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D'Ieteren

FINANCIAL AND DIRECTORS' REPORT 2013

Financial and Directors' Report 2013

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Contents of the consolidated directors' report*

*The topics of Article 96 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.

2013 Full-year results

D'Ieteren announces a 2013 result which is at the high end of its estimate. Teams at D'Ieteren Auto have maintained the market share of the distributed makes at a high level in a declining market marked by strong competition. Belron, on the other hand, has achieved an organic sales growth of 5% in an ongoing market downtrend. Given these achievements, the Board of Directors of D'Ieteren has decided to propose an unchanged dividend.

Moreover, in a still challenging environment, both activities are taking initiatives to ensure their development and secure their future: D'Ieteren Auto plans to invest in its own dealership network in Brussels and to rethink its dealerships' locations, while Belron continues to strengthen its international presence and improve its operating profitability.

GROUP SUMMARY

A. SALES

The **consolidated sales** amount to **EUR 5,470.5 million, -0.8%** compared with 2012. They are broken down as follows:

- ***D'Ieteren Auto*** : EUR 2,627.4 million, **-5.7%** year-on-year due to a declining real market[1] (-1.5%) and a reduction in dealer inventories. The real market share[1] is down to a still high level of 22.39% (23.16% in 2012). 112,877 vehicles in total were delivered in 2013 (120,157 in 2012);

- ***Belron*** : EUR 2,843.1 million, **+4.3%** year-on-year, comprising an increase in organic sales of 5.0% and an increase of 2.4% from acquisitions partially offset by a negative currency impact of 3.1%. The return to organic growth is primarily due to normal weather conditions after an exceptionally mild winter in 2011-2012, market share gains and a higher average price per job.

B. RESULTS

- The **consolidated result before tax** reaches EUR 152.8 million. Excluding unusual items and re-measurements (EUR -29.5 million), the current consolidated result before tax reaches EUR 182.3 million (-13.0% year-on-year[2])

- Our key performance indicator[3], the **current consolidated result before tax, group's share**, stands at EUR 177.6 million, down 11.3%[2], in line with our guidance of a decline of 10 to 15%. It is broken down as follows:

  - ***D'Ieteren Auto and Corporate activities*** : EUR 47.1 million, -10.3% year-on-year, reflecting lower sales in an activity in which costs are essentially fixed, partially offset by lower marketing costs.
  - ***Belron*** : EUR 130.5 million, -11.6% year-on-year[2]. Excluding the provision reversal relating to the long-term executive incentive scheme in 2012 (EUR 22.8 million in group's share), growth of 4.5%[2] reflecting a profit growth in most markets as a result of sales volume increases and their impact on margins, partially offset by profit declines in Brazil and Australia as a result of adverse market environments.

Excluding the provision reversal relating to Belron's long-term executive incentive scheme in 2012, the current consolidated result before tax, group's share, is nearly flat (+0.1%[2]).

- The **group's share in the result for the period** stands at EUR 114.0 million (EUR 190.1 million in 2012[2]).

C. DIVIDEND

The Board of Directors of D'Ieteren proposes to maintain the gross dividend at EUR 0.80 per share for 2013. If this dividend is approved by the General Meeting of Shareholders on 5 June 2014, it will be paid on 13 June 2014 (ex date: 10 June 2014).

D. FINANCING OF THE ACTIVITIES

D'Ieteren's activities are financed autonomously and independently of each other. Between December 2012 and December 2013, the group's consolidated financial net debt[4] has slightly increased from EUR 491.3 million to EUR 505.3 million EUR.

During the period, the D'Ieteren group and its two activities have invested approximately EUR 100 million in acquisitions (increased stake in Belron's equity capital, acquisition by D'Ieteren Auto of two Joly dealerships (see page 4) and strengthening of Belron's presence in the US, Italy, Spain and Canada). The group has also paid a dividend of EUR 44 million to its shareholders.

The net financial position[4] of the D'Ieteren Auto/Corporate segment decreased from a net cash position of EUR 251.2 million to a net cash position of EUR 226.4 million.

Belron's net financial debt[4] decreased from EUR 742.5 million in December 2012 to EUR 731.7 million in December 2013.

E. SEARCH FOR INVESTMENT

D'Ieteren confirms its willingness 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, alone or in partnership, of one or several new activities whose search is ongoing.

The selection of this activity will be made through criteria such as the quality of the sector's long-term fundamentals – knowing that the sector should not necessarily be linked to the automobile –, the presence of barriers to entry, low risk of technological or regulatory breakdown and growth opportunities.

The systematic selection process combines a sector-based approach with an opportunistic approach.

F. OUTLOOK FOR FY 2014 CURRENT CONSOLIDATED RESULT BEFORE TAX, GROUP'S SHARE[3]

Given the current outlook of its activities and the unfavourable weather conditions in Europe at the beginning of the year, D'Ieteren expects its 2014 current consolidated result before tax, group's share, to slightly decline compared with 2013.

AUTOMOBILE DISTRIBUTION (D'IETEREN AUTO) AND CORPORATE ACTIVITIES

- **Excluding registrations of less than 30 days[1], the Belgian market is down 1.5% year-on-year. Including these registrations, the market is nearly flat (-0.1%) and totals 486,065 new car registrations.**
- **Excluding registrations of less than 30 days[1], D'Ieteren Auto's share in the new car registrations remains high at 22.39% (vs 23.16% in 2012). Including these registrations, the market share reaches 21.15% (vs 22.12% in 2012).**
- **The sales of new vehicles amount to EUR 2,319.3 million compared with EUR 2,462.0 million in 2012, the difference being mainly attributable to a declining real market (excluding registrations of less than 30 days[1]) and a lower market share as well as to a reduction in dealer inventories. The total sales amount to EUR 2,627.4 million (EUR 2,787.3 million in 2012, -5.7%).**
- **The operating result reaches EUR 43.0 million:**
  - **Current operating result, excluding unusual items and re-measurements, of EUR 46.7 million (-13.8%[2]), due to lower sales in an activity in which costs are essentially fixed, partially offset by lower marketing costs.**
  - **Unusual items and re-measurements comprised in the operating result of EUR -3.7 million following notably the discontinuation of the electrical two-wheeler distribution activity, compared with an income of EUR 78.6 million in 2012.**
- **The current result before tax, group's share[3], reaches EUR 47.1 million (EUR 52.5 million in 2012).**
- **2014 forecast of a nearly flat Belgian market at circa 490,000 new car registrations.**

1.1. Activities and results

D'Ieteren Auto's sales reach EUR 2,627.4 million in 2013, -5.7% year-on-year. This evolution reflects mainly a declining real market (excluding registrations of less than 30 days[1]) and a lower market share as well as to a reduction in dealer inventories.

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 are down 1.5% year-on-year at 455,168 units. Including these registrations, the Belgian market totals 486,065 new car registrations, nearly flat year-on-year (-0.1%).

Excluding registrations of less than 30 days[1], the market share of the makes distributed by D'Ieteren Auto reaches 22.39% in 2013 (vs 23.16% the previous year). Including these registrations, the market share remains high at 21.15% (vs 22.12% in 2012).

Volkswagen remains the Belgian market leader with a market share exceeding 10%, thanks notably to the success of the new Golf. Volkswagen's market share is nevertheless down on 2012. Audi's market share is the make's best performance in six years, only behind 2012. The year-on-year decline is due to the competition of recently revamped models of other makes, despite the success of the A3. The market share of Škoda, whose Fabia model faced strong competition, is also down. Seat is up, thanks notably to the success of the Ibiza and the new Leon.

Registrations of new light commercial vehicles are down 2.18% to 53,419 units. D'Ieteren Auto's share is down to 11.87% (vs 12.54% in 2012), due to strong competition impacting mainly the Crafter and Caddy Van.

The total number of new vehicles, including commercial vehicles, delivered by D'Ieteren Auto in 2013 reaches 112,877 units (-6.1% compared with 2012). Lower deliveries, offset by a slight price improvement, leads to new vehicle sales of EUR 2,319.3 million (-5.8% compared with 2012).

Other activities

The sales of spare parts and accessories are down 3.1% to EUR 164.3 million.

The after-sales activities of the D'Ieteren Car Centers are up 5.0% to EUR 67.0 million.

The used vehicle sales amount to EUR 23.9 million, down 28.9%, but up 3.0% on a like-for-like basis[5] in a growing market.

The sales of D'Ieteren Sport, mainly Yamaha motorbikes, quads and scooters, are down 10.3% to EUR 25.2 million due to an unfavourable market for the motorbike segment, due notably to tougher conditions for obtaining a motorbike licence, partially offset by a rise in market share (from 8.98% in 2012 to 9.67%). The electrical two-wheeler distribution activity was discontinued in Q2 2013.

Results

The operating result reaches EUR 43.0 million (EUR 132.8 million in 2012[2]). The current operating result, which excludes unusual items and re-measurements, amounts to EUR 46.7 million (vs EUR 54.2 million in 2012[2]). The difference is mainly due to lower sales in an activity in which costs are essentially fixed, partially offset by lower marketing costs.

The unusual items and re-measurements comprised in the operating result (EUR -3.7 million) include EUR 1.8 million of costs related to discontinuation of the electrical two-wheeler distribution activity.

The net financial costs amount to EUR 8.9 million, compared with EUR 6.7 million[2]. Excluding unusual items and re-measurements, the current net financial costs amount to EUR 7.3 million, compared with EUR 8.3 million[2] the previous year. This improvement is due to the repayment in July 2012 of a bond of EUR 100 million. The unusual items and re-measurements mainly include the revaluation of interest rate swaps and of puts granted to the family holding company of Belron's CEO.

The current result before tax, group's share[3], of the Automobile distribution & Corporate segment stands at EUR 47.1 million (compared with EUR 52.5 million in 2012, -10.3%).

1.2. Key developments

A series of models was successfully launched or revamped in 2013: the Volkswagen Beetle Cabriolet, Golf Variant and Jetta Hybrid, the Audi A3 Saloon and Sportback, the Seat Leon and Toledo, the Škoda Rapid, Superb, Yeti and Octavia, and the Porsche Cayman, Panamera S E-Hybrid and 911 Turbo.

D'Ieteren Auto has completed the acquisition of two Joly and ten Beerens dealerships, all located on the Brussels-Antwerp axis, respectively in November 2013 and January 2014. The Joly and Beerens families wanted to withdraw from their dealerships and D'Ieteren Auto decided to acquire them considering they are located in a strategic area, notably for the fleet market, and they represent together about 4% of the deliveries of Volkswagen, Audi, Seat and Škoda in Belgium in 2013. The acquisition of these dealerships represents a total investment of circa EUR 26 million (real estate included), of which EUR 10 million in 2013, and should not have a significant impact on the results for 2014.

1.3. Activity outlook 2014

Febiac expects a nearly flat new car market at around 490,000 registrations in 2014. On this basis, D'Ieteren Auto banks on a stable annual market share.

This year, several models will be launched or revamped: the Volkswagen Golf Sportsvan, e-up!, e-Golf and XL1, 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.

1.4. Plans to reshape the D'Ieteren Car Centers in the Brussels area to improve its performance

D'Ieteren intends to invest by 2018 circa EUR 27 million in the D'Ieteren Car Centers, its corporately-owned car dealerships in Brussels and its outskirts, and to rethink their locations and organisation in order to improve their financial and commercial performance.

By 2018, the dealerships of Mail (Ixelles), Anderlecht, Zaventem and Drogenbos should be strengthened by hosting the activities of the current concessions of Meiser (Schaerbeek), Woluwe (Woluwe-Saint-Etienne), Fort Jaco (Uccle), Centre (Anderlecht) Expo (Laeken) and Vilvoorde. In addition, the bodywork activity of the Mail (Ixelles) 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 with several makes, against 12 sites – half of whom being single-branded – today. This regrouping aims at responding optimally to the changing needs of the motorists and operating more functional and efficient sites both in sales and after-sales, enabling increased productivity.

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

The whole project should spread over five years and will be supported by a total gross investment of circa EUR 27 million over this period. The possible sale of the vacant locations should in turn generate a cash income of circa EUR 10 million.

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

VEHICLE GLASS REPAIR AND REPLACEMENT – BELRON

- **External sales up 4.3% comprising a 5.0% organic increase and a 2.4% increase due to acquisitions partially offset by a 3.1% negative currency translation.**
- **Operating result up 5.4%[2] to EUR 156.9 million:**
  - **Current operating result down 11.5%[2] to EUR 173.5 million. Excluding the provision reversal relating to a long term incentive plan in 2012, current operating result up 1.2%[2] due to profit growth in most markets, as a result of sales volume increases and their impact on margins, partially offset by profit declines in Brazil and Australia as a result of adverse market environments.**
  - **Unusual costs and re-measurements of EUR 16.6 million due to ongoing Canadian acquisitions and the amortisation of intangible assets.**
- **Current result before tax, group's share[3], down 11.6%[2] to EUR 130.5 million. Excluding the provision reversal relating to a long term incentive plan in 2012, current result before tax[3], group's share, up 4.5%[2].**
- **Moderate organic sales growth expected in 2014 in a still challenging market.**

2.1. Activities and results

Sales increased by 4.3% to EUR 2,843.1 million consisting of an increase in organic sales of 5.0% and an increase of 2.4% from acquisitions partially offset by a negative currency impact of 3.1%. Organic sales reflect colder winter weather in both Northern Europe and North America. Total repair and replacement jobs increased by 4.6% to 10.8 million. The translation impact is primarily due to the strengthening of the euro against all of the major currencies. The acquired growth is mainly due to acquisitions in the UK, the US, Italy and Canada.

European sales increased by 8.0% comprising an increase in organic sales of 6.5% and acquisition growth of 2.7%, due to the acquisition of ADR in the UK during the second half of 2012 and Doctor Glass in Italy during the first half of 2013, partially offset by a negative currency impact of 1.2% due to a weaker GBP.

Outside of Europe, the sales increased by 0.2% comprising an organic sales increase of 3.3%, a positive 2.1% impact due to acquisitions in the USA and Canada, partially offset by a negative currency impact of 5.2% due to the strengthening of the euro.

The sales for the period benefitted from the colder winter weather in the first quarter together with additional marketing campaigns in several countries. The underlying market conditions in developed economies remained challenging.

The current operating result was EUR 173.5 million (2012[2]: EUR 196.0 million). Excluding the provision reversal relating to a long term incentive plan in 2012 (EUR 24.5 million), the current operating result is up 1.2%[2] due to profit growth in most markets, as a result of sales volume increases and their impact on margins, partially offset by profit declines in Brazil and Australia as a result of adverse market environments.

The unusual costs and re-measurements comprised in the operating result were EUR 16.6 million and mainly relate to costs associated with the Canadian acquisition programme (EUR 7.2 million) and to the amortisation of intangible assets.

The net finance costs were EUR 38.7 million (2012[2]: EUR 40.3 million). Before re-measurements resulting from the changes in the fair value of derivatives, the current net finance costs decreased from EUR 36.7 million in 2012[2] to EUR 35.8 million due to a lower average net debt.

The current result before tax, group's share[3], decreased by 11.6%[2] to EUR 130.5 million. Excluding the provision reversal relating to a long term incentive plan in 2012 (EUR 22.8 million in group's share), the current result before tax, group's share, increased by 4.5%[2].

2.2. Key developments

Although colder weather during Q1 in both Northern Europe and North America did provide additional opportunities, the impact of the weather has generally been largely offset by continued underlying market declines. The major factors are considered to be lower discretionary incomes, lower speeds and less vehicle crime. In response, actions have been taken to protect or gain segment share as well as adjust the cost base. In 2013 headcount realignments were carried out in the Australian, UK and Canadian businesses. The 2013 results reflect both these and the full year impact from realignments that took place during 2012.

In 2013, Belron faced particularly adverse conditions in Brazil and Australia. In Brazil, the business gained market share in the face of severe price competition. The additional volumes necessitated additional subcontractor and set up costs thereby adversely impacting profit. In Australia, the business suffered from market declines combined with lower market share due to two key accounts reducing Belron's share in the handling of their VGRR claims.

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. 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, telephones and directly in the branch. In addition to focussing on delivering an outstanding service to its customers, Belron continues 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 consumer promotions including wipers were run in several countries.

Belron continued to pursue its goal of targeted geographic expansion and signed a franchise agreement in Indonesia bringing the total number of countries in which Belron operates to 35. In Canada, more acquisitions of former franchisees were undertaken as part of the transformation project and incremental acquisitions were made in the US, Italy and Spain.

2.3. Activity outlook 2014

The outlook for 2014 is for moderate organic sales growth due to expected continuing adverse market trends and to unfavourable weather conditions in Europe at the beginning of the year. 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.

Notes

1 In order to provide a more accurate picture of the car market, Febiac now 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 After restatement in 2012 following the retrospective application of IAS 19 revised relating to post-employment advantages. See note 2.2 of the 2013 consolidated financial statements.

3 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 2013 consolidated financial statements for the definition of this performance indicator.

4 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.

5 At the start of 2012, D'Ieteren SA and Volkswagen Financial Services AG created a joint venture, Volkswagen D'Ieteren Finance SA (VDFin), to which D'Ieteren contributed its subsidiary D'Ieteren Lease, and which is accounted for using the equity method since 1st January 2012. So that the 2013 performance can be compared with 2012, sales of used cars by D'Ieteren S.A. on behalf of VDFin during January-February 2012 have been restated as if they were made by VDFin.

s.a. D'Ieteren n.v.
Consolidated Financial Statements 2013

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Statement from the responsible persons

We certify that, to the best of our knowledge, the consolidated financial statements as of 31 December 2013, prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and result of s.a. D'Ieteren n.v. and the undertakings included in the consolidation taken as a whole, and that the management report includes a fair review of the development and performance of the business and of the position of s.a. D'Ieteren n.v. and the undertakings included in the consolidation taken as a whole, as well as a description of the principal risks and uncertainties that they face.

