of year	-	(82,149)	(82,149)
<i>Carrying amount</i>			
At 31 December 2017	251	1,781,137	1,781,388
At 1 January 2017	-	915,599	915,599

In 2017 the Company acquired the entire issued share capital of Carglass Autoglass BV for a cash consideration of €203,311,403, the entire issued share capital of Belron GmbH for a cash consideration of €170,325,000 and an additional 482,551,600 ordinary £1 shares of Belron International Limited for a cash consideration of €524,000,000.

Following a review of the carrying values of its investments, the Company impaired its investments in Carglass Autoglass BV by €32,100,000 (2016: investment in Belron Canada Inc impaired by €10,700,000).

The Company has the following investments in subsidiaries:

Group undertakings	Country of Incorporation	Class of shares held	Ownership	
			2017	2016
Belron International Ltd	England & Wales	Ordinary	100%	100%
Belron Canada Inc	Canada	Ordinary	100%	100%
Carglass Participations BV	Netherlands	Ordinary	-	100%
Belron Holding France SAS	France	Ordinary	100%	-
Milton Park Developments (Egham) Holdings Ltd	England & Wales	Ordinary	100%	100%
Belron Finance Issuer Ltd	England & Wales	Ordinary	100%	-
Belron Finance US LLC	USA	Ordinary	100%	-
Carglass Autoglass BV	Netherlands	Ordinary	100%	-
Belron GmbH	Germany	Ordinary	100%	-
External undertakings				
Incall Ltd	England & Wales	Ordinary	0.83%	-
Sorry as a Service Ltd	England & Wales	Ordinary	1.09%	-
TheThings.IO	England & Wales	Ordinary	0.00%	-
Hamilton Internet Services Ltd	England & Wales	Ordinary	0.05%	-
Blitz Inc	England & Wales	Ordinary	3.50%	-
Locpin Ltd	England & Wales	Ordinary	3.50%	-
Thrivemap Ltd	England & Wales	Ordinary	6.23%	-

Notes (continued)**9 Debtors**

	2017	2016
	€'000	€'000
Non-current assets		
Other financial assets - Derivatives (see note 16 & 17)	1,959	-
	1,959	-
Current assets		
Amounts owed by group undertakings	1,061,764	645,857
Other debtors	4	99
Corporation tax	4,566	3,503
Other financial assets - Derivatives (see note 16 & 17)	3,085	2,022
	1,069,419	651,481

10 Cash at bank and in hand

	2017	2016
	€'000	€'000
Cash at bank and in hand	43,658	24,368

Due to the right of offset, any overdraft bank accounts with specific banks can be offset against the cash balances.

11 Creditors: amounts falling due within one year

	2017	2016
	€'000	€'000
US Private Placement	-	142,339
Bank overdrafts	871	-
Amounts owed to group undertakings	250,366	259,088
Other creditors	1,234	16
Interest payable	373	8,672
Other financial liabilities - Derivatives (see note 16 & 17)	3,394	3,454
Deferred finance costs (see note 13)	(1,686)	(750)
	254,552	412,819

In 2016 Other financial liabilities included the fair value amount of €1,560,000 on an intra-group foreign exchange swap with a Group undertaking of \$370,000,000 which was entered into on 30 December 2016 and was closed out on 21 December 2017 (see note 17(ii)).

In 2016 Amounts owed to Group undertakings include €41,500,000 which related to the ultimate parent company S.A. D'leteren N.V.

Notes (continued)

12 Creditors: amounts falling after more than one year

	2017 €'000	2016 €'000
Revolving credit facility	-	15,000
US Private Placement	-	550,466
Amounts owed to group undertakings	1,279,309	-
Other financial liabilities - Derivatives (see note 16 & 17)	37	-
Deferred finance costs	(9,703)	(1,929)
	<u>1,269,643</u>	<u>563,537</u>

The US Private Placement debt was repaid on 7 November 2017.

Amounts owed to group undertakings consist of Unsecured Unsubordinated Class A loan notes due 2024 to the value of \$1,025m and Unsecured Unsubordinated Class B loan notes due 2024 to the value of €425m, issued on 7 November 2017.