On behalf of the Board of Directors,

Axel Miller
Managing Director

Roland D'Ieteren
Chairman

Consolidated Income Statement

Year ended 31 December

EUR million	Notes	2013 TOTAL	2013 OF WHICH Current items(2)	2013 OF WHICH Unusual items and re-measurements(2)	2012(1) TOTAL	2012(1) OF WHICH Current items(2)	2012(1) OF WHICH Unusual items and re-measurements(2)
Sales	4	**5,470.5**	*5,470.5*	*-*	**5,514.5**	*5,514.5*	*-*
Cost of sales		-3,796.4	*-3,796.6*	*0.2*	-3,861.2	*-3,901.6*	*40.4*
Gross margin		**1,674.1**	*1,673.9*	*0.2*	**1,653.3**	*1,612.9*	*40.4*
Commercial and administrative expenses		-1,462.9	*-1,449.6*	*-13.3*	-1,376.5	*-1,359.3*	*-17.2*
Other operating income		1.6	*1.6*	*-*	40.6	*1.5*	*39.1*
Other operating expenses		-12.9	*-5.7*	*-7.2*	-35.8	*-4.9*	*-30.9*
Operating result	5	**199.9**	*220.2*	*-20.3*	**281.6**	*250.2*	*31.4*
Net finance costs	6	-47.6	*-43.1*	*-4.5*	-47.0	*-45.0*	*-2.0*
Share of result of entities accounted for using the equity method	7	0.5	*5.2*	*-4.7*	-4.0	*4.3*	*-8.3*
Result before tax	9	**152.8**	*182.3*	*-29.5*	**230.6**	*209.5*	*21.1*
Tax expense	8	-34.8	*-41.4*	*6.6*	-35.6	*-42.2*	*6.6*
Result from continuing operations		**118.0**	*140.9*	*-22.9*	**195.0**	*167.3*	*27.7*
Discontinued operations		-	*-*	*-*	-	*-*	*-*
RESULT FOR THE PERIOD		**118.0**	*140.9*	*-22.9*	**195.0**	*167.3*	*27.7*
Result attributable to:							
Equity holders of the Parent	9	**114.0**	*136.1*	*-22.1*	**190.1**	*159.4*	*30.7*
Non-controlling interest		4.0	*4.8*	*-0.8*	4.9	*7.9*	*-3.0*
Earnings per share for result for the period attributable to equity holders of the Parent							
Basic (EUR)	10	2.07	*2.47*	*-0.40*	3.45	*2.89*	*0.56*
Diluted (EUR)	10	2.06	*2.46*	*-0.40*	3.44	*2.88*	*0.56*

(1) As restated (see note 2.2).
(2) See summary of significant accounting policies in note 2 and unusual items and re-measurements in note 9.

Consolidated Statement of Comprehensive Income

Year ended 31 December

EUR million	Notes	2013	2012[1]
Result for the period		118,0	195,0
Other comprehensive income			
Items that will not be reclassified to profit or loss:		*0,2*	*12,0*
Actuarial gains (losses) on employee benefit obligations	20	*2,5*	*15,0*
Tax relating to actuarial gains (losses) on employee benefit obligations		*-2,3*	*-3,0*
Items that may be reclassified subsequently to profit or loss:		*-26.1*	*-6.0*
Translation differences		*-26.7*	*-4.5*
Cash flow hedges: fair value gains (losses) in equity		*0.6*	*-1.2*
Tax relating to cash flow hedges		*-*	*-0.3*
Other comprehensive income, net of tax		*-25.9*	*6.0*
Total comprehensive income for the period		**92.1**	**201.0**
being: attributable to equity holders of the Parent		*89.5*	*195.6*
attributable to non-controlling interest		*2.6*	*5.4*

(1) As restated (see note 2.2).

Consolidated Statement of Financial Position

At 31 December

EUR million	Notes	2013	2012(1)
Goodwill	11	1,056.9	1,042.1
Other intangible assets	13	434.5	430.2
Other property, plant and equipment	15	458.2	456.4
Investment property	16	4.8	5.1
Equity accounted investments	7	59.9	59.4
Available-for-sale financial assets	17	0.5	0.5
Held-to-maturity investments	14	9.7	-
Long-term employee benefit assets	20	34.2	54.9
Deferred tax assets	21	41.6	53.8
Other receivables	22	23.6	22.8
Non-current assets		**2,123.9**	**2,125.2**
Inventories	23	539.3	561.5
Held-to-maturity investments	14	288.4	211.7
Derivative hedging instruments	18	0.6	0.1
Derivatives held for trading	19	7.4	9.5
Other financial assets	24	1.6	0.5
Current tax assets	25	9.2	9.2
Trade and other receivables	26	384.7	393.8
Cash and cash equivalents	27	199.6	181.7
Current assets		**1,430.8**	**1,368.0**
TOTAL ASSETS		**3,554.7**	**3,493.2**
Capital and reserves attributable to equity holders		1,723.6	1,677.4
Non-controlling interest		1.6	1.8
Equity		**1,725.2**	**1,679.2**
Long-term employee benefit obligations	20	27.2	57.9
Other provisions	29	26.3	25.6
Borrowings	30/31	693.0	801.2
Derivatives held for trading	19	14.1	6.9
Put options granted to non-controlling shareholders	32	89.0	134.1
Other payables	33	19.0	15.1
Deferred tax liabilities	21	38.4	42.7
Non-current liabilities		**907.0**	**1,083.5**
Provisions	29	3.5	6.5
Derivative hedging instruments	18	0.1	0.1
Borrowings	30/31	330.0	109.2
Derivatives held for trading	19	1.3	2.1
Current tax liabilities	25	18.0	22.8
Trade and other payables	34	569.6	589.8
Current liabilities		**922.5**	**730.5**
TOTAL EQUITY AND LIABILITIES		**3,554.7**	**3,493.2**

(1) As restated (see note 2.2).

Consolidated Statement of Changes in Equity

At 31 December

EUR million	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 interest	Equity
	Capital and reserves attributable to equity holders											
At 31 December 2011 (as reported)	**160.0**	**24.4**	**-15.6**	**7.0**	**20.9**	**1,415.2**	**-89.4**	**24.7**	**-16.7**	**1,530.5**	**1.6**	**1,532.1**
Restatement [1]	-	-	-	-	-	-	0.3	-0.1	-	0.2	-	0.2
At 1 January 2012 [1]	**160.0**	**24.4**	**-15.6**	**7.0**	**20.9**	**1,415.2**	**-89.1**	**24.6**	**-16.7**	**1,530.7**	**1.6**	**1,532.3**
Treasury shares	-	-	-6.8	-	-	-	-	-	-	-6.8	-	-6.8
Dividend 2011 paid in 2012	-	-	-	-	-	-44.1	-	-	-	-44.1	-	-44.1
Put options treatment - Movement of the period	-	-	-	-	-	-	-	-	-	-	-5.2	-5.2
Other movements	-	-	-	1.8	-20.3	8.4	9.3	-5.2	8.0	2.0	-	2.0
Total comprehensive income	-	-	-	-	-1.1	190.1	13.8	-3.0	-4.2	195.6	5.4	201.0
At 1 January 2013 [1]	**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 31 December 2013	**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**

(1) As restated (see note 2.2).

Consolidated Statement of Cash Flows

Year ended 31 December

EUR million	Notes	2013	2012[1]
Cash flows from operating activities - Continuing			
Operating profit from continuing operations		199.9	281.5
Depreciation of other items	5	91.7	91.8
Amortisation of other intangible assets	5	33.9	26.9
Impairment losses on goodwill and other non-current assets	9	-	11.6
Other non-cash items	9	13.1	-68.2
Retirement benefit obligations		-8.4	-10.3
Other cash items		-10.3	-
Change in net working capital		4.9	42.5
Cash generated from operations		**324.8**	**375.8**
Tax paid		-41.6	-44.8
Net cash from operating activities		**283.2**	**331.0**
Cash flows from investing activities - Continuing			
Purchase of fixed assets		-110.8	-123.9
Sale of fixed assets		4.7	4.6
Net capital expenditure		**-106.1**	**-119.3**
Acquisition of subsidiaries (net of cash acquired)	9/12	-60.3	-38,9
Contribution of subsidiary (net of cash disposed of) to joint venture	9	-	19.5
Investment in held-to-maturity financial assets	14	-86.4	-211.7
Net investment in other financial assets	9	-1.0	79.6
Net cash from investing activities		**-253.8**	**-270.8**
Cash flows from financing activities - Continuing			
Acquisition of non-controlling interest	9	-35.7	-
Net disposal/(acquisition) of treasury shares		-0.9	-6.8
Capital element of finance lease payments		-24.0	-21.7
Net change in other borrowings		135.8	2.2
Net interest paid		-37.1	-53.1
Dividends paid by Parent	28	-44.0	-44.1
Dividends received from/(paid by) subsidiaries		-1.5	-
Net cash from financing activities		**-7.4**	**-123.5**
TOTAL CASH FLOW FOR THE PERIOD		**22.0**	**-63.3**
Reconciliation with statement of financial position			
Cash at beginning of period	27	131.7	111.0
Cash equivalents at beginning of period	27	50.0	139.0
Cash and cash equivalents at beginning of period	27	**181.7**	**250.0**
Total cash flow for the period		22.0	-63.3
Translation differences		-4.1	-5.0
Cash and cash equivalents at end of period		**199.6**	**181.7**
Included within "Cash and cash equivalents"	27	*199.6*	*181.7*

(1) As restated (see note 2.2).

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 28. The address of the Company's registered office is:
Rue du Mail 50
B-1050 Brussels

The Company and its subsidiaries (together the Group) form an international group, active in sectors of services to the motorist:
- Automobile distribution in Belgium of Volkswagen, Audi, Seat, Skoda, 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 35 countries serving over 12 million customers.

The Company is listed on Euronext Brussels.

These consolidated financial statements have been approved for issue by the Board of Directors on 26 February 2014.

NOTE 2: ACCOUNTING POLICIES

Note 2.1: Basis of Preparation

These 2013 consolidated financial statements are for the 12 months ended 31 December 2013. 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").

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 and financial assets and financial liabilities (including derivative instruments) that have been measured at fair value.

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. 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 disclosed in the relevant notes.

In March 2013, the Parent announced that it had raised its interest in Belron's equity capital by 2.12% points, reaching 94.85%, as a result of the exercise of his put option by a senior non-executive member of the Belron founding family, in accordance with the existing shareholders agreement, for a total consideration of circa EUR 39 million. Taking this into account, the average percentage used for the consolidation of Belron's income statement was different than the year-end end percentage and amounted to 94.79% (92.73% in the prior period). See note 32 for more information.

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 2013 have no significant impact on the Group's consolidated financial statements, except for the amendments to IAS 1 "Presentation of Financial Statements: Other Comprehensive Income" and to IAS 19 "Employee Benefits", and the adoption of IFRS 13 "Fair Value Measurement". The nature and the impact of these two amendments and this new standard are described below.

The Group has also early adopted amendments to IAS 36 "Impairment of Assets", effective for periods beginning on or after 1 January 2014. The IASB made consequential amendments to the disclosure requirements of IAS 36 when it issued IFRS 13 "Fair Value Measurement". One of the amendments was drafted more widely than intended. This limited scope amendment corrects this and introduces additional disclosures about fair value measurements in case of impairment.

IAS 1 Presentation of Financial Statements: Other Comprehensive Income
This amendment to IAS 1 introduces a grouping of items presented in other comprehensive income (see Consolidated Statement of Comprehensive Income). Items that could be reclassified (or recycled) to profit or loss in the future (e.g. net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net gain or loss on available-for-sale financial assets) are now presented separately from items that will never be reclassified (e.g. actuarial gains and losses on defined benefit plans). The amendment affected presentation only and had no impact on the Group's financial position or performance. This amendment became retrospectively applicable on 1 January 2012; comparative Consolidated Statement of Comprehensive Income has therefore been restated accordingly.

IAS 19 Employee Benefits
This amendment to IAS 19 had an impact on the net defined benefit plan obligations or assets due to the difference in accounting for interest on plan assets. The net interest expense or income is now calculated by applying the discount rate to the net defined benefit deficit or surplus. This replaces the finance charge calculated on defined benefit obligation and expected return calculated on plan assets. The income statement presentation has also been modified, with the cost of benefits accrued in the period being presented in current operating result and the net finance expense or income being presented in current net finance costs. This amendment became retrospectively applicable on 1 January 2012; comparative amounts have therefore been restated accordingly.

The impact of this restatement on the Consolidated Statement of Financial Position as at 31 December 2012 was a decrease in defined benefit obligations of EUR 0.1 million, a decrease in the related deferred tax assets of EUR 0.1 million and in the related deferred tax liabilities of EUR 0.1 million, with a net increase of capital and reserves attributable to equity holders of the Parent of EUR 0.1 million. In the Consolidated Income Statement for the twelve-month period ended 31 December 2012, the net impact on the result for the period was a decrease of EUR 2.4 million, being a decrease in cost of sales (staff costs) of EUR 0.2 million, an increase in commercial and administrative expenses (staff costs) of EUR 2.6 million, an increase in net finance costs of EUR 0.6 million and a decrease in tax expense of EUR 0.6 million. The impact on the result for the period attributable to equity holders of the Parent was a decrease of EUR 2.2 million. In the Consolidated Statement of Comprehensive Income, the impact on other comprehensive income was an increase in actuarial movements of EUR 2.8 million and an increase in tax relating to actuarial movements of EUR 0.5 million. The Consolidated Statement of Cash Flows for the twelve-month period ended 31 December 2012 has been restated accordingly to reflect the non-cash decrease in operating result and the non-cash movement in retirement benefit obligations. This restatement concerns both segments (see note 3.1 for basis of segmentation).

The impact of this restatement on the Consolidated Statement of Financial Position as at 1 January 2012 was a net increase of capital and reserves attributable to equity holders of the Parent of EUR 0.2 million, with a decrease in actuarial movements of EUR 0.2 million net of tax.

IFRS 13 Fair Value Measurement
This new standard does not extend the use of fair value accounting but clarifies the valuation methodology of fair value measurements required or permitted by other IFRSs. 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 consolidated statement of financial position. See note 19 for the impact of the adoption. In accordance with the transitional provisions of IFRS 13 no comparative information has been provided for the new disclosure.

NOTE 2: ACCOUNTING POLICIES (continued)

Except for the early application of IAS 36 "Impairment of Assets" (see above), all the other standards, amendments and interpretations to existing standards issued by the IASB but not yet effective in 2013 have not been early adopted by the Group. The Group is currently assessing the impact of the new standards, interpretations and amendments. No major impact is expected.

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 govern the financial and operating policies, are consolidated. 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, generally accompanying a shareholding of between 20% and 50% of the voting rights. 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

Interests in jointly controlled entities 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.

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.

NOTE 2: ACCOUNTING POLICIES (continued)

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. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
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 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 incurred are expensed.

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.

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.

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. 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.

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.

NOTE 2: ACCOUNTING POLICIES (continued)

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.

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 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 where the Group has transferred substantially all the risks and rewards of ownership 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.

NOTE 2: ACCOUNTING POLICIES (continued)

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.

Vehicles purchased under buy-back agreements
Vehicles purchased under buy-back agreements are not recognised as assets since these arrangements are accounted for as operating leases (lessee accounting). The difference between the purchase price and the resale price (buy-back obligation of the supplier) is considered as deferred expense, while a trade receivable is recognised for the resale price. The deferred expense is recognised within cost of sale on a straight line basis over the relevant vehicle holding period.

Investment Properties

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses.

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. 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.

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.

NOTE 2: ACCOUNTING POLICIES (continued)

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. In countries where there is no deep market in such bonds, the market rates on government bonds are used. 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.

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.

Financial Instruments Excluding Derivatives

The Group classifies its financial assets in the following categories: at fair value through profit or loss, 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. Derivatives are also categorised as held for trading unless they are designated as hedges. 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) 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.

(c) 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.

NOTE 2: ACCOUNTING POLICIES (continued)

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.
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. 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.

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.

NOTE 2: ACCOUNTING POLICIES (continued)

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 "sales". Interest income is presented under the heading "net finance costs".

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.
All cash-settled ESOP (i.e. granted before, on, or after 7 November 2002) are recognised as liabilities, and their cost is recognised in the income statement over the related vesting 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.

NOTE 2: ACCOUNTING POLICIES (continued)

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 Income Statement - Operating Segments (Year ended 31 December)

		2013				2012[1]			
EUR million	Notes	*Automobile Distribution*	*Vehicle Glass*	*Eliminations*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Eliminations*	*Group*
External sales	4	2.627.4	2.843.1		5.470.5	2.787.3	2.727.2		5.514.5
Inter-segment sales		4.1	0.1	-4.2	-	3.4	-	-3.4	-
Segment sales		**2.631.5**	**2.843.2**	**-4.2**	**5.470.5**	**2.790.7**	**2.727.2**	**-3.4**	**5.514.5**
Operating result (being segment result)	5	**43.0**	**156.9**		**199.9**	**132.8**	**148.8**		**281.6**
of which: current items	5	*46.7*	*173.5*		*220.2*	*54.2*	*196.0*		*250.2*
unusual items and re-measurements	5	*-3.7*	*-16.6*		*-20.3*	*78.6*	*-47.2*		*31.4*
Net finance costs	6	-8.9	-38.7		-47.6	-6.7	-40.3		-47.0
Share of result of entities accounted for using the equity method	7	0.5	-		0.5	-4.0	-		-4.0
Result before taxes	9	**34.6**	**118.2**		**152.8**	**122.1**	**108.5**		**230.6**
of which: current items	9	*44.6*	*137.7*		*182.3*	*50.2*	*159.3*		*209.5*
unusual items and re-measurements	9	*-10.0*	*-19.5*		*-29.5*	*71.9*	*-50.8*		*21.1*
Tax expense	8	1.5	-36.3		-34.8	-5.5	-30.1		-35.6
Result from continuing operations		**36.1**	**81.9**		**118.0**	**116.6**	**78.4**		**195.0**
of which: current items		*42.7*	*98.2*		*140.9*	*47.8*	*119.5*		*167.3*
unusual items and re-measurements		*-6.6*	*-16.3*		*-22.9*	*68.8*	*-41.1*		*27.7*
Discontinued operations		-	-		-	-	-		-
RESULT FOR THE PERIOD		**36.1**	**81.9**		**118.0**	**116.6**	**78.4**		**195.0**

Attributable to :		*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Equity holders of the Parent		36.4	77.6	114.0	117.3	72.8	190.1
of which: current items	9	*43.0*	*93.1*	*136.1*	*48.5*	*110.9*	*159.4*
unusual items and re-measurements		*-6.6*	*-15.5*	*-22.1*	*68.8*	*-38.1*	*30.7*
Non-controlling interest		-0.3	4.3	4.0	-0.7	5.6	4.9
RESULT FOR THE PERIOD		**36.1**	**81.9**	**118.0**	**116.6**	**78.4**	**195.0**

(1) As restated (see note 2.2).

NOTE 3: SEGMENT INFORMATION (continued)

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

		2013			2012[1]		
EUR million	Notes	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Goodwill	11	8.3	1,048.6	1,056.9	8.8	1,033.3	1,042.1
Other intangible assets	13	8.3	426.2	434.5	4.4	425.8	430.2
Other property, plant and equipment	15	160.9	297.3	458.2	150.7	305.7	456.4
Investment property	16	4.8	-	4.8	5.1	-	5.1
Equity accounted investments	7	59.9	-	59.9	59.4	-	59.4
Available-for-sale financial assets	17	0.5	-	0.5	0.5	-	0.5
Held-to-maturity investments	14	9.7	-	9.7	-	-	-
Long-term employee benefit assets	20	-	34.2	34.2	-	54.9	54.9
Deferred tax assets	21	0.1	41.5	41.6	-	53.8	53.8
Other receivables	22	21.2	2.4	23.6	20.5	2.3	22.8
Non-current assets		**273.7**	**1,850.2**	**2,123.9**	**249.4**	**1,875.8**	**2,125.2**
Inventories	23	285.0	254.3	539.3	313.8	247.7	561.5
Held-to-maturity investments	14	288.4	-	288.4	211.7	-	211.7
Derivative hedging instruments	18	-	0.6	0.6	-	0.1	0.1
Derivatives held for trading	19	5.9	1.5	7.4	8.6	0.9	9.5
Other financial assets	24	-	1.6	1.6	-	0.5	0.5
Current tax assets	25	-	9.2	9.2	0.1	9.1	9.2
Trade and other receivables	26	130.9	253.8	384.7	114.6	279.2	393.8
Cash and cash equivalents	27	163.1	36.5	199.6	143.0	38.7	181.7
Current assets		**873.3**	**557.5**	**1,430.8**	**791.8**	**576.2**	**1,368.0**
TOTAL ASSETS		**1,147.0**	**2,407.7**	**3,554.7**	**1,041.2**	**2,452.0**	**3,493.2**

(1) As restated (see note 2.2).

NOTE 3: SEGMENT INFORMATION (continued)

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

EUR million	Notes	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group	2012(1) Automobile Distribution	2012(1) Vehicle Glass	2012(1) Group
Capital and reserves attributable to equity holders		1,723.6	-	1,723.6	1,677.4	-	1,677.4
Non-controlling interest		-0.6	2.2	1.6	-0.2	2.0	1.8
Equity		**1,723.0**	**2.2**	**1,725.2**	**1,677.2**	**2.0**	**1,679.2**
Long-term employee benefit obligations	20	7.4	19.8	27.2	7.7	50.2	57.9
Other provisions	29	20.5	5.8	26.3	25.0	0.6	25.6
Borrowings	30/31	102.9	590.1	693.0	251.4	549.8	801.2
Derivatives held for trading	19	-	14.1	14.1	-	6.9	6.9
Put options granted to non-controlling shareholders	32	89.0	-	89.0	134.1	-	134.1
Other payables	33	-	19.0	19.0	-	15.1	15.1
Deferred tax liabilities	21	21.1	17.3	38.4	20.4	22.3	42.7
Non-current liabilities		**240.9**	**666.1**	**907.0**	**438.6**	**644.9**	**1,083.5**
Provisions	29	-	3.5	3.5	-	6.5	6.5
Derivative hedging instruments	18	-	0.1	0.1	-	0.1	0.1
Borrowings	30/31	151.9	178.1	330.0	2.1	107.1	109.2
Inter-segment loan	30	-	-	-	-130.0	130.0	-
Derivatives held for trading	19	-	1.3	1.3	-	2.1	2.1
Current tax liabilities	25	0.1	17.9	18.0	0.3	22.5	22.8
Trade and other payables	34	149.3	420.3	569.6	156.1	433.7	589.8
Current liabilities		**301.3**	**621.2**	**922.5**	**28.5**	**702.0**	**730.5**
TOTAL EQUITY AND LIABILITIES		**2,265.2**	**1,289.5**	**3,554.7**	**2,144.3**	**1,348.9**	**3,493.2**

(1) As restated (see note 2.2).

NOTE 3: SEGMENT INFORMATION (continued)

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

EUR million	Notes	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group	2012[1] Automobile Distribution	2012[1] Vehicle Glass	2012[1] Group
Cash flows from operating activities - Continuing							
Operating profit from continuing operations		43.0	156.9	199.9	132.7	148.8	281.5
Depreciation of other items	5	12.9	78.8	91.7	12.3	79.5	91.8
Amortisation of other intangible assets	5	2.5	31.4	33.9	-	26.9	26.9
Impairment losses on goodwill and other non-current assets	9	-	-	-	-	11.6	11.6
Other non-cash items	9	0.3	12.8	13.1	-41.4	-26.8	-68.2
Retirement benefit obligations		-0.4	-8.0	-8.4	0.7	-11.0	-10.3
Other cash items		-	-10.3	-10.3	-	-	-
Change in net working capital		4.2	0.7	4.9	19.9	22.6	42.5
Cash generated from operations		**62.5**	**262.3**	**324.8**	**124.2**	**251.6**	**375.8**
Tax paid		-0.8	-40.8	-41.6	-0.7	-44.1	-44.8
Net cash from operating activities		**61.7**	**221.5**	**283.2**	**123.5**	**207.5**	**331.0**
Cash flows from investing activities - Continuing							
Purchase of fixed assets		-18.1	-92.7	-110.8	-22.9	-101.0	-123.9
Sale of fixed assets		0.4	4.3	4.7	0.7	3.9	4.6
Net capital expenditure		**-17.7**	**-88.4**	**-106.1**	**-22.2**	**-97.1**	**-119.3**
Acquisition of subsidiaries (net of cash acquired)	9/12	-8.8	-51.5	-60.3	-1.8	-37.1	-38.9
Contribution of subsidiary (net of cash disposed of) to joint venture	9	-	-	-	19.5	-	19.5
Investment in held-to-maturity financial assets	14	-86.4	-	-86.4	-211.7	-	-211.7
Net investment in other financial assets	9	-0.8	-0.2	-1.0	79.9	-0.3	79.6
Net cash from investing activities		**-113.7**	**-140.1**	**-253.8**	**-136.3**	**-134.5**	**-270.8**

(1) As restated (see note 2.2).

NOTE 3: SEGMENT INFORMATION (continued)

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

		2013			2012(1)		
EUR million	Notes	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Cash flows from financing activities - Continuing							
Acquisition (-)/Disposal (+) of non-controlling interest	9	-35.7	-	-35.7	-	-	-
Net disposal/(acquisition) of treasury shares		-0.9	-	-0.9	-6.8	-	-6.8
Capital element of finance lease payments		-	-24.0	-24.0	-	-21.7	-21.7
Net change in other borrowings		-0.5	136.3	135.8	-98.9	101.1	2.2
Inter-segment loan	30	130.0	-130.0	-	110.0	-110.0	-
Net interest paid		-5.3	-31.8	-37.1	-17.9	-35.2	-53.1
Dividends paid by Parent	28	-44.0	-	-44.0	-44.1	-	-44.1
Dividends received from/(paid by) subsidiaries		28.5	-30.0	-1.5	-	-	-
Net cash from financing activities		**72.1**	**-79.5**	**-7.4**	**-57.7**	**-65.8**	**-123.5**
TOTAL CASH FLOW FOR THE PERIOD		**20.1**	**1.9**	**22.0**	**-70.5**	**7.2**	**-63.3**

		2013			2012(1)		
EUR million	Notes	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Reconciliation with statement of financial position							
Cash at beginning of period	27	93.0	38.7	131.7	74.5	36.5	111.0
Cash equivalents at beginning of period	27	50.0	-	50.0	139.0	-	139.0
Cash and cash equivalents at beginning of period	27	**143.0**	**38.7**	**181.7**	**213.5**	**36.5**	**250.0**
Total cash flow for the period		20.1	1.9	22.0	-70.5	7.2	-63.3
Translation differences		-	-4.1	-4.1	-	-5.0	-5.0
Cash and cash equivalents at end of period		**163.1**	**36.5**	**199.6**	**143.0**	**38.7**	**181.7**
Of which "Cash and cash equivalents	27	*163.1*	*36.5*	*199.6*	*143.0*	*38.7*	*181.7*

(1) As restated (see note 2.2).

NOTE 3: SEGMENT INFORMATION (continued)

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

EUR million	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group	2012 Automobile Distribution	2012 Vehicle Glass	2012 Group
Capital additions [1]	25.9	166.8	192.7	25.5	176.3	201.8

(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 3.6: 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.

EUR million	2013 Belgium	2013 Rest of Europe	2013 Rest of world	2013 Group	2012 Belgium	2012 Rest of Europe	2012 Rest of world	2012 Group
Segment sales from external customers [1]	2,555.3	1,583.7	1,331.5	5,470.5	2,679.7	1,507.5	1,327.3	5,514.5
Non-current assets [2]	217.8	1,163.6	596.6	1,978.0	203.4	1,155.3	597.9	1,956.6
Capital additions [3]	32.6	58.0	102.1	192.7	31.4	39.6	130.8	201.8

(1) Based on the geographical location of the customers.
(2) Non-current assets, as defined by IFRS 8, consists of goodwill, other intangible assets, vehicles, other 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: SALES

EUR million	2013	2012
New vehicles	2,319.3	2,462.0
Used cars	23.9	33.6
Spare parts and accessories	164.3	169.5
After-sales activities by D'Ieteren Car Centers	67.0	63.8
D'Ieteren Sport	25.2	28.1
Rental income under buy-back agreements	5.4	6.3
Other sales	22.3	24.0
Subtotal Automobile Distribution	**2,627.4**	**2,787.3**
Vehicle Glass	**2,843.1**	**2,727.2**
SALES (EXTERNAL)	**5,470.5**	**5,514.5**
of which: sales of goods	*2,698.7*	*2,876.7*
rendering of services	*2,771.2*	*2,637.3*
royalties	*0.6*	*0.5*

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	2013			2012[1]		
	Automobile Distribution	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Current items:						
Purchases and changes in inventories	-2,268.4	-672.2	-2,940.6	-2,417.0	-656.5	-3,073.5
Depreciation of other items (excl. investment property)	-12.5	-78.8	-91.3	-11.9	-79.5	-91.4
Amortisation (excl. re-measurements - see note 9)	-0.6	-21.2	-21.8	-	-17.1	-17.1
Other operating lease rentals [2]	-	-158.4	-158.4	-	-155.5	-155.5
Write-down on inventories	1.6	-0.7	0.9	-2.7	-0.9	-3.6
Employee benefit expenses (see note 35)	-138.0	-1,086.0	-1,224.0	-136.6	-1,005.3	-1,141.9
Research and development expenditure	-	-1.1	-1.1	-	-0.9	-0.9
Sundry	-159.3	-650.5	-809.8	-160.4	-616.6	-777.0
Other operating expenses:						
Bad and doubtful debts	-4.2	-0.8	-5.0	-4.6	1.3	-3.3
Investment property expenses:						
Depreciation	-0.4	-	-0.4	-0.4	-	-0.4
Operating expenses [3]	-0.1	-	-0.1	-0.1	-	-0.1
Sundry	-0.2	-0.1	-0.3	-0.9	-0.2	-1.1
Subtotal other operating expenses	-4.9	-0.9	-5.8	-6.0	1.1	-4.9
Other operating income:						
Gain on property, plant and equipment	-	0.2	0.2	0.1	-	0.1
Rental income from investment property [4]	0.9	-	0.9	0.9	-	0.9
Sundry	0.5	-	0.5	0.5	-	0.5
Subtotal other operating income	1.4	0.2	1.6	1.5	-	1.5
Subtotal current items	**-2,580.7**	**-2,669.6**	**-5,250.3**	**-2,733.1**	**-2,531.2**	**-5,264.3**
Unusual items and re-measurements (see note 9)	**-3.7**	**-16.6**	**-20.3**	**78.6**	**-47.2**	**31.4**
NET OPERATING EXPENSES	**-2,584.4**	**-2,686.2**	**-5,270.6**	**-2,654.5**	**-2,578.4**	**-5,232.9**

(1) As restated (see note 2.2).
(2) Primarily hire of vehicles and other plant and equipment in relation with the business activity.
(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	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group	2012(1) Automobile Distribution	2012(1) Vehicle Glass	2012(1) Group
Current items:						
Finance costs:						
Interest expense	*-10.4*	*-36.4*	*-46.8*	*-13.1*	*-37.6*	*-50.7*
Transfer from re-measurements	*3.0*	*-1.1*	*1.9*	*2.6*	*-0.7*	*1.9*
Current interest expense	-7.4	-37.5	-44.9	-10.5	-38.3	-48.8
Net interest cost on pension (see note 20)	-0.1	0.6	0.5	-0.1	-0.5	-0.6
Other financial charges	-1.4	-	-1.4	-1.4	-	-1.4
Subtotal finance costs	-8.9	-36.9	-45.8	-12.0	-38.8	-50.8
Finance income	1.6	1.1	2.7	3.7	2.1	5.8
Current net finance costs	**-7.3**	**-35.8**	**-43.1**	**-8.3**	**-36.7**	**-45.0**
Unusual items and re-measurements (see note 9):						
Unusual items	-	-	-	-0.2	-	-0.2
Re-measurements of put options granted to non-controlling interest	1.1	-	1.1	2.8	-	2.8
Re-measurements of financial instruments:						
Gains (Losses) on "dirty" fair value of derivatives (2)	*0.3*	*-4.0*	*-3.7*	*1.6*	*-4.3*	*-2.7*
Transfer to current items	*-3.0*	*1.1*	*-1.9*	*-2.6*	*0.7*	*-1.9*
Subtotal gains (losses) on "clean" fair value of derivatives (2)	-2.7	-2.9	-5.6	-1.0	-3.6	-4.6
Unusual items and re-measurements	**-1.6**	**-2.9**	**-4.5**	**1.6**	**-3.6**	**-2.0**
NET FINANCE COSTS	**-8.9**	**-38.7**	**-47.6**	**-6.7**	**-40.3**	**-47.0**

(1) As restated (see note 2.2).
(2) Change in "dirty" fair value of derivatives corresponds to the change of value of the derivatives between the beginning and the end of the period. Change in "clean" fair value of derivatives corresponds to the change of "dirty" fair value excluding the accrued cash flows of the derivatives that occurred during the period.

NOTE 7: ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD

In 2013, two group entities are accounted for using the equity method.

Joint venture

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 Automobile Distribution's interest in this joint venture comprised:

EUR million	2013	2012
Share of non-current assets (incl. goodwill)	327.3	364.9
Share of current assets	172.0	99.8
Share of non-current liabilities	-164.8	-152.0
Share of current liabilities	-279.4	-257.6
Share of net assets	55.1	55.1
Share of sales	133.8	124.5
Share of profit (loss)	-	-4.5
of which: current items	*4.7*	*3.8*
unusual items and re-measurements	*-4.7*	*-8.3*

Share of net assets represents the share of the Group in the equity of VDFin as at 31 December 2013. 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. The share of the Group in the amortisation after tax amounted to EUR 4.7 million (2012: EUR 8.0 million) and in accordance with the Group's accounting policies is accounted for in the Group's consolidated financial statements as a re-measurement.

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 s.a., a 49%-owned associate. At year end, the Automobile Distribution's interest in the associate comprised:

EUR million	2013	2012
Share of gross assets (incl. goodwill)	28.9	40.4
Share of gross liabilities	-24.1	-36.1
Share of net assets	4.8	4.3
Share of sales	9.7	13.6
Share of profit (loss)	0.5	0.5

NOTE 8: TAX EXPENSE

Tax expense is broken down as follows:

	2013			2012(1)		
EUR million	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Current year income tax	-0.6	-33.1	-33.7	-0.7	-44.3	-45.0
Prior year income tax	-	0.8	0.8	-	3.9	3.9
Movement in deferred taxes	2.1	-4.0	-1.9	-4.8	10.3	5.5
Tax expense	**1.5**	**-36.3**	**-34.8**	**-5.5**	**-30.1**	**-35.6**
of which: current items	*-1.9*	*-39.5*	*-41.4*	*-2.4*	*-39.8*	*-42.2*
unusual items and re-measurements	*3.4*	*3.2*	*6.6*	*-3.1*	*9.7*	*6.6*

(1) As restated (see note 2.2).

NOTE 8: TAX EXPENSE (continued)

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

	2013			2012[1]		
EUR million	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Result before taxes	34.6	118.2	152.8	122.1	108.5	230.6
Tax at the Belgian corporation tax rate of 33.99%	-11.8	-40.2	-52.0	-41.5	-36.9	-78.4
Reconciling items (sum of items marked (a) and (b) below)	13.3	3.9	17.2	36.0	6.8	42.8
Actual tax on result before taxes	**1.5**	**-36.3**	**-34.8**	**-5.5**	**-30.1**	**-35.6**

(1) As restated (see note 2.2).

The reconciling items are provided below:

		2013			2012[1]		
EUR million		*Automobile Distri-bution*	*Vehicle Glass*	*Group*	*Automobile Distri-bution*	*Vehicle Glass*	*Group*
Current PBT		44.6	137.7	182.3	50.2	159.3	209.5
Tax at the Belgian corporation tax rate of 33.99%		-15.2	-46.8	-62.0	-17.1	-54.1	-71.2
Rate differential	(a)	-	5.4	5.4	-	1.4	1.4
Permanent differences	(a)	16.4	11.9	28.3	17.6	17.9	35.5
Utilisation of tax losses	(a)	0.1	-	0.1	1.4	-	1.4
Adjustments in respect of prior years	(a)	-	2.3	2.3	-	-	-
Deferred tax assets not recognised	(a)	-3.8	-7.3	-11.1	-4.9	-5.0	-9.9
Recognition of previously unrecognised deferred tax assets	(a)	-	-	-	-0.9	-	-0.9
Derecognition of previously recognised deferred tax assets	(a)	-	-5.0	-5.0	-	-	-
Impact of dividends	(a)	-1.4	-	-1.4	-	-	-
Joint venture and associate	(a)	1.8	-	1.8	1.5	-	1.5
Other	(a)	0.2	-	0.2	-	-	-
Actual tax on current PBT		**-1.9**	**-39.5**	**-41.4**	**-2.4**	**-39.8**	**-42.2**
Actual tax rate on current PBT		*4%*	*29%*	*23%*	*5%*	*25%*	*20%*
Unusual items and re-measurements in PBT		-10.0	-19.5	-29.5	71.9	-50.8	21.1
Tax at the Belgian corporation tax rate of 33.99%		3.4	6.6	10.0	-24.4	17.3	-7.1
Rate differential	(b)	-	-0.7	-0.7	-	-3.7	-3.7
Permanent differences	(b)	-	-	-	-	-1.3	-1.3
Utilisation of tax losses	(b)	-	-	-	11.7	-	11.7
Deferred tax assets not recognised	(b)	1.9	-2.7	-0.8	-1.1	-2.5	-3.6
Non taxable net gain on shares	(b)	-	-	-	13.2	-	13.2
Joint venture and associate	(b)	-1.6	-	-1.6	-2.8	-	-2.8
Other	(b)	-0.3	-	-0.3	0.3	-0.1	0.2
Actual tax on unusual items and re-measurements in PBT		**3.4**	**3.2**	**6.6**	**-3.1**	**9.7**	**6.6**

(1) As restated (see note 2.2).