13 Interest-bearing loans and borrowings

This note provides information about the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Within one year	Between one and two years	Between two and five years	More than five years	2017 Total
	€'000	€'000	€'000	€'000	€'000
a) Bank overdrafts	871	-	-	-	871
b) Amounts owed to group undertakings	250,366	-	-	1,279,309	1,529,675
c) Deferred finance costs	(1,686)	(1,686)	(5,059)	(2,958)	(11,389)
As at 31 December 2017	<u>249,551</u>	<u>(1,686)</u>	<u>(5,059)</u>	<u>1,276,351</u>	<u>1,519,157</u>

	Within one year	Between one and two years	Between two and five years	More than five years	2016 Total
	€'000	€'000	€'000	€'000	€'000
a) €450m Revolving credit facility	-	-	15,000	-	15,000
b) US Private Placement	142,339	47,547	298,469	204,450	692,805
c) Loan provided by D'leteren Group	41,500	-	-	-	41,500
d) Bank overdrafts	-	-	-	-	-
e) Deferred finance costs	(750)	(728)	(1,132)	(69)	(2,679)
As at 31 December 2016	<u>183,089</u>	<u>46,819</u>	<u>312,337</u>	<u>204,381</u>	<u>746,626</u>

In 2016 the loan notes issued through private placement (b) included the associated deferred financing which has been allocated over the same term as the loan notes.

Notes (continued)**13 Interest-bearing loans and borrowings** (continued)

The US Private Placement debt (Series A to E Senior loan notes) was repaid in full on 7 November 2017.

Unsecured Unsubordinated Class A loan notes due 2024 to the value of \$1,025m and Unsecured Unsubordinated Class B loan notes due 2024 to the value of €425m were issued on 7 November 2017 to Belron Finance Issuer Ltd, a group undertaking.

		Nominal interest rate	Year of Maturity	Carrying amount 2017	Carrying amount 2016
Class A Loan Notes (Nov 17)	USD	4.04%	7 Nov 2024	\$1,025,000,000	\$ -
Class B Loan Notes (Nov 17)	EUR	2.9%	7 Nov 2024	€ 425,000,000	€ -
Series B Senior Notes (Apr 07)	USD	5.80%	24 Apr 2017	\$ -	\$125,000,000
Series C Senior Notes (Apr 07)	GBP	5.94%	24 Apr 2017	£ -	£ 20,000,000
Series A Senior Notes (Mar 11)	USD	4.51%	30 Mar 2018	\$ -	\$ 50,000,000
Series B Senior Notes (Mar 11)	USD	5.13%	30 Mar 2021	\$ -	\$100,000,000
Series C Senior Notes (Mar 11)	USD	5.25%	30 Mar 2023	\$ -	\$100,000,000
Series A Senior Notes (Aug 13)	EUR	3.04%	05 Aug 2020	€ -	€ 75,000,000
Series B Senior Notes (Sep 13)	USD	3.93%	26 Sep 2020	\$ -	\$135,000,000
Series C Senior Notes (Sep 13)	USD	4.33%	26 Sep 2022	\$ -	\$ 21,000,000
Series D Senior Notes (Sep 13)	USD	4.50%	26 Sep 2023	\$ -	\$ 71,000,000
Series E Senior Notes (Sep 13)	USD	4.65%	26 Sep 2025	\$ -	\$ 23,000,000

14 Deferred tax assets and liabilities*Recognised deferred tax assets and liabilities*

Deferred tax assets and liabilities are attributable to the following:

	2017 €'000	2016 €'000
Depreciation in excess of capital allowances	(109)	13
Other timing differences	6,170	(1,458)
Timing differences on foreign exchange gain/loss	(1,557)	529
	<u>4,504</u>	<u>(916)</u>
<i>Deferred Taxation:</i>		
Deferred tax asset/(liability) at 1 January	(916)	(2,358)
Originating and reversing of timing differences	6,518	1,442
Prior year adjustments	-	88
Effect of change in tax rate	(762)	(88)
Recognised in other comprehensive income	(336)	-
	<u>4,504</u>	<u>(916)</u>
Deferred tax asset/(liability) at 31 December		

Notes (continued)**15 Capital and reserves**

	Ordinary shares	
	2017 Number	2016 Number
On issue at 1 January 2017	90,851	90,851
Capitalised during the year	526,244	
Cancelled during the year	(526,244)	-
Issued during the year	927,836	-
On issue at 31 December 2017 – fully paid	1,018,687	90,851
	2017 €'000	2016 €'000
Allotted, called up and fully paid		
Ordinary shares of £1 each	1,182,715	133,720
Shares classified in shareholders' funds	1,182,715	133,720

On 3 March 2017 526,244,000 €1 Ordinary Shares (bonus shares) were issued to the Company's then parent undertaking Carglass-Autoglass B.V. These shares were cancelled on 6 March 2017.