NOTE 9: 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.

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.

Following the creation of VDFin (whose results are accounted for using the equity method), and in order to better reflect all the Group's activities, the current PBT Group's share includes as from 2012 the Group's share in the current result before tax of the entities accounted for using the equity method.

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

In 2013 and 2012, the unusual items and re-measurements comprised:

	2013					2012				
EUR million	*Automobile Distribution*		*Vehicle Glass*		*Group*	*Automobile Distribution*		*Vehicle Glass*		*Group*
Unusual items and re-measurements										
Included in operating result	**-3.7**		**-16.6**		**-20.3**	**78.6**		**-47.2**		**31.4**
Re-measurements of financial instruments	-		*0.8*	(g)	*0.8*	-		*0.5*	(g)	*0.5*
Amortisation of customer contracts	-		*-9.0*	(h)	*-9.0*	-		*-7.4*	(h)	*-7.4*
Amortisation of brands with finite useful life	-		*-1.2*	(i)	*-1.2*	-		*-2.4*	(i)	*-2.4*
Amortisation of other intangibles with finite useful life	*-1.9*	(a)	-		*-1.9*	-		-		-
Impairment of goodwill and of non-current assets	-		-		-	-		*-11.6*	(j)	*-11.6*
Net gain on disposal/contribution of subsidiaries	-		-		-	*38.7*	(f)	-		*38.7*
Other unusual items	*-1.8*	(b)	*-7.2*	(k)	*-9.0*	*39.9*	(b)	*-26.3*	(k)	*13.6*
Included in net finance costs	**-1.6**		**-2.9**		**-4.5**	**1.6**		**-3.6**		**-2.0**
Re-measurements of financial instruments	*-2.7*	(c)	*-2.9*	(g)	*-5.6*	*-1.0*	(c)	*-3.6*	(g)	*-4.6*
Re-measurements of put options granted to non-controlling interest	*1.1*	(d)	-		*1.1*	*2.8*	(d)	-		*2.8*
Other unusual items	-		-		-	*-0.2*		-		*-0.2*
Included in equity accounted result	**-4.7**	(e)	**-**		**-4.7**	**-8.3**	(e)	**-**		**-8.3**
Included in result before taxes (PBT)	**-10.0**		**-19.5**		**-29.5**	**71.9**		**-50.8**		**21.1**
of which : unusual items (as defined in note 2)	*-1.8*		*-7.2*		*-9.0*	*78.4*		*-26.3*		*52.1*
re-measurements (as defined in note 2)	*-8.2*		*-12.3*		*-20.5*	*-6.5*		*-24.5*		*-31.0*

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 during the period to the initial valuations and an intangible asset with a finite useful life was recognised and amortised on a straight-line basis over 3 years as from the acquisition date. The 2013 amortisation (in commercial and administrative expenses) amounted to EUR 1.9 million.

(b) Other unusual items in operating result include various unusual costs resulting from the termination of the light electrical two-wheeler distribution activity (EUR 1.8 million in cost of sales and in commercial and administrative expenses). In 2012, cost of sales included unusual income of EUR 34.3 million and of EUR 5.6 million in relation respectively with the change in accounting estimates of certain credit notes to be received and with the contribution of D'Ieteren Lease to Volkswagen D'Ieteren Finance.

(c) Net finance costs include re-measurements of financial instruments amounting to EUR -2.7 million (EUR -1.0 million in the prior period) arising from changes in the "clean" fair value of derivatives.

(d) Net finance costs include re-measurement of put options granted to certain non-controlling shareholders (family holding company of Belron's CEO) amounting to EUR 1.1 million (EUR 2.8 million in the prior period). See note 32 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 -4.7 million (EUR -8.3 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, operating result mainly included the share of the Group in the gain related to the contribution of all D'Ieteren Lease shares to Volkswagen D'Ieteren Finance (EUR 39.1 million).

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

Vehicle Glass

(g) Cost of sales and net finance costs include re-measurements of financial instruments amounting respectively to EUR 0.8 million (2012: EUR 0.5 million) and to EUR -2.9 million (2012: EUR -3.6 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 2013 amortisation (in commercial and administrative expenses) amounted to EUR 9.0 million (2012: EUR 7.4 million).
(i) Commercial and administrative expenses include the amortisation of brands with finite useful lives amounting to EUR 1.2 million (2012: EUR 2.4 million).
(j) In 2012, commercial and administrative expenses and other operating expenses comprised impairment of certain intangible IT software (EUR 7.0 million) following restructuring in the corporate centre and an impairment charge of EUR 4.6 million on the Greek cash-generating unit following the annual impairment test performed on every cash-generating unit. From the impairment charge on Greece EUR 4.2 million was related to the full impairment of goodwill.
(k) Other unusual items (EUR 7.2 million presented in other operating expenses) mainly relate to acquisition and integration costs in Canada. In 2012, other unusuals items (EUR 26.3 million) were related to the Canadian acquisition programme, restructuring costs in the United Kingdom and Netherlands business units and at the corporate centre.

	2013			2012[1]		
EUR million	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
From reported PBT to current PBT, Group's share:						
Reported PBT	34.6	118.2	152.8	122.1	108.5	230.6
Less: Unusual items and re-measurements in PBT	10.0	19.5	29.5	-71.9	50.8	-21.1
Current PBT	**44.6**	**137.7**	**182.3**	**50.2**	**159.3**	**209.5**
Less: Share of the group in tax on current result of equity accounted entities	2.2	-	2.2	1.6	-	1.6
Share of non-controlling interest in current PBT	0.3	-7.2	-6.9	0.7	-11.6	-10.9
Current PBT, Group's share	**47.1**	**130.5**	**177.6**	**52.5**	**147.7**	**200.2**
From current PBT, Group's share, to current PAT, Group's share:						
Current PBT, Group's share	47.1	130.5	177.6	52.5	147.7	200.2
Share of the group in tax on current result of equity accounted entities	-2.2	-	-2.2	-1.6	-	-1.6
Current tax, Group's share	-1.9	-37.4	-39.3	-2.4	-36.8	-39.2
Current PAT, Group's share	**43.0**	**93.1**	**136.1**	**48.5**	**110.9**	**159.4**
From current PAT, Group's share, to current result for the period attributable to equity holders of the Parent:						
Current PAT, Group's share	43.0	93.1	136.1	48.5	110.9	159.4
Share of the group in current discontinued operations	-	-	-	-	-	-
Current result for the period attributable to equity holders of the Parent	**43.0**	**93.1**	**136.1**	**48.5**	**110.9**	**159.4**

(1) As restated (see note 2.2).

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

Comments related to the cash flow statement

In 2012, in the Automobile Distribution segment, the line "Other non-cash items" included, among other amounts, the non-cash consolidated gain on contribution of all the D'Ieteren Lease s.a. shares to Volkswagen D'Ieteren Finance (see above).

In 2012, in the Vehicle Glass segment, the line "Other non-cash items" included, among other amounts, the full reversal of the provision previously set up for the long-term management incentive scheme.

The line "Acquisition of subsidiaries" for the year ended 31 December 2013 included, among other transactions, the business combinations disclosed in note 12.

In 2013, the line "Acquisition of non-controlling interest" included the cash outflow arising from the price paid to a senior non-executive member of the Belron founding family in relation to the put options he exercised in March 2013 (see note 32) and the cash inflow arising from the price adjustment received from Cobepa in relation to the put options it exercised in September 2009 and to the call options the Parent exercised in March 2007.

In 2012, the line "Contribution of subsidiary to joint venture" included the net cash inflow arising from the creation of the joint venture Volkswagen D'Ieteren Finance (VDFin) and the contribution to VDFin of all the D'Ieteren Lease s.a. shares.

In 2012, the line "Net investment in other financial assets" mainly included the cash inflow related to the reimbursement in early 2012 of the intra-segment subordinated loan (EUR 89 million) lent by s.a. D'Ieteren Services n.v., a wholly-owned subsidiary of the Parent, to D'Ieteren Lease at arm's length conditions.

NOTE 10: EARNINGS PER SHARE

Earnings per share ("EPS") are shown above on the face of the consolidated income statement. 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 (based on the result from continuing operations attributable to equity holders of the Parent for the continuing EPS), 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, 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 2012 and 2013 as some option exercise prices were below the market share price. These options are dilutive.

NOTE 10: EARNINGS PER SHARE (continued)

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

		2013	2012(1)
Result for the period attributable to equity holders		114.0	190.1
Adjustment for participating shares		-1.3	-2.2
Numerator for EPS (EUR million)	(a)	112.7	187.9
Current result for the period attributable to equity holders		136.1	159.4
Adjustment for participating shares		-1.6	-1.8
Numerator for current EPS (EUR million)	(b)	134.5	157.6
Result from continuing operations		118.0	195.0
Share of non-controlling interest in result from continuing operations		-4.0	-4.9
Result from continuing operations attributable to equity holders		114.0	190.1
Adjustment for participating shares		-1.3	-2.2
Numerator for continuing EPS (EUR million)	(c)	112.7	187.9
Current result from continuing operations		140.9	167.3
Share of non-controlling interest in current result from continuing operations		-4.8	-7.9
Current result from continuing operations attributable to equity holders ("Current PAT, Group's share" as defined in note 9)		136.1	159.4
Adjustment for participating shares		-1.6	-1.8
Numerator for current continuing EPS (EUR million)	(d)	134.5	157.6
Weighted average number of ordinary shares outstanding during the period	(e)	54,409,660	54,450,508
Adjustment for stock option plans		166,027	217,359
Weighted average number of ordinary shares taken into account for diluted EPS	(f)	54,575,687	54,667,867
Result for the period attributable to equity holders			
Basic EPS (EUR)	(a)/(e)	**2.07**	**3.45**
Diluted EPS (EUR)	(a)/(f)	**2.06**	**3.44**
Basic current EPS (EUR)	(b)/(e)	2.47	2.89
Diluted current EPS (EUR)	(b)/(f)	2.46	2.88

(1) As restated (see note 2.2).

NOTE 11: GOODWILL

EUR million	2013	2012
Carrying amount at 1 January	**1,042.1**	**1,026.0**
Additions	47.2	45.7
Increase/(Decrease) arising from put options granted to non-controlling shareholders (see note 32)	-6.8	-22.3
Impairment losses	-	-4.2
Adjustments	-10.0	1.2
Translation differences	-15.6	-4.3
Carrying amount at 31 December	**1,056.9**	**1,042.1**

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 32). The adjustments result from subsequent changes in the fair value of the net assets in relation to the acquisitions performed in 2012 by both segments and from the movement on goodwill arising from the price adjustment received from Cobepa in relation to the put options it exercised in September 2009 and to the call options the Parent exercised in March 2007.

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	2013	2012
Automobile Distribution	**8.3**	**8.8**
Vehicle Glass		
United Kingdom	98.3	97.3
France	70.7	70.7
Italy	73.7	59.7
Germany	47.8	47.8
Canada	71.9	66.9
Holland	29.1	29.1
Belgium	27.1	27.1
Australia	26.9	27.3
United States	138.0	133.0
Spain	24.1	22.2
Norway	7.9	7.5
New Zealand	6.4	6.4
Greece	0.2	-
Sweden	7.4	5.3
Switzerland	2.1	2.1
Portugal	1.2	1.2
Denmark	5.2	5.2
Brazil	18.5	21.8
China	8.5	7.5
Russia	7.6	8.3
Turkey	4.1	4.8
Austria	0.3	0.3
Ireland	0.1	0.1
Hungary	0.4	0.5
Autorestore	5.6	5.7
Unallocated	365.5	375.5
Subtotal Vehicle Glass	**1,048.6**	**1,033.3**
GROUP	**1,056.9**	**1,042.1**

NOTE 11: GOODWILL (continued)

The unallocated amount in the Vehicle Glass segment 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 32).

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.

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 2013, this review led to no impairment in any of the cash-generating units. In 2012, this review had led to a goodwill impairment charge of EUR 4.2 million in relation to the Greek cash-generating unit. In addition, a further EUR 0.4 million was written down on Greek tangible fixed assets (see note 15).The impairment charge was presented as a re-measurement in the operating result (see note 9).

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 costs 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 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% (2012: 2%) for all the cash-generating units. The projected long-term plans cover a five-year period, except for China, Russia and Turkey where a period of up to fourteen years was used due to the very recent entry of the Vehicle Glass segment in these countries and their high growth potential. Together, these countries represent a total goodwill of EUR 20.2 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	2013	2012
United Kingdom	9.6%	9.2%
France	9.9%	10.5%
Italy	12.0%	11.0%
Germany	9.4%	10.1%
Canada	9.4%	9.5%
Holland	8.4%	8.9%
Belgium	9.9%	10.4%
Australia	11.6%	12.0%
United States	11.1%	11.0%
Spain	12.6%	11.6%
Brazil	25.2%	21.6%
Greece	23.5%	15.8%
Others	from 7.2% to 19.6%	from 7.5% to 15.2%

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 2013 and 2012). The discount rate applied (pre-tax rate of 9.6% in 2013 and of 9.1% in 2012) 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.

NOTE 11: GOODWILL (continued)

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 market share. A set of financial projections were prepared for each cash-generating unit, starting with the budget numbers for 2014. For 2015 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 sales growth assumptions. The assumptions on sales 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 all cash-generating units to comfortably absorb a normal variation in the underlying assumptions.

Sensitivities were also calculated on each of the key assumptions as follows:
- Reduction in the long term growth rate of one percentage point;
- Decrease in margins of 50 basis points;
- Increase in the discount rate of one percentage point.

The sensitivity analysis is based on a change in one assumption while holding all other assumptions constant so that interdependencies between the assumptions are excluded. It did not result in any impairment charge of any of the cash-generating units as at 31 December 2013. Therefore headroom appears sufficient in all cases.

NOTE 12: BUSINESS COMBINATIONS

During the period, the Group made the following acquisitions:
- On 2 January 2013, Belron acquired the assets of Bergers Glasjour AB, Bilglas 1 i Åkersberga AB, Bilglasakuten i Uddevalla AB, Glastjänst i Sjuhärad AB and Glasverksta'n i Sundsvall AB, 5 fitting businesses based in Sweden.
- On 7 January 2013, Belron acquired 100% of the shares of Vetri Auto Busto s.r.l., Vetri Auto Piacenza s.r.l. and Doctor Glass Group s.r.l., 3 fitting businesses based in Italy.
- On 1 April 2013, Belron acquired the assets of Shijia Zhuang Tongcheng Vehicle Glass Co., Ltd, a fitting business in China.
- On 26 April 2013, Belron acquired the assets of Tokamanis Evaggelos, a fitting business based in Greece.
- On 3 May 2013, Belron acquired the assets of Royal Glass Company, Inc., a fitting business based in the United States.
- On 6 May 2013, Belron acquired the assets of Larssons Glas AB, a fitting business based in Sweden.
- On 6 May 2013, Belron acquired the assets of Nanchang Zhonghui Vehicle Glass Co., Ltd., a fitting business in China.
- On 29 May 2013, Belron acquired the assets of Xiangyang Donghong Vehicle Glass Co., Ltd. and Changzhou Minghu Vehicle Glass Co. 2 fitting businesses in China.
- On 30 August 2013, Belron acquired the assets of Karen and Richard Knight t/a Superscreens, a fitting business based in the UK.
- On 6 September 2013, Belron acquired the assets of Cristalzi 2003 SL y Lunas Auto Rec SL, a fitting business based in Spain.
- On 1 October 2013, Belron acquired the assets of Vetri Auto Cinisello, a fitting business based in Italy.
- On 1 October 2013, Belron acquired 100% of the shares of Vetri Auto Besozzo, a fitting business based in Italy.
- On 4 October 2013, Belron acquired the assets of Michigan Mobile Glass & Trim, Inc., a fitting business based in the United States.
- On 1 November 2013, Belron acquired the assets of Gi. Ma. Or and Vetri Auto Cirie, a fitting business based in Italy.
- On 1 November 2013, Belron acquired the assets of Arnäs Glas AB, a fitting business based in Sweden.
- On 13 November 2013, Belron acquired 100% of the shares of Advance Bilglass AS, a fitting business based in Norway.
- On 18 November 2013, the Parent acquired a 100% interest in Joly Services s.a. and its subsidiaries which operate a garage distributing the Volkswagen group's makes in Belgium.
- On 1 December 2013, Belron acquired the assets of Glass System - Cuneo, a fitting business based in Italy.
- On 13 December 2013, Belron acquired the assets of Starglass - Genova, a fitting business based in Italy.
- On 31 December 2013, Belron acquired the assets of Guardian Glass Co., a replacement and claims management business based in the United States.
- On 31 December 2013, Belron acquired the assets of Guardian Glass Co., a fitting business based in Spain.
- During the period, Belron acquired sixteen branches in Canada. These were all independently owned former Apple® or Duro® brand franchisees.

NOTE 12: BUSINESS COMBINATIONS (continued)

The additional sales arising subsequent to these acquisitions amount approximately to EUR 24 million (approximately EUR 110 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.

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

EUR million	Provisional fair value [1]
Brands	2.7
Other intangibles	4.0
Other property, plant & equipment	12.2
Deferred tax assets	0.1
Inventories	7.1
Trade and other receivables	16.2
Cash and cash equivalents	7.3
Long-term employee benefit obligations	-0.6
Non-current borrowings	-1.6
Deferred tax liabilities	-1.5
Current borrowings	-0.1
Trade and other payables	-27.0
Net assets acquired	**18.8**
Goodwill (see note 11)	47.2
CONSIDERATION	**66.0**
Consideration satisfied by:	
Cash payment	50.0
Estimation of fair value of the deferred consideration payable in the future	10.0
Debt assumed	6.0
	66.0

(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 16.2 million and it is expected that the full amount can be collected.
Acquisition-related costs of EUR 8.5 million are included in the consolidated income statement.

The goodwill on the 2012 acquisitions was decreased by EUR 6.5 million reflecting fair value adjustments made to the initial valuations disclosed in note 12 of the 2012 Consolidated Financial Statements. This decrease mainly reflects changes in the fair value of the net assets acquired.

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 in-definite useful lives)*	*Customer contracts*	*Computer software*	*Other*	*Total*
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*
Gross amount at 1 January 2012	0.4	349.8	61.9	145.7	0.3	558.1
Accumulated amortisation and impairment losses at 1 January 2012	-0.4	-20.2	-29.6	-79.2	-0.3	-129.7
Carrying amount at 1 January 2012	**-**	**329.6**	**32.3**	**66.5**	**-**	**428.4**
Additions:						
Items separately acquired	-	-	-	33.9	-	33.9
Disposals	-	-	-	-0.2	-	-0.2
Amortisation	-	-2.4	-7.4	-17.1	-	-26.9
Impairment losses (see note 9)	-	-	-	-7.0	-	-7.0
Transfer from (to) another caption	-	-	-	0.2	-	0.2
Items acquired through business combinations	-	-	2.6	-	-	2.6
Translation differences	-	-1.0	-	0.2	-	-0.8
Carrying amount at 31 December 2012	**-**	**326.2**	**27.5**	**76.5**	**-**	**430.2**
of which: gross amount	*0.4*	*348.7*	*64.2*	*170.2*	*0.3*	*583.8*
accumulated amortisation and impairment losses	*-0.4*	*-22.5*	*-36.7*	*-93.7*	*-0.3*	*-153.6*

The nature of the brands with indefinite useful lives is provided in the summary of significant accounting policies in note 2. The brands with finite useful lives are amortised on their remaining useful life on a straight-line basis since there is a limit to the period over which these assets are expected to generate cash inflows. The 2013 amortisation (in commercial and administrative expenses) amounted to EUR 1.2 million (2012: EUR 2.4 million). The carrying value of the brands with a finite useful life at 31 December 2013 amounted to EUR 3.0 million (2012: EUR 1.1 million), whilst the carrying amount of brands with indefinite useful life amounted to EUR 322.7 million (2012: EUR 325.1 million). The decrease in brands with indefinite useful life reflects foreign currency revaluation as at 31 December 2013.

NOTE 13: OTHER INTANGIBLE ASSETS (continued)

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

EUR million	2013	2012
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	88.2	90.6
Spain	9.1	9.1
Portugal	2.9	2.9
Italy	0.3	0.3
Carrying amount of brands	**322.7**	**325.1**

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 financial assets for a total amount of EUR 298.1 million (2012: EUR 211.7 million) comprise non-current (2013: EUR 9.7 million; nil in 2012) and current investments (2013: EUR 288.4 million; 2012: EUR 211.7 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 fair value of non-current held-to-maturity investments amounts to EUR 9.9 million (see note 37 for fair value hierarchy). The fair value of current held-to-maturity investments approximates their carrying amount.

NOTE 15: OTHER PROPERTY, PLANT AND EQUIPMENT

EUR million	Property	Plant and equipment	Assets under construction	Total
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*
Gross amount at 1 January 2012	377.9	595.3	8.6	981.8
Accumulated depreciation and impairment losses at 1 January 2012	-178.2	-367.3	-	-545.5
Carrying amount at 1 January 2012	**199.7**	**228.0**	**8.6**	**436.3**
Additions	34.3	79.7	2.4	116.4
Disposals	-1.0	-6.0	-	-7.0
Depreciation	-20.0	-70.2	-1.2	-91.4
Impairment (see note 9)	-	-0.4	-	-0.4
Transfer from (to) another caption	3.6	0.8	-4.4	-
Items acquired through business combinations	0.5	2.8	-	3.3
Translation differences	-0.3	-0.5	-	-0.8
Carrying amount at 31 December 2012	**216.8**	**234.2**	**5.4**	**456.4**
of which: gross amount	*410.0*	*648.9*	*5.4*	*1,064.3*
accumulated depreciation and impairment losses	*-193.2*	*-414.7*	*-*	*-607.9*

At 31 December 2013 and at 31 December 2012, assets under construction included property under construction in the Automobile Distribution segment.

Assets held under finance leases are included in the above at the following amounts:

EUR million	Property	Plant and equipment	Assets under construction	Total
31 December 2013	**-**	**40.5**	**-**	**40.5**
31 December 2012	-	48.7	-	48.7

NOTE 16: INVESTMENT PROPERTY

EUR million	2013	2012
Gross amount at 1 January	12.7	12.8
Accumulated depreciation at 1 January	-7.6	-7.2
Carrying amount at 1 January	**5.1**	**5.6**
Additions	0.1	-
Disposals	-	-0.1
Depreciation	-0.4	-0.4
Carrying amount at 31 December	**4.8**	**5.1**
of which: gross amount	*12.8*	*12.7*
accumulated depreciation	*-8.0*	*-7.6*
Fair value	10.1	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 2010 and August 2012.
All items of investment property are located in Belgium and are held by the Automobile Distribution segment.
See also notes 5 and 38 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.

	2013		2012	
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 2013 and 2012, available-for-sale financial assets comprise non-controlling interests in non-listed companies (measured at cost less accumulated impairment losses if any, 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 37).

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

EUR million	2013	2012
Current assets	0.6	0.1
Current liabilities	-0.1	-0.1
Net derivative hedging instruments	**0.5**	**-**

Derivative hedging instruments are analysed as follows:

EUR million	2013	2012
Forward foreign exchange contracts (non-debt derivatives)	0.5	-
Net derivative hedging instruments	**0.5**	**-**

In 2013 and in 2012, 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 income statement during the same year. The total notional amount of these contracts is EUR 32.2 million equivalent (2012: EUR 27.6 million) and the total fair value designated as effective cash flow hedges is an asset of EUR 0.5 million (2012: a liability of EUR 0.1 million). The amount released from equity during the period is included in the initial costs of inventories.
- As part of its net investment hedge policy, the Vehicle Glass segment uses forward foreign exchange swaps to hedge its exposure of a proportion of its US Dollar denominated net assets against changes in value due to changes in foreign exchange rates. The total notional amount of these contracts is nil (2012: EUR 28.1 million) and the total fair value of foreign exchange swap contracts designated as effective net investment hedges is nil (2012: an asset of EUR 0.1 million).
- 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 420 million (2012: EUR 384.2 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	2013	2012
Forward foreign exchange contracts (non-debt derivatives)	32.2	55.7

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 37).

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

EUR million	2013	2012
Current assets		
Debt derivatives		
Interest rate swaps	5.9	8.7
Non-debt derivatives		
Fuel hedge instruments	1.5	0.8
Subtotal	**7.4**	**9.5**
Non-current liabilities		
Debt derivatives		
Interest rate swaps	-14.1	-6.9
Subtotal	**-14.1**	**-6.9**
Current liabilities		
Debt derivatives		
Interest rate swaps	-0.2	-1.7
Forward foreign exchange contracts	-1.1	-0.1
Non-debt derivatives		
Forward foreign exchange contracts	-	-0.3
Subtotal	**-1.3**	**-2.1**
NET DERIVATIVES HELD FOR TRADING	**-8.0**	**0.5**

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. Forward foreign exchange contracts were also used to match currency inflows and outflows and to swap currency balances to minimise cash pooling interest.

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. Following the adoption of IFRS 13 "Fair Value Measurement" the carrying amount of certain liabilities was 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.

NOTE 19: DERIVATIVES HELD FOR TRADING (continued)

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

EUR million	2013	2012
Interest rate swaps	350.3	590.3
Forward foreign exchange contracts and options	78.3	30.8
"Fuel hedge instruments"	21.7	11.9

NOTE 20: LONG-TERM EMPLOYEE BENEFIT ASSETS AND OBLIGATIONS

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 35.

The 2012 comparatives and the consolidated statement of financial position as at 1 January 2012 have been restated to reflect IAS 19 revised "Employee Benefits". See note 2.2 for explanations on the impact.

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 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, 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 2012 and updated to 31 December 2013 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. Full actuarial valuations of these plans were last carried out as at 31 December 2011 and as at 31 December 2012. All of these valuations were updated to 31 December 2013 by a qualified independent actuary. A full valuation of the plans is carried out every 3 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 2012 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 2012. 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.

NOTE 20: LONG-TERM EMPLOYEE BENEFIT ASSETS AND OBLIGATIONS (continued)

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

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

	Funded schemes				Unfunded schemes			
	2013		2012		2013		2012	
	Min.	*Max.*	*Min.*	*Max.*	*Min.*	*Max.*	*Min.*	*Max.*
Inflation rate	2.0%	3.5%	2.0%	3.0%	2.0%	2.0%	2.0%	2.0%
Discount rate	2.6%	4.7%	2.5%	4.6%	0.2%	2.9%	0.0%	2.4%
Rate of salary increases	1.0%	5.2%	1.0%	4.7%	2.1%	*2.1%*	*3.3%*	*3.3%*
Rate of pension increases	2.0%	3.5%	1.0%	3.0%	0.2%	*0.2%*	*4.0%*	*4.0%*
Life expectancy of male pensioner	21.1	23.4	19.5	23.3				
Life expectancy of female pensioner	22.9	26.3	22.0	24.9				
Life expectancy of male non-pensioner	40.0	45.2	39.5	45.1				
Life expectancy of female non-pensioner	42.3	47.0	41.5	46.9				

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	2013	2012[1]
Long-term employee benefit assets	34.2	54.9
Long-term employee benefit obligations	-27.2	-57.9
Recognised net deficit (-) / surplus (+) in the schemes	**7.0**	**-3.0**
of which: amount expected to be settled within 12 months	-0.7	-0.7
amount expected to be settled in more than 12 months	7.7	-2.3

(1) As restated (see note 2.2).

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

	2013			2012[1]		
EUR million	*Funded schemes*	*Unfunded schemes*	*Total*	*Funded schemes*	*Unfunded schemes*	*Total*
Present value of defined benefit obligations	-463.3	-4.4	-467.7	-424.5	-4.1	-428.6
Fair value of scheme assets	477.9	-	477.9	425.6	-	425.6
Asset ceiling restriction	-3.2	-	-3.2	-	-	-
Net deficit (-) / surplus (+) in the schemes	**11.4**	**-4.4**	**7.0**	**1.1**	**-4.1**	**-3.0**

(1) As restated (see note 2.2).

The asset ceiling restriction applies to the scheme in Canada and is due to committed funding requirements for past service. The legislators have enacted legislation which allows 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 is not important, but it is the ability to avoid solvency contributions which allows 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 have to be included in IFRIC 14 calculations, which is the case as at 31 December 2013.

NOTE 20: LONG-TERM EMPLOYEE BENEFIT ASSETS AND OBLIGATIONS (continued)

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

EUR million	2013 Funded schemes	2013 Unfunded schemes	2013 Total	2012(1) Funded schemes	2012(1) Unfunded schemes	2012(1) Total
Actual return less interest return on pension assets net of asset management charges	40.4	-	40.4	30.4	-	30.4
Asset ceiling restriction	-3.2	-	-3.2	-	-	-
Experience gain (+) / loss (-) on liabilities	-10.6	-	-10.6	5.8	-	5.8
Gain (+) / Loss (-) on change of financial assumptions	-21.8	-	-21.8	-23.2	-	-23.2
Gain (+) / Loss (-) on change of demographic assumptions	-2.3	-	-2.3	2.0	-	2.0
Actuarial gains (+) / losses (-)	**2.5**	**-**	**2.5**	**15.0**	**-**	**15.0**

(1) As restated (see note 2.2).

The fair value of scheme assets includes the following items:

EUR million	2013 Quoted in an active market	2013 Other	2013 Total	2012 Quoted in an active market	2012 Other	2012 Total
Equity instruments	289.2	-	289.2	242.6	-	242.6
Government bonds	84.0	-	84.0	73.5	-	73.5
Non-government bonds	62.8	-	62.8	62.4	-	62.4
Property	-	0.1	0.1	-	0.1	0.1
Other assets	4.9	36.9	41.8	4.3	42.7	47.0
Fair value of scheme assets	**440.9**	**37.0**	**477.9**	**382.8**	**42.8**	**425.6**

The fair value of scheme assets did 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:

EUR million	2013 Funded schemes	2013 Unfunded schemes	2013 Total	2012(1) Funded schemes	2012(1) Unfunded schemes	2012(1) Total
Scheme assets at 1 January	**425.6**	**-**	**425.6**	**363.6**	**-**	**363.6**
Interest on pension assets	18.0	-	18.0	17.2	-	17.2
Employer contributions	15.6	-	15.6	17.4	-	17.4
Contributions paid by employees	3.1	-	3.1	3.5	-	3.5
Benefits paid	-10.1	-	-10.1	-10.7	-	-10.7
Actual return less interest return on pension assets	41.4	-	41.4	31.1	-	31.1
Costs of managing the pension assets	-1.0	-	-1.0	-0.7	-	-0.7
Administrative costs	-1.5	-	-1.5	-1.8	-	-1.8
Translation differences	-13.2	-	-13.2	6.0	-	6.0
Scheme assets at 31 December	**477.9**	**-**	**477.9**	**425.6**	**-**	**425.6**

(1) As restated (see note 2.2).

NOTE 20: LONG-TERM EMPLOYEE BENEFIT ASSETS AND OBLIGATIONS (continued)

The actual return on scheme assets is as follows:

EUR million	2013	2012[1]
Interest return on pension assets	18.0	17.2
Actual return less interest return on pension assets	41.4	31.1
Costs of managing the pension assets	-1.0	-0.7
Actual net return on pension assets	**58.4**	**47.6**

(1) As restated (see note 2.2).

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

	2013			2012[1]		
EUR million	*Funded schemes*	*Unfunded schemes*	*Total*	*Funded schemes*	*Unfunded schemes*	*Total*
Defined benefit obligations at 1 January before restatement	-424.5	-4.1	-428.6	-388.8	-3.4	-392.2
Restatement	-	-	-	0.3	-	0.3
Defined benefit obligations at 1 January after restatement	**-424.5**	**-4.1**	**-428.6**	**-388.5**	**-3.4**	**-391.9**
Current service cost	-8.4	-0.6	-9.0	-5.7	-1.4	-7.1
Interest payable on pension liabilities	-17.5	-	-17.5	-17.7	-0.1	-17.8
Contributions by employees	-3.1	-	-3.1	-3.5	-	-3.5
Past service cost	1.4	-	1.4	-	-	-
Benefits paid	10.1	0.8	10.9	10.7	0.8	11.5
Experience gain/(loss) on liabilities	-10.6	-	-10.6	5.6	-	5.6
Gain (+) / Loss (-) arising from changes to financial assumptions	-21.8	-	-21.8	-23.1	-	-23.1
Gain (+) / Loss (-) arising from changes to demographic assumptions	-2.3	-	-2.3	2.0	-	2.0
Curtailment and settlements	0.5	-	0.5	1.1	-	1.1
Group changes	-	-0.5	-0.5	-	-	-
Translation differences	12.9	-	12.9	-5.4	-	-5.4
Defined benefit obligations at 31 December	**-463.3**	**-4.4**	**-467.7**	**-424.5**	**-4.1**	**-428.6**

(1) As restated (see note 2.2).

The amounts recognised in the income statement are as follows:

	2013			2012[1]		
EUR million	*Funded schemes*	*Unfunded schemes*	*Total*	*Funded schemes*	*Unfunded schemes*	*Total*
Current service cost	-8.4	-0.6	-9.0	-5.7	-1.4	-7.1
Past service cost	1.4	-	1.4	-	-	-
Effect of curtailment or settlement	0.5	-	0.5	1.1	-	1.1
Administrative costs	-1.5	-	-1.5	-1.8	-	-1.8
Pension costs within the operating result	**-8.0**	**-0.6**	**-8.6**	**-6.4**	**-1.4**	**-7.8**
Interest payable on pension liabilities	-17.5	-	-17.5	-17.7	-0.1	-17.8
Interest return on pension assets	18.0	-	18.0	17.2	-	17.2
Net pension interest cost	**0.5**	**-**	**0.5**	**-0.5**	**-0.1**	**-0.6**
Expense recognised in the income statement	**-7.5**	**-0.6**	**-8.1**	**-6.9**	**-1.5**	**-8.4**

(1) As restated (see note 2.2).

NOTE 20: LONG-TERM EMPLOYEE BENEFIT ASSETS AND OBLIGATIONS (continued)

The best estimate of the contributions expected to be paid to the schemes during the 2014 annual period is EUR 14 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 2013 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 2013*
Discount rate	
Increase by 50 basis points	47.6
Decrease by 50 basis points	-55.4
Rate of salary increase	
Increase by 50 basis points	-7.8
Decrease by 50 basis points	7.7
Inflation rate	
Increase by 50 basis points	-12.4
Decrease by 50 basis points	12.3
Rate of pension increase	
Increase by 50 basis points	-21.9
Decrease by 50 basis points	22.1
Life expectancy	
Increase in longevity by one additional year	-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 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 Group made an estimate of the potential impact and this is assessed as not significant.

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 2012	-11.6	-17.8	-5.6	-1.5	-2.7	-8.5	2.1	-45.6
Credited (charged) to income statement	-1.6	-6.3	1.3	1.5	2.6	3.2	0.7	1.4
Credited (charged) to equity	-	-	0.5	-	-	-	-0.5	-
Other variations	-	-0.2	-	-	-	-	-	-0.2
Exchange differences	-	1.6	-	-	-	-	0.1	1.7
At 31 December 2012 (1)	-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**
Deferred tax assets (positive amounts)								
At 1 January 2012	-	-51.8	37.8	-	62.6	-	5.7	54.3
Credited (charged) to income statement	-	-25.2	34.2	-	-3.5	0.1	-1.5	4.1
Credited (charged) to equity	-	0.5	-3.4	-	-	-	-	-2.9
Other variations	-	-	-	-	-0.5	-	-	-0.5
Exchange differences	-	-0.4	-0.8	-	-	-	-	-1.2
At 31 December 2012 (1)	-	-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**
Net deferred tax assets (liabilities) after offsetting recognised in the consolidated statement of financial position:								
31 December 2012	-13.2	-99.6	64.0	-	58.5	-5.2	6.6	11.1
31 December 2013	**-13.2**	**-104.7**	**48.9**	**-1.0**	**68.4**	**-1.8**	**6.6**	**3.2**

(1) As restated (see note 2.2).