During December 2017 927,835,819 ordinary shares of £1 each were issued to the Company's current immediate parent undertaking Belron Lending UK Limited.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Foreign Exchange reserve

Previously, under old UK GAAP, where investment in subsidiaries was revalued or reclassified as investments, the cumulative increase in the fair value of the investments at the date of reclassification in excess of any previous impairment losses was included in the revaluation reserve. However given FRS 101 framework, the value of these investments have been deemed at cost at the transition date.

Revaluation reserve

On 3 March 2017 the Company's entire revaluation reserve of €526,244,000 was capitalised and 526,244,000 €1 Ordinary Shares (bonus shares) were issued to the Company's then parent undertaking Carglass-Autoglass B.V.

Previously, under old UK GAAP, investments have been subject to a directors' revaluation based upon their economic value.

Dividends

On 30 March 2017 a dividend of €189,878,567 (2016 - Nil) was paid to the Company's immediate parent undertaking Carglass-Autoglass BV. During November 2017 Belron Lending UK Limited became the Company's immediate parent undertaking and a further dividend payment of €79,363,823 (2016 - Nil) was paid to Belron Lending UK Limited.

Notes (continued)**16. Financial instruments**

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

2017							
€'000		Held for Trading	Fair value-hedging instruments	Loans and receivables	Other financial liabilities	Total carrying amount	Fair Value
Assets							
Trade and other receivables	9	-	-	1,061,768	-	1,061,768	1,061,768
Derivatives-held-for trading	17	3,022	2,022	-	-	5,044	5,044
Cash and cash equivalents	10	-	-	43,658	-	43,658	43,658
Total Financial Assets		3,022	2,022	1,105,426	-	1,110,470	1,10,470
Liabilities							
Interest bearing loans and borrowings	11 & 12	-	-	-	1,269,164	1,269,164	1,269,164
Derivatives held for trading	17	3,388	43	-	-	3,431	3,431
Trade and other payables	11	-	-	-	251,600	251,600	251,600
Total Financial Liabilities		3,388	43	-	1,520,764	1,524,195	1,524,195
2016							
€'000		Note	Held for Trading	Loans and receivables	Other financial liabilities	Total carrying amount	Fair Value
Assets							
Trade and other receivables		9	-	645,956	-	645,956	645,956
Derivatives-held-for trading		17	2,022	-	-	2,022	2,022
Cash and cash equivalents		10	-	24,368	-	24,368	24,368
Total Financial Assets			2,022	670,324	-	672,346	672,346
Liabilities							
Interest bearing loans and borrowings		11 & 12	-	-	716,493	716,493	716,493
Derivatives held for trading		17	3,454	-	-	3,454	3,454
Trade and other payables		11	-	-	259,088	259,088	259,088
Total Financial Liabilities			3,454	-	975,581	979,035	979,035

Notes (continued)**16 Financial instruments (continued)***Interest-bearing borrowings*

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date.

Derivative financial instruments

The fair value of interest rate swaps is based on market price from the issuing financial institution.

Fair value hierarchy

Those financial instruments and interest bearing loans and borrowings that are carried at fair value are classified using a Level 2 valuation method as defined by IFRS. The fair values are based on inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

17 Derivatives held for trading and derivative hedging instruments**Classification of derivatives in the Balance Sheet**

	2017 €'000	2016 €'000
Non-current assets		
Interest rate swaps	1,959	-
Current assets		
Forward exchange forward contracts	2,790	1,895
Foreign exchange swap contracts	232	127
Interest rate swaps	63	-
	3,085	2,022
Total assets	5,044	2,022
Non-current liabilities		
Interest rate swaps	(37)	-
Current liabilities		
Forward exchange contracts	(2,790)	(1,895)
Foreign exchange swap contracts	(597)	(1,559)
Interest rate swaps	(7)	-
	(3,394)	(3,454)
Total liabilities	(3,431)	(3,454)

Notes (continued)**17. Derivatives held for trading and derivative hedging instruments (continued)****a) Interest rate swap contracts**

The total notional amount of outstanding interest rate swaps where hedge accounting has been applied is €388m (2016: €Nil) and \$931m (2016: \$Nil). A summary of the interest rate swaps in place at 31 December 2017 is as follows:

€'000	2017	
	Notional Principle	Maturity
Euro denominated quarterly: Pay fixed 0.014%, Receive Euribor	48.0	2018
Euro denominated quarterly: Pay fixed 0.035%, Receive Euribor	56.0	2019
Euro denominated quarterly: Pay fixed 0.140%, Receive Euribor	67.0	2020
Euro denominated quarterly: Pay fixed 0.248%, Receive Euribor	73.0	2021
Euro denominated quarterly: Pay fixed 0.390%, Receive Euribor	144.0	2022
	<u>338.0</u>	