The net deferred tax balance includes net deferred tax assets amounting to EUR 5.9 million (2012: EUR 8.5 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 239.8 million (2012: EUR 218.2 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 10.3 million (2012: EUR 4.2 million) that will expire in the period 2015-2032 (2012: 2015-2028) and unused tax credits of EUR 36.8 million (2012: EUR 38.6 million) that will expire in the period 2017-2018 (2012: 2017-2019). Other losses may be carried forward indefinitely.

Deferred tax has not been recognised in respect of other deductible temporary differences amounting to EUR 5.7 million (2012: EUR 11.8 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 1,080.6 million (2012: EUR 1,019.0 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 amount to EUR 41.6 million (2012: EUR 53.8 million) of which the utilisation is dependent on future taxable profits in excess of the profit arising from the reversal of existing taxable temporary differences. The recognition of these deferred tax assets is supported by profit expectations in the foreseeable future.

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 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: INVENTORIES

EUR million	2013	2012
Automobile Distribution		
Vehicles	252.1	279.5
Spare parts and accessories	31.3	32.5
Other	1.6	1.8
Subtotal	**285.0**	**313.8**
Vehicle Glass		
Glass and related product	254.3	247.7
Subtotal	**254.3**	**247.7**
GROUP	**539.3**	**561.5**
of which: items carried at fair value less costs to sell	*72.2*	*68.3*

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 inventories are expected to be recovered within 12 months.

NOTE 24: 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	2013	2012
Vehicle Glass - Restricted cash related to acquisitions	1.6	0.5
Other financial assets	**1.6**	**0.5**

NOTE 25: CURRENT TAX ASSETS AND LIABILITIES

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

NOTE 26: TRADE AND OTHER RECEIVABLES

Trade and other receivables are analysed as follows:

	2013			2012		
EUR million	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Trade receivables – net	125.0	174.6	299.6	107.3	176.5	283.8
Receivables from entities accounted for using the equity method	0.2	-	0.2	0.1	-	0.1
Other receivables	5.7	79.2	84.9	7.2	102.7	109.9
Trade and other receivables	**130.9**	**253.8**	**384.7**	**114.6**	**279.2**	**393.8**

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 25.3% (2012: 26.5%) and no customer is above 9% (2012: 10%). 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 2013, the provisions for bad and doubtful debt amounted to EUR 28.5 million (2012: EUR 24.3 million).

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

EUR million	2013	2012
Up to three months past due	81.4	96.9
Three to six months past due	8.0	11.8
Over six months past due	5.9	5.6
Total	**95.3**	**114.3**

The increase of the provisions for bad and doubtful debt amounts to EUR 5.0 million as disclosed in note 5 (in 2012, increase of EUR 3.3 million).

NOTE 27: CASH AND CASH EQUIVALENTS

Cash and cash equivalents are analysed below:

	2013			2012		
EUR million	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Cash at bank and in hand	159.1	36.5	195.6	93.0	38.7	131.7
Short-term deposits	4.0	-	4.0	50.0	-	50.0
Cash and cash equivalents	**163.1**	**36.5**	**199.6**	**143.0**	**38.7**	**181.7**

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.

Short-term deposits mature within 1 month.

NOTE 28: EQUITY

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 2012	**55,302,620**	**160.0**
Change	-	-
At 31 December 2012	**55,302,620**	**160.0**
Change	-	-
At 31 December 2013	**55,302,620**	**160.0**

On 20 December 2010, the Extraordinary General Meeting of Shareholders has decided to split the existing shares and participating shares in the proportion of one existing share for ten new shares, and to have bearer shares converted into either registered or dematerialized shares. All ordinary shares issued are fully paid. Ordinary shares have no face value. Each ordinary share confers one voting right.

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

	31/12/2013		31/12/2012	
EUR million, except number of shares stated in units	*Number*	*Amount*	*Number*	*Amount*
Treasury shares held by the Parent	866,015	23.5	914,833	22.6
Treasury shares held by subsidiaries	-	-	-	-
Treasury shares held	**866,015**	**23.5**	**914,833**	**22.6**

Treasury shares are held to cover the stock option plans set up by the Parent since 1999 (see note 36).

On 28 May 2009, 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.

NOTE 28: EQUITY (continued)

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).

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 24 June 2013.	Capital shares		Participating shares		Total voting rights	
	Number	*%*	*Number*	*%*	*Number*	*%*
MFS Investment Management, Boston, United States	3,036,909	5.49%	-	-	3,036,909	5.04%

The Board of Directors proposed the distribution of a gross dividend amounting to EUR 0.80 per share (2012: EUR 0.80 per share), or EUR 44.0 million in aggregate (2012: EUR 44.0 million).

NOTE 29: 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	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group	2012 Automobile Distribution	2012 Vehicle Glass	2012 Group
Non-current provisions						
Dealer-related	10.5	-	10.5	14.1	-	14.1
Warranty	4.9	-	4.9	4.8	-	4.8
Other non-current items	5.1	5.8	10.9	6.1	0.6	6.7
Subtotal	**20.5**	**5.8**	**26.3**	**25.0**	**0.6**	**25.6**
Current provisions						
Other current items	-	3.5	3.5	-	6.5	6.5
Subtotal	**-**	**3.5**	**3.5**	**-**	**6.5**	**6.5**
Total provisions	**20.5**	**9.3**	**29.8**	**25.0**	**7.1**	**32.1**

The changes in provisions are set out below for the year ended 31 December 2013:

EUR million	Dealer-related	Warranty	Other non-current items	Other current items	Total
At 1 January 2013	**14.1**	**4.8**	**6.7**	**6.5**	**32.1**
Charged in the year	0.4	0.2	6.6	7.3	14.5
Utilised in the year	-3.5	-	-2.0	-10.4	-15.9
Reversed in the year	-0.5	-0.1	-0.7	-	-1.3
Transferred during the year	-	-	0.3	0.3	0.6
Translation differences	-	-	-	-0.2	-0.2
At 31 December 2013	**10.5**	**4.9**	**10.9**	**3.5**	**29.8**

The timing of the outflows being largely uncertain, most of the provisions are considered as non-current items. 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 2013;
- The provision for the new long-term management incentive scheme set up in 2013 in the Vehicle Glass segment. The settlement of this scheme is expected to occur in 2015.

NOTE 30: BORROWINGS

Borrowings are analysed as follows:

EUR million	2013 Automobile Distribution	2013 Vehicle Glass	2013 Group	2012 Automobile Distribution	2012 Vehicle Glass	2012 Group
Non-current borrowings						
Bonds	100.0	-	100.0	249.9	-	249.9
Obligations under finance leases	-	21.3	21.3	-	27.1	27.1
Bank and other loans	2.9	13.1	16.0	1.5	62.8	64.3
Loan notes	-	555.7	555.7	-	459.9	459.9
Subtotal non-current borrowings	**102.9**	**590.1**	**693.0**	**251.4**	**549.8**	**801.2**
Current borrowings						
Bonds	150.0	-	150.0	-	-	-
Obligations under finance leases	-	19.2	19.2	-	21.6	21.6
Bank and other loans	1.9	12.7	14.6	2.1	85.5	87.6
Loan notes	-	146.2	146.2	-	-	-
Inter-segment loan	-	-	-	-130.0	130.0	-
Subtotal current borrowings	**151.9**	**178.1**	**330.0**	**-127.9**	**237.1**	**109.2**
TOTAL BORROWINGS	**254.8**	**768.2**	**1,023.0**	**123.5**	**786.9**	**910.4**

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):

	2013 Issued	2013 Principal (EUR million)	2013 Maturing	2013 Fixed rate	2012 Issued	2012 Principal (EUR million)	2012 Maturing	2012 Fixed rate
	July 2005	100.0	2015	4.25%	July 2005	100.0	2015	4.25%
	December 2009	150.0	2014	5.50%	December 2009	150.0	2014	5.50%
Total		**250.0**				**250.0**		

The weighted average cost of bonds in 2013 was 5.1% (2012: 5.1%).

Obligations under finance leases are analysed below:

EUR million	2013 Minimum lease payments	2013 Present value of minimum lease payments	2012 Minimum lease payments	2012 Present value of minimum lease payments
Within one year	19.7	19.2	22.1	21.6
Between one and five years	14.0	12.7	28.7	26.6
More than five years	9.7	8.6	0.7	0.5
Subtotal	43.4	40.5	51.5	48.7
Less: future finance charges	-2.9		-2.8	
Present value of finance lease obligations	**40.5**		**48.7**	

At year-end, obligations under finance leases are only located in the Vehicle Glass segment. 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 1.3% to 21.5% in 2013 (2012: 1.2% to 20.6%).

NOTE 30: 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:

			2013		2012	
	Interest rate	Currency	*Principal (in million)*	*Maturing*	*Principal (in million)*	*Maturing*
Series A (April 2007)	5.68%	USD	200.0	2014	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	-	-
Series B (September 2013)	3.93%	USD	135.0	2020	-	-
Series C (September 2013)	4.33%	USD	21.0	2022	-	-
Series D (September 2013)	4.50%	USD	71.0	2023	-	-
Series E (September 2013)	4.65%	USD	23.0	2025	-	-

The Group runs one commercial paper (EUR 300.0 million; 2012: 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 2013 and 2012 as unused during these periods. Medium term notes can also be drawn from this programme.

In 2012, 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 by the Vehicle Glass segment during the period at the occasion of its refinancing (new loan notes issued in August and September 2013 – see above).

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

EUR million	2013	2012
Between one and five years	288.1	610.7
After more than five years	404.9	190.5
Non-current borrowings	**693.0**	**801.2**

The exposure of the Group's 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	2013	2012
Less than one year	345.0	109.2
Between one and five years	273.1	610.7
After more than five years	404.9	190.5
Borrowings	**1,023.0**	**910.4**

NOTE 30: BORROWINGS (continued)

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

EUR million	2013			2012		
Currency	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
EUR	328.7	90.0	418.7	257.3	213.0	470.3
GBP	24.0	-	24.0	24.6	-	24.6
USD	562.5	11.9	574.4	399.4	9.2	408.6
Other	4.2	1.7	5.9	5.2	1.7	6.9
Total	**919.4**	**103.6**	**1,023.0**	**686.5**	**223.9**	**910.4**

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

EUR million	2013			2012		
Currency	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
EUR	243.7	101.9	345.6	390.1	4.5	394.6
GBP	24.0	-	24.0	24.6	-	24.6
USD	635.6	11.9	647.5	475.1	9.2	484.3
Other	4.2	1.7	5.9	5.2	1.7	6.9
Total	**907.5**	**115.5**	**1,023.0**	**895.0**	**15.4**	**910.4**

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

	2013		2012	
Currency	Min.	Max.	Min.	Max.
EUR	1.3%	6.8%	1.9%	6.8%
GBP	5.9%	19.0%	5.9%	5.9%
USD	2.9%	6.8%	1.2%	6.5%
Other	2.4%	21.5%	3.3%	20.6%

The fair value of current borrowings approximates their carrying amount, except for the loan notes maturing in 2014 (Vehicle Glass segment: carrying amount of EUR 146.2 million; fair value of EUR 177.7 million) and for the bond maturing in 2014 (Automobile Distribution segment: carrying amount of EUR 150.0 million; fair value of EUR 155.1 million).

NOTE 30: BORROWINGS (continued)

The fair value of non-current borrowings is set out below:

	2013		2012	
EUR million	*Fair value*	*Carrying amount*	*Fair value*	*Carrying amount*
Bonds	102.2	100.0	259.0	249.9
Obligations under finance leases	21.3	21.3	27.1	27.1
Bank loans, loan notes and other loans	601.1	571.7	530.8	524.2
Non-current borrowings	**724.6**	**693.0**	**816.9**	**801.2**

The fair value of the bonds is determined based on their market prices. The fair value of the other 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. See note 37 for fair value hierarchy.

Certain of the borrowings in the Group have covenants attached.

NOTE 31: 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 borrowings less cash, cash equivalents and non-current and current asset investments. It excludes the fair value of derivative debt instruments. The hedged 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 borrowings are translated at closing foreign exchange rates.

		31 DECEMBER 2013			31 DECEMBER 2012		
EUR million	Notes	*Automobile Distribu-tion*	*Vehicle Glass*	*Group*	*Automobile Distribu-tion*	*Vehicle Glass*	*Group*
Non-current borrowings		102.9	590.1	693.0	251.4	549.8	801.2
Current borrowings		151.9	178.1	330.0	2.1	107.1	109.2
Inter-segment loan		-	-	-	-130.0	130.0	-
Gross debt		**254.8**	**768.2**	**1,023.0**	**123.5**	**786.9**	**910.4**
Less: Cash and cash equivalents	27	-163.1	-36.5	-199.6	-143.0	-38.7	-181.7
Less: Held-to-maturity investments	14	-298.1	-	-298.1	-211.7	-	-211.7
Less: Other non-current receivables	22	-20.0	-	-20.0	-20.0	-	-20.0
Less: Other current receivables		-	-	-	-	-5.7	-5.7
Total net debt		**-226.4**	**731.7**	**505.3**	**-251.2**	**742.5**	**491.3**

NOTE 32: PUT OPTIONS GRANTED TO NON-CONTROLLING SHAREHOLDERS

Transactions with a non-controlling shareholder

In March 2013, the Parent announced that it had raised its interest in Belron's equity capital by 2.12% points, reaching 94.85%, as a result of the exercise of his put option by a senior non-executive member of the Belron founding family, in accordance with the existing shareholders agreement, for a total consideration of EUR 39.1 million. The payment was made in April 2013.

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% after taking into account the above transaction occurred in March 2013), 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.
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 income statement as a re-measurement item in net finance costs.

At 31 December 2013, the exercise price of all options granted to non-controlling shareholders (put options with related call options, exercisable until 2024) amounts to EUR 89.0 million (2012: EUR 134.1 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 31.3 million at 31 December 2013) is presented as additional goodwill (EUR 40.4 million at 31 December 2013).

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 1.1 million and is recognised in the consolidated income statement 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 33: OTHER NON-CURRENT PAYABLES

Other non-current payables are non interest-bearing deferred consideration on acquisitions (2013: EUR 9.6 million; 2012: EUR 5.2 million) and other creditors (2013: EUR 9.4 million; 2012: EUR 9.9 million), payable after more than 12 months. The carrying value of other non-current payables approximates their fair value.

NOTE 34: TRADE AND OTHER CURRENT PAYABLES

Trade and other payables are analysed below:

	2013			2012		
EUR million	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Trade payables	65.5	128.1	193.6	77.2	116.4	193.6
Accrued charges and deferred income	38.4	8.4	46.8	38.1	5.5	43.6
Non-income taxes	1.3	13.8	15.1	2.7	57.6	60.3
Deferred consideration on acquisitions	-	6.9	6.9	-	13.9	13.9
Other creditors	44.1	263.1	307.2	38.1	240.3	278.4
Trade and other payables	**149.3**	**420.3**	**569.6**	**156.1**	**433.7**	**589.8**

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 35: EMPLOYEE BENEFIT EXPENSE

The employee benefit expense is analysed below:

	2013			2012[1]		
EUR million	*Automobile Distribution*	*Vehicle Glass*	*Group*	*Automobile Distribution*	*Vehicle Glass*	*Group*
Retirement benefit charges under defined contribution schemes	*-5.4*	*-15.5*	*-20.9*	*-4.6*	*-15.0*	*-19.6*
Retirement benefit charges under defined benefit schemes (see note 20)	*-0.7*	*-7.9*	*-8.6*	*-1.7*	*-6.1*	*-7.8*
Total retirement benefit charge	-6.1	-23.4	-29.5	-6.3	-21.1	-27.4
Wages, salaries and social security costs	-130.5	-1,062.6	-1,193.1	-128.5	-984.2	-1,112.7
Share-based payments: equity-settled	-1.6	-	-1.6	-1.8	-	-1.8
Total employee benefit expense	**-138.2**	**-1,086.0**	**-1,224.2**	**-136.6**	**-1,005.3**	**-1,141.9**
of which: current items	*-138.0*	*-1,086.0*	*-1,224.0*	*-136.6*	*-1,005.3*	*-1,141.9*
unusual items	*-0.2*	-	*-0.2*	-	-	-

(1) As restated (see note 2.2).

The above expense includes the amounts accounted for in 2013 (charge of EUR 5.0 million) and in 2012 (reversal of EUR 24.5 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):

	2013	2012
Automobile Distribution	1,601	1,587
Vehicle Glass	25,645	24,200
Group	**27,246**	**25,787**

NOTE 36: 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.

Options outstanding are as follows:

	Number of options (in units)		Exercise price (in EUR)	Exercise period	
Date of grant	2013	2012		from	to
2013	65,250	-	34.99	1/01/2017	24/11/2023
2013	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	91,690	107,850	24.00	1/01/2013	27/10/2019
2008	61,060	102,040	12.10	1/01/2012	5/11/2018
2007	64,480	69,660	26.40	1/01/2011	2/12/2022
2006	37,600	39,400	26.60	1/01/2010	27/11/2021
2005	33,600	43,250	20.90	1/01/2009	6/11/2020
2004	9,650	27,450	14.20	1/01/2008	28/11/2019
2003	6,700	25,700	16.34	1/01/2007	16/11/2018
2002	14,400	30,300	11.60	1/01/2006	13/10/2015
2001	7,950	13,850	13.30	1/01/2005	25/10/2014
2000	-	21,050	26.70	1/01/2004	25/09/2013
Total	**860,005**	**858,814**			

All outstanding options are covered by treasury shares (see note 28).

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)	
	2013	2012	2013	2012
Outstanding options at the beginning of the period	858,814	846,129	27.07	26.17
Granted during the period	154,611	79,100	34.55	36.45
Forfeited during the period	-8,350	-29,125	26.70	37.50
Exercised during the period	-145,070	-37,290	16.79	18.29
Outstanding options at the end of the period	**860,005**	**858,814**	**30.15**	**27.07**
of which: exercisable at the end of the period	*327,130*	*480,550*	*20.98*	*19.81*

In 2013, a large part of the options were exercised during the third quarter of the period. The average share price during the period was EUR 34.39 (2012: EUR 34.98). The forfeited movement during the period relates to the options initially granted in 2000 which have 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 2013	**7.6**
31 December 2012	7.6

NOTE 36: 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. The assumptions for the 2013 and 2012 issues were as follows:

	2013		2012
Number of employees	4	128	161
Spot share price (EUR)	36.33	34.08	37.44
Option exercise price (EUR)	34.23	34.99	36.45
Vesting period (in years)	3.0	3.0	3.0
Expected life (in years)	6.5	6.5	6.5
Expected volatility (in %)	28%	24%	31%
Risk free rate of return (in %)	1.62%	1.96%	1.66%
Expected dividend (EUR)	0.800	0.700	0.800
Probability of ceasing employment before vesting (in %)	0%	0%	0%
Weighted average fair value per option (EUR)	9.51	8.29	10.49

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 37: 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 complemented 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.

The securitisation programme of the leasing activities has been fully repaid early 2012 at the occasion of the contribution of D'Ieteren Lease to Volkswagen D'Ieteren Finance, a joint venture created by the Group and Volkswagen Financial Services (a subsidiary of the Volkswagen group). Debt finance is provided by the latter going forward.

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 37: 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 2013								
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
Public bonds	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**
At 31 December 2012								
Borrowings								
Public bonds	-	12.5	250.0	16.8	-	-	250.0	29.3
Obligations under finance leases	21.6	0.4	26.6	2.2	0.5	0.1	48.7	2.7
Other borrowings and private bonds	88.5	27.9	336.2	66.9	190.2	34.1	614.9	128.9
Total	110.1	40.8	612.8	85.9	190.7	34.2	913.6	160.9
Trade and other payables	589.9	-	-	-	-	-	589.9	-
Derivative financial instruments								
Derivative contracts - receipts	-86.7	-8.6	-	-24.2	-75.7	-21.9	-162.4	-54.7
Derivative contracts - payments	87.2	6.3	-	14.1	80.3	14.9	167.5	35.3
Total	**700.5**	**38.5**	**612.8**	**75.8**	**195.3**	**27.2**	**1,508.6**	**141.5**

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 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 2013	**1.5**	**-2.0**	**-**	**-**
31 December 2012	0.7	-1.6	-	-

NOTE 37: 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.

Investments outside the Eurozone generate translation exposures. These 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 2013				
EUR vs GBP	0.1	-0.1	-9.4	11.5
EUR vs USD	1.6	-2.0	-0.5	0.6
31 December 2012				
EUR vs GBP	0.1	-0.1	-9.3	11.4
EUR vs USD	1.2	-1.5	-0.5	0.7

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 effected 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

IFRS 7 and, since 2013 IFRS 13, require disclosure of how the fair value measurements fit within the fair value measurement hierarchy.

NOTE 37: FINANCIAL RISK MANAGEMENT (continued)

The following table presents the Group's financial assets and liabilities measured at fair value in the consolidated statement of financial position within the hierarchy:

	2013				2012			
EUR million	*Level 1*	*Level 2*	*Level 3*	*Total*	*Level 1*	*Level 2*	*Level 3*	*Total*
Non-current and current assets:								
Derivative hedging instruments	-	0.6	-	0.6	-	0.1	-	0.1
Derivatives held for trading	-	7.4	-	7.4	-	9.5	-	9.5
Total assets	**-**	**8.0**	**-**	**8.0**	**-**	**9.6**	**-**	**9.6**
Non-current and current liabilities:								
Derivative hedging instruments	-	0.1	-	0.1	-	0.4	-	0.4
Derivatives held for trading	-	15.4	-	15.4	-	8.7	-	8.7
Total liabilities	**-**	**15.5**	**-**	**15.5**	**-**	**9.1**	**-**	**9.1**

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).

At the end of December 2013 and December 2012, 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.

See notes 18 and 19 for the valuation techniques used.

Fair value disclosed

The fair value of the Group's financial and non-financial assets and liabilities not measured at fair value in the consolidated statement of financial position is disclosed in the relevant notes. They are all classified in level 2 of the fair value hierarchy, described as above, except for the non-current held-to-maturity investments (see note 14) which are classified in level 1 (quoted prices), for non-current and current bonds (see note 30) which are classified in level 1 (quoted prices), and for investment properties (see note 16) which are classified in level 3 (valuation by an independent valuer who holds a recognised and relevant professional qualification). The valuation techniques used are described in the relevant notes.

NOTE 38: CONTINGENCIES AND COMMITMENTS

EUR million	2013	2012
Commitments to acquisition of non-current assets	12.1	7.5
Other important commitments:		
Commitments given	15.5	26.1
Commitments received	28.0	29.1

In 2013, the commitments to acquisition of non-current assets mainly concern other property, plant and equipment in the Vehicle Glass segment.

NOTE 38: CONTINGENCIES AND COMMITMENTS (continued)

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	2013	2012
Within one year	155.7	117.7
Later than one year and less than five years	298.5	321.6
After five years	144.0	113.7
Total	**598.2**	**553.0**

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	2013	2012
Within one year	1.3	1.3
Later than one year and less than five years	5.5	3.7
After five years	1.3	1.1
Total	**8.1**	**6.1**

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 34.

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 39: RELATED PARTY TRANSACTIONS

EUR million	2013	2012
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	6.2	2.0
With associates:		
Sales	0.1	6.6
Purchases	-	-0.1
Trade receivables outstanding at 31 December	0.1	0.1
With joint ventures in which the Group is a venturer:		
Sales	94.2	86.1
Purchases	-12.3	-21.9
Trade receivables outstanding at 31 December	2.5	3.0
With key management personnel:		
Compensation:		
Short-term employee benefits	5.0	5.0
Post-employment benefits	0.2	0.3
Termination benefits	1.2	-
Total compensation	6.4	5.3
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	-	0.1
Outstanding creditor balance at 31 December	0.5	-

NOTE 40: 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. 2013*	*% of share capital owned at 31 Dec. 2012*
Automobile Distribution			
s.a. D'Ieteren Sport n.v.	Belgium	75%	75%
Power To Wheels s.a.	Belgium	100%	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 s.a.	Belgium	100%	100%
Kronos Automobiles s.a.	Belgium	100%	100%
Penders 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%	-
Vehicle Glass			
Belron s.a.	Luxemburg	94.85%	92.73%

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.

In 2013, taking into account the transaction with a non-controlling shareholder occurred in March 2013 (see note 32), the average percentage used for the consolidation of Belron's income statement was different from the year-end percentage (average percentage) and amounted to 94.79%.

NOTE 41: 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	2013	2012
Closing rate		
AUD	0.65	0.79
BRL	0.31	0.37
CAD	0.69	0.76
GBP	1.20	1.23
USD	0.73	0.76
Average rate (1)		
AUD	0.72	0.80
BRL	0.35	0.40
CAD	0.72	0.78
GBP	1.18	1.23
USD	0.77	0.78

(1) Effective average rate for the profit or loss attributable to equity holders.

NOTE 42: SUBSEQUENT EVENTS

In January 2014, the Parent acquired from the group Beerens ten dealerships distributing the Volkswagen group's makes in Belgium.

On 27 February 2014, the Parent announced that it intends to invest by 2018 circa EUR 27 million in the D'Ieteren Car Centers, its corporately-owned car dealerships in Brussels and its outskirts, and to rethink their locations and organisation in order to improve their financial and commercial performance.

By 2018, the dealerships of Mail (Ixelles), Anderlecht, Zaventem and Drogenbos should be strengthened by hosting the activities of the current concessions of Meiser (Schaerbeek), Woluwe (Woluwe-Saint-Etienne), Fort Jaco (Uccle), Centre (Anderlecht) Expo (Laeken) and Vilvoorde. In addition, the bodywork activity of the Mail (Ixelles) 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 with several makes, against 12 sites – half of whom being single-branded – today. This regrouping aims at responding optimally to the changing needs of the motorists and operating more functional and efficient sites both in sales and after-sales, enabling increased productivity.

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

The whole project should spread over five years and will be supported by a total gross investment of circa EUR 27 million over this period. The possible sale of the vacant locations should in turn generate a cash income of circa EUR 10 million.

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

No other 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.

NOTE 43: STATUTORY AUDITOR'S REPORT

Statutory auditor's report on the consolidated financial statements to the general meeting of D'Ieteren SA for the year ended 31 December 2013

In accordance with the legal requirements, we report to you on the performance of the engagement of statutory auditor, which has been entrusted to us. This report contains our opinion on the consolidated balance sheet as at 31 December 2013, the consolidated profit and loss statement for the year ended 31 December 2013 and the explanatory notes, as well as the required additional information.

Report on the consolidated financial statements – unqualified opinion

We have audited the consolidated financial statements of D'Ieteren SA for the year ended 31 December 2013, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, which show a balance sheet total of EUR 3,554.7 million and a consolidated profit for the year of EUR 118.0 million.

Management's responsibility for the consolidated financial statements
Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit, conducted in accordance with International Standards on Auditing (ISA). 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 misstatements.
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 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 auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from management and the company's officials the explanations and information necessary for our audit.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for the audit opinion.

Unqualified opinion
In our opinion, the consolidated financial statements of D'Ieteren SA as of 31 December 2013 give a true and fair view of the net assets and financial position of the group as at 31 December 2013, as well as its consolidated results and cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

Management is responsible for the preparation and the content of the consolidated Directors'report.
As part of our engagement, it is our responsibility, for all significant aspects, to ascertain the compliance of certain legal and regulatory requirements. Based on that requirement we report the following additional statement, which does not modify our audit opinion on the consolidated financial statements:

The consolidated Directors' report includes the information required by law, is consistent, in all material aspects, with the consolidated financial statements and does not include any obvious inconsistencies with the information that we became aware of during the performance of our engagement.

La Hulpe, March 26, 2014

BDO Réviseurs d'Entreprises Soc. Civ. SCRL
Statutory auditor
Represented by

Hugues Fronville
Registered Auditor

Félix Fank
Registered Auditor

s.a. D'Ieteren n.v. Abridged Statutory Financial Statements 2013

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.

Abridged Balance Sheet

At 31 December

EUR million		2013	2012
ASSETS			
Fixed assets		**2,507.1**	**2,478.1**
II.	Intangible assets	6.0	4.2
III.	Tangible assets	101.1	102.0
IV.	Financial assets	2,400.0	2,371.9
Current assets		**353.5**	**356.2**
V.	Non-current receivables	20.0	20.0
VI.	Stocks	270.2	302.8
VII.	Amounts receivable within one year	32.2	5.0
VIII.	Investments	25.6	22.6
IX.	Cash at bank and in hand	0.3	0.5
X.	Deferred charges and accrued income	5.2	5.3
TOTAL ASSETS		**2,860.6**	**2,834.3**

EUR million		2013	2012
LIABILITIES			
Capital and reserves		**930.4**	**960.9**
I.A.	Issued capital	160.0	160.0
II.	Share premium account	24.4	24.4
IV.	Reserves	696.3	696.5
V.	Accumulated profits	49.7	80.0
Provisions and deferred taxes		**26.2**	**29.1**
Creditors		**1,904.0**	**1,844.3**
VIII.	Amounts payable after one year	1,100.3	1.340.6
IX.	Amounts payable within one year	744.0	446.3
X.	Accrued charges and deferred income	59.7	57.4
TOTAL LIABILITIES		**2,860.6**	**2,834.3**

Abridged Income Statement

Year ended 31 December

EUR million		2013	2012
I.	Operating income	2,600.0	2,753.9
II.	Operating charges	2,556.4	2,666.2
III.	Operating profit	43.6	87.7
IV.	Financial income	28.0	5.4
V.	Financial charges	50.6	60.2
VI.	Result on ordinary activities before income taxes	21.0	32.9
VII.	Extraordinary income	-	58.8
VIII.	Extraordinary charges	7.3	7.1
IX.	Result for the period before taxes	13.7	84.6
IXbis.	Deferred taxes	-	-
X.	Income taxes	-0.1	-0.1
XI.	Result for the period	13.6	84.5
XII.	Variation of untaxed reserves [1]	0.1	0.1
XIII.	Result for the period available for appropriation	13.7	84.6

(1) Transfers from untaxed reserves (+) / Transfers to untaxed reserves (-).

Abridged Appropriation

Year ended 31 December

EUR million	2013	2012
APPROPRIATION ACCOUNT		
Profit (loss) to be appropriated	93.7	154.6
Gain (loss) of the period available for appropriation	13.7	84.6
Profit (loss) brought forward	80.0	70.0
Withdrawals from capital and reserves	0.7	0.7
from reserves	0.7	0.7
Transfer to capital and reserves	0.7	31.2
Transfer to other reserves	0.7	31.2
Profit (loss) to be carried forward	49.7	80.0
Profit to be distributed	44.0	44.0
Dividends	44.0	44.0

This proposed appropriation is subject to approval by the Annual General Meeting of 5 June 2014.

Abridged Note

Auditor's Remuneration

The Statutory Auditor is BDO Réviseurs d'entreprises – Bedrijfsrevisoren Soc. Civ. SCRL ("BDO"). Auditor's remuneration, including the fees charged by entities related to the Statutory Auditor as defined by article 134 of the Company Law, is analysed as follows:

EUR	2013	2012
Audit		
s.a. D'Ieteren n.v. (charged by BDO)	203,160	197,244
Non-audit		
Other assurance services		
s.a. D'Ieteren n.v. (charged by BDO)	88,781	42,952
Other missions (due diligences - charged by BDO Corporate Finance)	95,535	-
Tax advisory services (charged by SC BDO, Conseils fiscaux - Belastingsconsulenten– former Socofidex)	23,639	19,159
TOTAL	**411,115**	**259,355**

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 Payable 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 since 1 January 2006 its Corporate Governance Charter on its website (www.dieteren.com). 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 82.

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, two of whom being independent, chosen on the basis of their experience[1];
- the managing director (CEO).

The Chairman and Deputy Chairman of the Board are selected among the Directors appointed on the proposal of the family shareholders.

Two female directors are in 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 who are attached 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.

Composition	Audit Committee[2]	Nomination Committee	Remuneration Committee[2]
Chairman	Pascal Minne	Roland D'Ieteren	Roland D'Ieteren
Members	Christine Blondel[3,4]	Christine Blondel[3]	Christine Blondel[3]
	Axel Miller[5]	Nicolas D'Ieteren	Axel Miller[5]
	Gilbert van Marcke de Lummen[6]	Axel Miller[5]	Michèle Sioen[3,4]
	Christian Varin[7]	Pascal Minne	
		Maurice Périer	
		Olivier Périer	
		Alain Philippson	

1 A third independent Director, Mr Pierre-Olivier Beckers (permanent representative of Pierre-Olivier Beckers sprl), 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 will be invited to ratify this temporary appointment and to renew this term.
2 Given their respective training 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.
3 Independent Director.
4 Member of the Committee since 1 July 2013.
5 Independent Director and member of the Committee until 31 July 2013.
6 Member of the Committee until 30 May 2013.
7 Replaced by Nayarit Participations s.c.a. (permanent representative: Mr Frédéric de Vuyst) on 16 January 2014.

Composition of the Board of Directors (as at 31 December 2013)		Joined the Board in	End of term
Roland D'Ieteren (71)[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**	**June 2014**
Maurice Périer (75)[1]	**Deputy Chairman of the Board** Bachelor Civil Engineer and Bachelor Commercial Engineer, Solvay Business School (ULB). Career at ELECTROBEL (1971-1987): management controller; CEO of an electro-acoustical equipment subsidiary; research department; company secretary of ELECTROBEL Engineering Int'l. Director of D'Ieteren since 1978. Deputy Chairman of the Board of Directors since 1993.	**1978**	**May 2015**
Axel Miller (49)	**Independent Director until 31 July 2013 – Managing director from 1 August 2013** 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, IPM (Chairman).	**2010**	**June 2014**
Nicolas D'Ieteren (38)[1]	**Non-executive Director** 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 (42)[1]	**Non-executive Director** 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 Director of various venture capital companies. Director of Belron.	**2005**	**May 2015**
s.a. de Participations et de Gestion (SPDG)[1]	**Non-executive Director – Permanent representative: Michel Allé (62)** Civil engineer and economist (ULB). Joined Cobepa in 1987, member of the 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.	**2001**	**June 2014**
Nayarit Participations s.c.a.[1]	**Non-executive Director – Permanent representative from 1 June 2013: Frédéric de Vuyst (40)**[2] 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**	**June 2014**
Jean-Pierre Bizet (65)	**Managing director until 31 July 2013 – Non-executive Director from 1 August 2013** 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 (55)	**Independent Director** Ecole Polytechnique (France), MBA (INSEAD). Held executive positions at Procter & Gamble and led the Wendel International Centre for Family Enterprise at INSEAD, where she is Adjunct professor of Family business. Founder of FamilyGovernance, advising family businesses. Director, INSEAD Foundation.	**2009**	**June 2017**
Pascal Minne (63)	**Non-executive Director** Law degree (ULB), Masters in Economics (Oxford). Partner and Chairman of Pricewaterhouse-Coopers Belgium (until 2001). Partner and Director of Petercam since 2001. Various Director-ships. Professor of tax law at ULB.	**2001**	**June 2014**
Alain Philippson (74)	**Non-executive Director** Graduate of Solvay Business School. Joined Banque Degroof in 1972, currently Chairman. Chairman of the Board of Banque Degroof Luxembourg. Chairman of the advisory committee of SBSEM (ULB) and of several foundations.	**1987**	**May 2015**
Michèle Sioen (48)	**Independent Director** Degree in economics. CEO of Sioen Industries. Deputy Chairman of the FEB since 2011 and Chairman as from May 2014. Director at ING Belgium and Guberna, amongst others. Member of the Corporate Governance Committee.	**2011**	**May 2015**
Christian Varin (65)[3]	**Non-executive Director** Institut d'Etudes Politiques (Paris), MBA (Wharton), PhD in management (Université de Paris). BNP Paribas (until 2004). Managing director of Cobepa (1996-2009), Chairman of the Board of Cobepa (2010-2013). Directorships (ISOS, Gingko, Yareal, Cie Financière Rothschild, BPERE, Aminter).	**2001**	**June 2014**

1 Appointed on the proposal of family shareholders.
2 Until the General Meeting of 30 May 2013, the permanent representative of Nayarit Participations s.c.a. was Mr Gilbert van Marcke de Lummen.
3 On 16 January 2014, Mr Christian Varin has been replaced by Mr Pierre-Olivier Beckers (permanent representative of Pierre-Olivier Beckers sprl), who is an independent Director. The ratification of his appointment and the renewal of his term will be submitted to the General Meeting in June 2014.