\$'000	2017	
	Notional Principle	Maturity
US Dollar denominated quarterly: Pay fixed 1.680%, Receive	123.0	2018
US Dollar denominated quarterly: Pay fixed 1.849%, Receive	142.0	2019
US Dollar denominated quarterly: Pay fixed 1.950%, Receive	168.0	2020
US Dollar denominated quarterly: Pay fixed 2.042%, Receive	182.0	2021
US Dollar denominated quarterly: Pay fixed 2.141%, Receive	166.0	2022
US Dollar denominated quarterly: Pay fixed 2.121%, Receive	150.0	2022
	<u>931.0</u>	

Interest payments of variable rate debt are hedged against changes in market interest rates. This is achieved through the use of interest rate swaps. The fair value of interest rate swaps are calculated as the present value of estimated future estimated cash flows. The fair value of swaps used for cash flow hedging was an asset of €1.9m (2016: Nil).

Notes (continued)**17 Derivatives held for trading and derivative hedging instruments (continued)****b) Foreign exchange swap contracts**

The Company uses foreign exchange swap contracts to match currency inflows and outflows and to swap currency balances to minimise cash pooling interest. Hedge accounting has not been applied to these contracts.

The following contracts, where the Company has not applied hedge accounting, were in place at 31 December 2017:

External foreign exchange swap contracts:

€'000	2017	
	Notional Principal	Maturity
Swap contracts to sell EUR for AUD	967	2018
Swap contracts to sell EUR for CAD	1,115	2018
Swap contracts to sell EUR for CHF	694	2018
Swap contracts to sell EUR for GBP	111,662	2018
Swap contracts to sell EUR for HKD	249	2018
Swap contracts to buy EUR for CAD	4,907	2018
Swap contracts to buy EUR for DKK	5,548	2018
Swap contracts to buy EUR for HUF	743	2018
Swap contracts to buy EUR for NOK	915	2018
Swap contracts to buy EUR for NZD	4,656	2018
Swap contracts to buy EUR for SEK	1,224	2018
Swap contracts to buy EUR for USD	17,252	2018
	149,932	
	2016	
€'000	Notional Principal	Maturity
Swap contracts to sell USD for EUR	27,862	2017
	27,862	

The total fair value of external foreign exchange swap contracts was a liability of €364,530 (2016: asset €126,835).

Intra-group foreign exchange swap contract:

€'000	2016	
	Notional Principal €'000	Maturity
Swap contracts to sell USD for EUR	351,845	2017
	351,845	

In 2016 the total fair value amount of €1,560,000 on an intra-group foreign exchange swap with a Group undertaking of \$370,000,000 which was entered into on 30 December 2016 and was closed out on 21 December 2017.

Notes *(continued)***17 Derivatives held for trading and derivative hedging instruments** *(continued)*

The fair value of all foreign exchange swap contracts is determined using forward foreign exchange market rates at the date of the Balance Sheet.

c) Foreign exchange contracts

The Company enters into external foreign exchange contracts on behalf of other Group companies to hedge the cost of future payables where those payables are denominated in a currency other than the functional currency of the purchasing company. Once this has been transacted an intra-group foreign exchange contract is entered into with the purchasing Group company with the same rates and conditions as the external foreign exchange contract. As such there is no gain or loss for the Company on these transactions. Hedge accounting has not been applied to these contracts.

18 Risks relating to financial instruments**a) Credit risk***Financial risk management*

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Company policy is to limit its exposure to credit risk by only investing in liquid securities and only with counterparties that have a Moody's credit rating of at least Baa3 for long-term deposits and financial instruments and P-2 for short term deposits. Due to the use of cash pooling, cash balances are kept to a minimum and used to settle short term debt.

b) Liquidity risk*Financial risk management*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk by maintaining sufficient cash and funding available through an adequate amount of committed credit facilities to cover anticipated medium term commitments at all times. To minimise liquidity risk, the Company ensures, on the basis of long-term financial projections, that it has a core level of committed long-term funding in place, with maturities spread over a wide range of dates, supplemented by various shorter term facilities.

As at 31 December 2017 the Company had a committed syndicated 6 year credit facility for €280m which first became available in November 2017. As at 31 December 2017 €Nil (2016: €15m) has been drawn.

Notes (continued)**18 Risks relating to financial instruments** (continued)

		2017					
		Carrying amount	Contractual cash flows	1 year or less	1 to < 2 years	2 to < 5 years	5 years and over
		€'000	€'000	€'000	€'000	€'000	€'000
As at 31 December 2017							
Non-derivative financial liabilities							
	Bank overdrafts	871	871	871	-	-	-
	Intercompany creditors	1,529,675	1,855,322	306,415	56,050	168,149	1,324,708
Derivative financial liabilities							
Interest rate swaps used for hedging:		44					
	Outflow		31	31	-	-	-
	Inflow		-	-	-	-	-
Forward exchange contracts used for hedging:		2,790					
	Outflow		105,760	101,306	4,454	-	-
	Inflow		(102,570)	(98,280)	(4,290)	-	-
Foreign exchange swap contracts		597					
	Outflow		125,629	125,629	-	-	-
	Inflow		(125,000)	(125,000)	-	-	-
		1,533,977	1,806,042	310,972	56,214	168,149	1,324,708

2016

As at 31 December 2016	Contractual cash flows	1 year or less	1 to < 2 years	2 to < 5 years	5 years and over
Carrying amount	€'000	€'000	€'000	€'000	€'000
Non-derivative financial liabilities					
Revolving Credit Facility	15,000	15,014	15,014	-	-
D'leteren loans	41,500	41,535	41,535	-	-
US private placement debt	692,805	819,478	170,744	70,734	355,052
Bank overdrafts	-	-	-	-	-
Intercompany creditors	217,588	217,619	217,619	-	-
Derivative financial liabilities					
Forward exchange contracts used for hedging:	1,895				
Outflow		96,214	96,214	-	-
Inflow		(94,003)	(94,003)	-	-
Foreign exchange swap contracts :	1,559				
Outflow		346,549	346,549	-	-
Inflow		(351,845)	(351,845)	-	-
	970,347	1,090,561	441,827	70,734	355,052
				222,948	

Notes (continued)**18 Risks relating to financial instruments (continued)****c) Market risk***Financial risk management*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments

Market risk – Foreign currency risk

The Company's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments except derivatives when it is based on notional amounts:

	GBP	USD	CAD	Other	Total
	€'000	€'000	€'000	€'000	€'000
As at 31 December 2017					
Cash and cash equivalents	29,336	6,269	31	10,529	46,165
Bank overdrafts	(223)	-	-	-	(223)
Fixed term loan notes	-	-	-	-	-
Bank loans	-	-	-	-	-
Amounts owed by group undertakings	39,095	339,734	30,503	18,137	427,469
Amounts owed to group undertakings	(141,180)	(874,748)	(1)	(5,972)	(1,021,901)
Interest payable	-	-	-	-	-
External foreign exchange swap contracts	(112,311)	17,003	(3,806)	-	(99,114)
Interest rate swap contract	-	1,906	-	-	1,906
Balance sheet exposure	(185,283)	(509,836)	26,727	22,694	(645,698)
	GBP	USD	CAD	Other	Total
	€'000	€'000	€'000	€'000	€'000
As at 31 December 2016					
Cash and cash equivalents	113,516	4,315	(3,308)	5,740	120,263
Bank overdrafts	-	-	-	-	-
Fixed term loan notes	(23,473)	(594,332)	-	-	(617,805)
Bank loans	-	-	-	-	-
Amounts owed by group undertakings	31,556	-	31,567	12,461	75,584
Amounts owed to group undertakings	(113,131)	(30,659)	-	(10,296)	(154,086)
Interest payable	(263)	(7,030)	-	-	(7,293)
External foreign exchange swap contracts	-	27,862	-	-	27,862
Intra-group foreign exchange swap contract	-	351,845	-	-	351,845
Balance sheet exposure	8,205	(247,999)	28,259	7,905	(203,630)

Notes (continued)**18 Risks relating to financial instruments (continued)****Market risk – Foreign currency risk - Sensitivity analysis**

A 10% percent strengthening / weakening of the Euro against the following currencies at 31 December would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for 2015.

€m \	Profit or Loss	
	10% increase	10% decrease
31 December 2017		
EUR/GBP	16.8	(20.6)
EUR/USD	46.3	(56.6)
EUR/CAD	(2.4)	3.0
Total	60.7	(74.2)
31 December 2016		
EUR/GBP	(0.7)	1.8
EUR/USD	24.7	(52.8)
EUR/CAD	(2.6)	5.7
Total	21.4	(45.3)

Market risk – interest rate risk - Sensitivity analysis

A change of 100 basis points in interest rates at the reporting date would have (increased) / decreased financial costs by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

€m	Current net finance costs	
	1% increase	1% decrease
31 December 2017	(0.8)	0.6
31 December 2016	(0.5)	0.3

Notes (continued)

19 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Belron Lending UK Limited. The ultimate parent company is S.A. D'leteren N.V. incorporated in Belgium.

The largest and smallest group in which the results of Belron Finance Limited are consolidated is that headed by S.A. D'leteren N.V.

The consolidated financial statements may be obtained from S.A. D'leteren N.V., Rue du Mail 50, B-1050 Brussels, Belgium.

On 7 February 2018, S.A. D'leteren N.V. and Clayton, Dubilier & Rice ("CD&R") completed the previously announced acquisition by CD&R-managed funds of a 40% ownership interest in the Belron Group. S.A. D'leteren N.V. and Belron's management hold the remaining 60% ownership interest in the group.

20 Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern and maximising the return to the shareholder whilst maintaining the optimal level of debt to equity for the Group. The Company's overall strategy remains unchanged from 2015.

The capital structure of the Company consists of equity attributable to the parent, comprising issued capital, reserves and retained earnings.

Notes (continued)

21 Related undertakings

Name of Undertaking	Country of incorporation	Share class	% held directly by the company	Total effective control held by Group companies	Registered Office Address
3303512 Nova Scotia Limited	Canada	CAD Class A Common shares	0.00	100.00	1959 Upper Water Street, Suite 900, Halifax NS B3J 3N2, Canada
532810 B.C. Limited	Canada	CAD Class A Voting Common Shares	0.00	100.00	1500-570 Granville Street, Vancouver BC V6C 3P1, Canada
A.T.G. Exploitation B.V.	Netherlands	€45.38 Ordinary shares	0.00	100.00	Ellen Pankhurststraat 13, , 5032MD, Tilburg, Netherlands
		€45.38 Priority shares	0.00	100.00	
A.W. Auto-Pare-Brise	France	€15.00 Ordinary shares	0.00	100.00	107, boulevard de la Mission Marchand, 92411, Courbevoise, CEDEX, France
ACS Transition LLC*	United States	-	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Afrima N.V.	Belgium	€ Ordinary shares	0.00	100.00	Stroobantsstraat 50, 1140 EVERE, Belgium
AGC Transition LLC*	United States	-	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
A'ssist Nord S.a.r.l.	France	€10.00 Ordinary shares	0.00	100.00	98, allée de la Creativite, 59650 Villeneuve d'Ascq, France, France
Australian Autoglass Pty Ltd	Australia	AUD Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
Auto Glass York Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Autoglass (Ireland) Limited	Ireland	£1.00 £1 ORDINARY shares	0.00	100.00	39/40 Upper Mount Street, Dublin 2, Ireland
Autoglass (UK) Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Autoglass Distribution Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Autoglass Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Autoglass Vidros para Viaturas, Lda	Portugal	€1.00 Euro shares	0.00	99.92	Rua Manuel Pinto de Azevedo, 662, 4100-320 Porto, PORTUGAL
Autoglass Windshields Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Automotive Glass Solutions and Innovations Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Autorestore Limited	United Kingdom	£0.01 A ordinary shares	0.00	100.00	Signal House, Crown Way, Crown Park, Rushden, Northants, NN10 6BS
		£0.01 B ordinary shares	0.00	100.00	
Autotaalglass Nederland B.V.	Netherlands	€100.00 Ordinary shares	0.00	100.00	Ellen Pankhurststraat 13, , 5032MD, Tilburg, Netherlands
		€100.00 Priority shares	0.00	100.00	

Notes (continued)

21 Related undertakings (continued)

Name of Undertaking	Country of incorporation	Share class	% held directly by the company	Total effective control held by Group companies	Registered Office Address
Autotaalglass Tilburg B.V.	Netherlands	€100.00 Ordinary shares	0.00	100.00	Ellen Pankhurststraat 13, , 5032MD, Tilburg, Netherlands
Belron - UK Pension Plan Trustees Limited*	United Kingdom	-	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Belron Australia Pty. Limited	Australia	AUD Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
		AUD Redeemable Preference shares	0.00	100.00	
Belron Canada Incorporated	Canada	CAD Class B Preference Shares	100.00	100.00	900-1959 Upper Water Street, Halifax NS B3J 3N2; Canada
		CAD Ordinary shares	100.00	100.00	
Belron Extension SAS	France	€10.00 Ordinary shares	0.00	100.00	107, boulevard de la Mission Marchand, 92411, Courbevoie, CEDEX, France
Belron Finance Issuer Limited	United Kingdom	€1.00 Ordinary shares	100.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
Belron Finance US LLC	United States	US\$10.00 Units shares	100.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Belron GmbH	Germany	€25,000.00 Share Capital shares	100.00	100.00	Godorfer Hauptstrasse 175, 50997 Koln (Godorf), GERMANY
Belron Holding France SAS	France	€10.00 Ordinary shares	0.00	100.00	107, boulevard de la Mission Marchand, 92411, Courbevoie, CEDEX, France
Belron Holland B.V.	Netherlands	€450.00 Ordinary shares	0.00	100.00	Science Park, Eindhoven 5525, 5692 EM Son, Netherlands
		€0.01 Preference shares	0.00	100.00	
Belron Hong Kong Limited	Hong Kong	HKD10.00 Ordinary shares	0.00	100.00	Unit 2603, 26/F, The Metropolis Tower, 10 Metropolis Drive, Hunghom, Kowloon, Hong Kong
Belron International Limited	United Kingdom	£1.00 Ordinary shares	100.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
Belron Invest SAS	France	€10.00 Ordinary shares	0.00	100.00	107, boulevard de la Mission Marchand, 92411, Courbevoie, CEDEX, France
Belron Participations B.V.	Netherlands	€100.00 Ordinary shares	0.00	100.00	Science Park, Eindhoven 5525, 5692 EM Son, Netherlands
Belron Solutions B.V.	Netherlands	€ Ordinary (unpaid) shares	0.00	100.00	Science Park, Eindhoven 5525, 5692 EM Son, Netherlands
Belron Technical Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
Belron UK Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
BGC Carrosserie N.V.	Belgium	Category A Shares	0.00	100.00	Stroobantsstraat 50, 1140 EVERE, Belgium
CARe Carrosserie NV	Belgium	€ Ordinary shares	0.00	100.00	Joseph Chantraineplantsoen 3, 3070 Kortenberg, Belgium
Carglass (NZ) Limited	New Zealand	NZD1.00 Ordinary shares	0.00	100.00	1 Rockridge Avenue, Penrose, Auckland, 17307, New Zealand
Carglass (UK) Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom

Notes (continued)

22 Related undertakings (continued)

Name of Undertaking	Country of incorporation	Share class	% held directly by the company	Total effective control held by Group companies	Registered Office Address
Carglass BV	Netherlands	€1,000.00 Ordinary shares	0.00	100.00	Science Park, Eindhoven 5525, 5692 EM Son, Netherlands
Carglass GmbH	Germany	€499,900.00 Ordinary shares	0.00	100.00	Godorfer Hauptstrasse 175, 50997 Koln (Godorf), GERMANY
		€100.00 Ordinary shares	0.00	100.00	
Carglass Investments SAS	France	€ Ordinary shares	0.00	100.00	107, boulevard de la Mission Marchand, 92411, Courbevoie, CEDEX, France
Carglass NV	Belgium	€ Registered Shares	0.00	100.00	Trichterheideweg 11, 3500 Hasselt, BELGIUM
Carglass S.L.	Spain	€1.00 Ordinary shares	0.00	100.00	Calle de las Moreras, 151, 28350 Ciempozuelos, Madrid, Spain
Carglass SAS	France	€100.00 Ordinary shares	0.00	100.00	107, boulevard de la Mission Marchand, 92411, Courbevoie, CEDEX, France
Carglass-Autoglass BV	Netherlands	€1,000.00 Ordinary shares	100.00	100.00	Science Park, Eindhoven 5525, 5692 EM Son, Netherlands
Co Sec Number 4 Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	Signal House, Crown Way, Crown Park, Rushden, Northants, NN10 6BS
Dazin Alu PVC Vitreie S.a.r.l.	France	€100.00 Ordinary shares	0.00	100.00	Avenue Emile Zola, ZA de l'Agavon, 13170 Les Pennes, Mirabeau, France
De GlasGarage B.V.	Netherlands	NLG1,000.00 Ordinary shares	0.00	100.00	Van de Reijtstraat 51, 4814 NE Breda, Netherlands
Euphoria Pty. Limited	Australia	AUD1.00 Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
GlasGarage Breda B.V.	Netherlands	NLG100.00 Ordinary shares	0.00	100.00	Van de Reijtstraat 51, 4814 NE Breda, Netherlands
		NLG100.00 Priority shares	0.00	100.00	
GlasGarage SchadeService B.V.*	Netherlands	€100.00 Ordinary shares	0.00	100.00	Van de Reijtstraat 51, 4814 NE Breda, Netherlands
Glasplus Limited	United Kingdom	£0.01 Ordinary shares	0.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
Glass Medic Inc	United States	US\$0.01 Common Stock shares	0.00	100.00	c/o Cozen & O'Connor, The Atrium, 1900 Market Street, Philadelphia, PA 19103, U.S.A
Glass Medic Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
Groupement Saint Maurien SAS	France	€16.00 Ordinary shares	0.00	80.00	16, rue des Perdrix, 94520 Mandres-les-Roses, France
Guangdong Carglass Vehicle Glass Repair Co., Ltd	China	CNY Share Capital (investment capital RMB81,428,000) shares	0.00	100.00	Stores A01 and A02, Dongbao Commercial and Residential Building, No. 648, Dongbao Road, Dongcheng District, Dongguan City, Guangdong Province, China

Notes (continued)

21 Related undertakings (continued)

Name of Undertaking	Country of incorporation	Share class	% held directly by the company	Total effective control held by Group companies	Registered Office Address
junited AUTOGLAS Deutschland GmbH	Germany	€10,400.00 Shares	0.00	100.00	Rudolf-Amelunxen-Strasse 51; D-50939 Koln, Germany
		€2,600.00 Shares	0.00	100.00	
		€24,000.00 Shares	0.00	100.00	
junited AUTOGLAS Service GmbH	Germany	€52,000.00 Shares	0.00	100.00	Widdersdorfer Strasse 242, D-50825 Koln, Germany
JW Glass (Steamy Windows) Limited	United Kingdom	£1.00 Ordinary-A shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Laddaw Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Maisoning Eco Habitat S.a.r.l.	France	€1,000.00 Ordinary shares	0.00	80.00	ZI Les Yvaudieres, 61, rue du colombier, 37700 Saint Pierre des Corps, France
Maisoning SAS	France	€1,000.00 Ordinary shares	0.00	80.00	ZI Les Yvaudieres, 61, rue du colombier, 37700 Saint Pierre des Corps, France
Milton Park Developments (Egham) Holdings Limited	United Kingdom	£0.01 Ordinary shares	0.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
		£0.01 Ordinary (unpaid) shares	0.00	100.00	
Milton Park Developments (Egham) Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
Motor Check Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	Milton Park, Stroude Road, Egham, Surrey, TW20 9EL, United Kingdom
Nationwide Plant Glazing Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
O'Brien Australia Pty Ltd	Australia	AUD1.00 Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
O'Brien Glass Holdings Pty Limited	Australia	AUD Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
O'Brien Glass Industries Limited	Australia	AUD Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
O'Brien Glass Operations Pty Ltd	Australia	AUD1.00 Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
PCV Glass Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Presta Terre Services S.a.r.l.	France	€1.00 Ordinary shares	0.00	100.00	85 boulevard de la Moselle, ZI Nancy Pompey, 54340 Pompey, France
Rapid Fit Windscreens Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Rio Rancho LLC*	United States	-	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Safelite AutoGlass Foundation*	United States	-	0.00	100.00	A.G.C. Co., 127 Public Square, Suite 2000, Cleveland OH 44114, United States

Notes (continued)

21 Related undertakings (continued)

Name of Undertaking	Country of incorporation	Share class	% held directly by the company	Total effective control held by Group companies	Registered Office Address
Safelite Billing Services Corp.	United States	US\$0.01 Common Stock shares	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Safelite Fulfillment, Inc	United States	US\$0.01 Common Stock shares	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Safelite Glass Corp.	United States	US\$0.01 Common Stock shares	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Safelite Group, Inc	United States	US\$50,000.00 Common shares	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Safelite Solutions LLC	United States	US\$0.01 Common Stock shares	0.00	100.00	251 Little Falls Drive, Wilmington DE 19808, United States
Shandong Carglass Vehicle Glass Repair Co., Ltd.	China	CNY Share Capital (investment capital RMB40m) shares	0.00	100.00	No.50-2, Chongqing Road South, Sifang District, Qingdao City, Shandong Province, China
Shanghai Carglass Vehicle Glass Sales Co., Ltd	China	CNY1.00 Ordinary shares	0.00	100.00	Room D123, Building 22, No. 1-30 Lane 88, Minbei Road, Minhang District, Shanghai, China
S-L Autoglas GmbH (in liquidation)	Germany	€ Share Capital shares	0.00	100.00	Herforder Str 119-131, 33609, Bielefeld, GERMANY
Super Screens Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom
Votrant No 191 Pty Ltd	Australia	AUD1.00 Ordinary shares	0.00	100.00	Unit 1, 45 Davies Road, Padstow NSW 2211, AUSTRALIA
Windshields Limited	United Kingdom	£1.00 Ordinary shares	0.00	100.00	1 Priory Business Park, Cardington, Bedford, Bedfordshire, MK44 3US, United Kingdom