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 2013, the Board met 10 times. All of the Directors attended all of the meetings, except for:
- Mr Christian Varin, excused for five 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
The independent Directorship of Mrs Christine Blondel as well as the Directorship of Mr Alain Philippson have been renewed for 4 and 2 years, respectively.

1.1.4. Committees of the Board of Directors
- the **Audit Committee**, which met 4 times in 2013, twice in the presence of the Auditor. All of the Directors attended all of the meetings, with the exception of Mr Christian Varin, excused for one meeting;
- the **Nomination Committee**, which met 4 times in 2013. All of the Directors attended all of the meetings, with the exception of Mr Axel Miller who abstained from attending one meeting that concerned him;
- the **Remuneration Committee**, which met 5 times in 2013, twice in a small committee in the presence of an external counselor. All of the Directors attended all of the 3 plenary meetings, with the exception of Mrs Michèle Sioen, excused for one meeting, and Mr Axel Miller who abstained from attending one meeting that concerned him.

Each Committee has reported on its activities to the Board.

Operation of the Committees

Audit Committee
At 31 December 2013, the Audit Committee comprises at least three non-executive Directors, with at least one independent Director; the Chairman, who can be represented by the Deputy Chairman, is invited to its meetings together with another Director representing the family shareholding. 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. A specific meeting is also dedicated to the supervision of the risk management and internal controls systems. 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 2013, the Nomination Committee comprises seven 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 to the Company Governance Charter available on the Company's website.

Remuneration Committee
At 31 December 2013, the Remuneration Committee comprises three non-executive Directors, including the Chairman of the Board, who chairs it, and two independent Directors; another Director representing the family shareholding is invited to the meetings. 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 Chairman of the Board meet once a month with the managing director, as a Consultation Committee, an advisory body, in order to monitor Company 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.

This self-assessment is carried out using a detailed questionnaire sent to each Director and covering various aforementioned assessment criteria, the responses of which are discussed during individual interviews by two independent directors who are members of the Nomination Committee. These directors present a summary of the answers to the questionnaire and of the individual interviews to the Board of Directors, and they make concrete recommendations. The Board received the conclusions of the last triennial self-assessment of the Board and its Committees in December 2012.

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, 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 five other members responsible for D'Ieteren Car Centers, Administrative and Finance, Group Service, Marketing, as well as Human Resources and Facilities.

The Vehicle Glass sector is comprised of Belron, of which D'Ieteren owned 94.85% at 31 December 2013, and its subsidiaries. On 31 December 2013, Belron is governed by a Board of Directors consisting of 12 members, 6 of whom being appointed on the proposal of D'Ieteren, 1 Director appointed on the proposal of the founding shareholders, 2 executive Directors and 3 non-executive Directors. D'Ieteren's managing director is Chairman of the Board. The Board of Directors of Belron has 2 committees: the Audit Committee and the Remuneration Committee, each of which is chaired by a Director appointed on the proposal of D'Ieteren.

1.4. EXTERNAL AUDIT

The external audit is conducted by BDO Réviseurs d'entreprises, Soc. Civ. SCRL, represented by Hugues Fronville et Félix Fank, whose auditing term expires at the General Meeting of June 2014.

The fees charged by the Statutory Auditor and linked companies for the work carried out in 2013 on behalf of S.A. D'Ieteren amounted to EUR 203,160, excluding VAT, for the statutory auditing of the annual and of the consolidated financial statements, and to EUR 112,420 for non-audit work, including EUR 88,781 for other certification work and EUR 23,639 for tax advice. The services linked to the auditing of the economic and financial data of the companies Beerens NV and Joly Services bvba, in the context of the acquisition of these companies by the Company or one of its subsidiaries, amounted to EUR 95,535, excluding VAT.

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 also 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 also receive a fixed annual remuneration from Belron s.a. for the exercise of a directorship. 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 2013, a total of **EUR 1,653,520** 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.

2013 (in EUR)	Base remuneration	Directorships in subsidiaries	Total remuneration
D'Ieteren R.	428,330		**428,330**
Périer M.	191,952		**191,952**
Bizet JP [1]	29,167		**29,167**
Blondel C.	110,000		**110,000**
D'Ieteren N.	88,238	35,000	**123,238**
Miller A. [2]	74,167		**74,167**
Minne P.	160,000		**160,000**
Périer O.	80,000	35,000	**115,000**
Philippson A.	80,000		**80,000**
Nayarit (van Marcke) [3]	45,833		**45,833**
Nayarit (de Vuyst) [4]	40,833		**40,833**
Sioen M.	75,000		**75,000**
SPDG (Allé)	70,000		**70,000**
Varin C.	110,000		**110,000**
Total	**1,583,520**	**70,000**	**1,653,520**

1 From 1 August 2013.
2 Until 31 July 2013.
3 Until 31 May 2013.
4 From 1 June 2013.

2.3. REMUNERATION OF THE EXECUTIVE MANAGERS

General principles

The executive managers are Axel Miller, CEO since 1 August 2013, Benoit Ghiot, 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 companies, as determined through benchmarking undertaken by an independent expert. The next benchmarking will be 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, private medical and life insurance premiums, company car fringe benfits 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 (annual target of around EUR 325,000).

The remuneration of the other executive managers (and of Jean-Pierre Bizet for his service as CEO until 31 July 2013) 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 incentive 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.

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 executive managers' **long-term incentive plan** takes the form of D'Ieteren stock options. The value of the options granted, which determines their amount, is based on the recommendation of the Remuneration Committee set out at the time of granting, using a Black & Scholes-type formula and including valuation elements from independent third parties. The actual exercise depends upon the evolution of the share price allowing for option exercises after the 3-year vesting period.

The features of the D'Ieteren share option schemes were approved by the Ordinary General Meeting of 26 May 2005. These options can be exercised from the 1st January of the fourth year following the launch date of the offer until the end of the tenth year thereafter, except during periods of 1.5 months preceding the announcement of the annual and half-yearly financial results, entitling holders to acquire existing shares of the Company at a price which is, for each scheme, either the average price during the 30 working days prior to the offer date or the closing price of the immediately preceding working day. Further details of the share option plans are provided in note 37 of the consolidated financial statements.

Remuneration allocated to the executive management for 2013

The following tables summarise the various categories of remuneration of the managing director (Jean-Pierre Bizet until 31 July 2013, Axel Miller from this date) and the other executive managers of the group allocated for 2013.

2013 (in EUR)	CEO Jean-Pierre Bizet[1]	CEO Axel Miller[2]	Other executive managers
Short-term fixed remuneration	588,956	468,750	660,587
Long-term fixed remuneration			
Group insurance	*68,030*	*-*	*177,154*
Total fixed remuneration[3]	**656,986**	**468,750**	**837,741**
Variable remuneration			
Annual bonus[3]	*262,500*	*203,125*	*272,000*
Share options[4]	*262,500*	*203,125*	*400,000*
Total variable remuneration[5]	**525,000**	**406,250**	**672,000**
Total remuneration	**1,181,986**	**875,000**	**1,509,741**

122,091 D'Ieteren share options were granted to the executive managers for 2013 at an exercise price per share of EUR 33.08, allocated as follows:

2013	Options granted	Options exercised	Options expired
Chief Executive Officer			
Jean-Pierre Bizet	*37,024*	*26,370*	*-*
Axel Miller	*28,650*	*-*	*-*
Other executive managers			
Chief Financial Officer	*23,977*	*18,370*	*-*
Group Treasurer	*21,157*	*23,170*	*-*
Chief Legal Officer	*11,283*	*16,770*	*-*

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 6 months (2013-2015), 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.

Regarding the end of M. Jean-Pierre Bizet's term as CEO on 31 July 2013, the Board has considered that the conditions to allocate the variable part of his remuneration for his services in 2013, as outlined above in section B of «Description of the various components», were met. On 1 July 2013, the Board has also approved the Remuneration Committee's recommandation to allocate severance pay equal to 9 months of short-term fixed and variable remuneration, as well as a fixed amount for the long-term variable part of his remuneration. The total amount of the compensation reaches EUR 1,2 million[3].

1 For 7 months.
2 For 7,5 months, with an independent contract.
3 Gross amounts, excluding employer's Social Security contributions, concerning Jean-Pierre Bizet and the other executive managers.
4 The options are measured by applying the Black-Scholes formula to valuation elements from independent third parties.
5. 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 with an assessment, independent of management, as to 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 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. 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 defense 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.

3.4.1.3. 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 clear owner 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.

3.4.1.4. Product/service failure risk

Vehicles or spare parts distributed by D'Ieteren Auto may be subject to a major default. 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.

3.4.1.5. 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 centers and distribution centers. 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, 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 assorted with derivatives-based hedges. 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 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 the 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

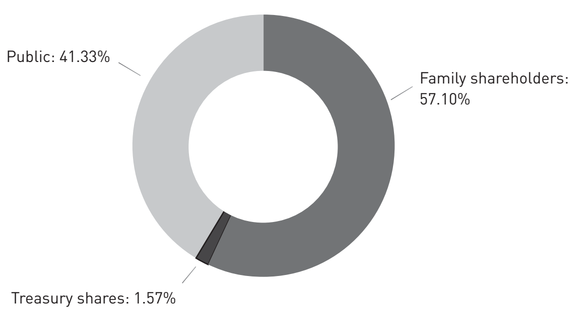
Denominator

At 31 December 2013	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 2013	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	**1.57%**	**1.44%**
Free float	**41.33%**	**37.90%**
dont MFS Investment Management	*5.49%*	*5.04%*

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 24 June 2013) and from the announcement on 29 August 2013 that the S.A. Cobepa and, respectively, the Nayarit group and the SPDG group decided to end acting in concert, is presented in Note 28 (see page 57).

The Company is not aware of any subsequent notification modifying the information presented in this Note.

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 28 of the Consolided Financial Statements, page 57), 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 will be invited to renew 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 will also be invited to authorize 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 – to capital increases by contribution in kind or in cash, as the case may be, **without the preferential subscription** right of shareholders;
- to purchase own shares, without prior approval of the Assembly, in order to prevent the Company from suffering a severe and imminent damage, for a renewable 3-year period, starting from the date of publication of the decisions taken to amend the articles of association in the appendixes of the Belgian Official Gazette; 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 will be invited to approve 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

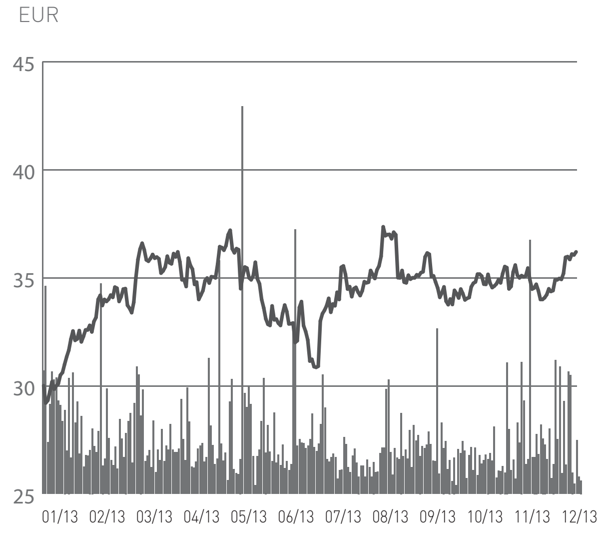
Financial year from 1 January to 31 December	
Minimum lot	1 share
ISIN code	BE0974259880
Reuters code	IETB.BR
Bloomberg code	DIE.BB

Stock market indices

Since March 19th, 2012, the D'Ieteren share belongs to the BEL20 index with a weight of 0.85% at 31 December 2013. The D'Ieteren share also forms part of the indices Next 150 and Belgian All Shares (BAS) indexes of Euronext with respective weighting of 1.11% and 0.41% 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 2013

	2013	
Performance	18.9%	
Total shareholder return	20.9%	
Average price (EUR)	34.39	
Maximum price (EUR)	37.36	*21/08/13*
Minimum price (EUR)	29.21	*03/01/13*
Average volume (in units)	45,823	
Maximum volume (in units)	310,494	*17/05/13*
Minimum volume (in units)	7,038	*07/10/13*



Evolution of the share price over 10 years

	2004-2013 (10 years)	
Performance	122.6%	
Total shareholder return (annualised)	10.9%	
Average price (EUR)	27.39	
Maximum price (EUR)	49.85	*14/06/11*
Minimum price (EUR)	7.22	*29/12/08*
Average volume (in units)	64,167	
Maximum volume (in units)	827,460	*06/02/04*
Minimum volume (in units)	1,930	*28/05/07*

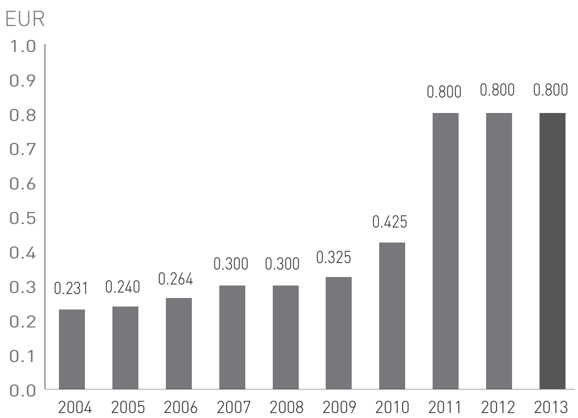
Detailed and historic information on the share price and the traded volumes are available on the website of D'Ieteren (www.dieteren.com).

Dividend

If the allocation of results proposed in Note 28 of this report is approved by the Ordinary General Meeting of 5 June 2014, a gross dividend for the year 2013 of EUR 0.800 per share will be distributed.

The dividend will be paid starting on 13 June 2014.

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 2013 – page 4

PROFIL DE L'ORGANISATION

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®, Autoglass® and Safelite® 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	35 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 28 of the Consolidated Financial Statements 2013 (see page 57).
2.7	Markets served	See map on page 1 of the Activity Report
2.8	Scale	See the Consolidated Financial Statements 2013
2.9	Significant changes regarding size, structure or ownership	See note 2 (Significant transactions) of the Consolidated Financial Statements 2013 (see page 13)

REPORT PARAMETERS

3.1	Reporting period	January 1, 2013 to December 31, 2013
3.2	Date of most previous report	December 2012 - This is the fourth year that D'Ieteren reports following the GRI reporting guidelines
3.3	Reporting cycle	Yearly
3.4	Contact point for questions	Financial indicators: Vincent Joye, vincent.joye@dieteren.be, tel: +322 536 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 CR 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 35 countries. In 2013, D'Ieteren Auto has activities on 13 sites in Belgium – offices and garages: Audi Center Zaventem, Seat Woluwe, Bentley, D'Ieteren Centre, D'Ieteren Drogenbos, National distribution centre in Erps-Kwerps, D'Ieteren Expo, D'Ieteren Mail, D'Ieteren Meiser, D'Ieteren Anderlecht, D'Ieteren Fort Jaco, D'Ieteren Stokkel and D'Ieteren Vilvoorde.
3.7	Limitations on the scope	The activities of the independent dealers of D'Ieteren Auto are not covered by this report.
3.8	Basis for reporting	Same as Consolidated Financial Statements 2013
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 96

GOVERNANCE, COMMITMENT AND ENGAGEMENT

§	GRI Content	Reference/Comment
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, two 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/publications/legal-publications/corporate-governance-charter Contact point for questions: Financial indicators: Vincent Joye, vincent.joye@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, Mr Pierre-Olivier Beckers (permanent representative of Pierre-Olivier Beckers sprl), 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 will be invited to ratify this temporary appointment and to renew this term.

				D'Ieteren Auto			Belron		
			Units	2011	2012	**2013**	2011	2012	**2013**
ECONOMIC PERFORMANCE									
Generated and distributed direct economic value		EC1	EUR million	3,208.3	2,787.3	**2,627.4**	2,769.0	2,727.0	**2,843.1**
Significant financial support from government		EC4		Not material - D'Ieteren Auto and Belron have never received government support					
ENVIRONMENTAL PERFORMANCE									
Energy consumption									
Direct	Heating fuel	EN3	MWh/yr	970	1,065	**979**	4,614	4,788	**4,386**
	Natural gas		MWh/yr	25,031	27,232	**28,421**	113,531	88,189	**102,184**
	Other (coal, biofuel, ethanol, hydrogen)		MWh/yr	-	-	-	-	-	-
	Company owned vehicles fuel consumption		liters	1,752,899	1,707,188	**1,658,883**	46,948,603	54,247,388	**56,625,446**
Indirect	Electricity consumption	EN4	MWh/yr	11,304	11,866	**11,430**	143,078	107,855	**107,805**
GHG emissions									
Direct	Heating fuel	EN16	tCO2e/yr	262	288	**264**	1,085	1,104	**1,007**
	Natural gas consumption		tCO2e/yr	4,695	5,193	**5,113**	22,066	17,130	**19,897**
	Gases for cooling systems		tCO2e/yr	233	256	**261**	3,916	2,031	**1,793**
	Company owned vehicles		tCO2e/yr	4,965	4,725	**4,747**	113,421	126,254	**132,775**
	Company controlled logistics		tCO2e/yr	NA	NA	**NA**	30,029	15,431	**26,489**
	Fork Lift Trucks		tCO2e/yr	NA	NA	**NA**	1,508	171	**125**
Indirect	Electricity consumption	EN17	tCO2e/yr	1,878	1,903	**1,895**	53,256	42,300	**40,375**
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		See CSR section of the Activity Report 2012 / Additional information on D'Ieteren Auto below			See CSR section of the Activity Report 2012 / Additional information on www.belron.com (CSR section: Our way of managing our impact)		
	Initiatives to provide energy-efficient products and services	EN6							
	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	tons/yr	1,061	1,012	**1,141**	69,488	60,771	**99,498**
	Incinerators		tons/yr	484	426	**363**	4,231	2,743	**1,526**
	Landfill		tons/yr	-	-	**0,44**	89,965	73,570	**41,704**
	Hazardous		tons/yr	282	313	**300**	314	223	**430**
Transport									
Environmental impacts of transportation of products	Business travel (air, road, rail)	EN29	tCO_2e/yr	571	584	**438**	23,865	19,613	**23,431**
	CO_2 emissions of logistics: corporately owned vehicles		tCO_2e/yr	-	-	**-**	30,029	15,431	**26,489**
	Outsourced Logistics		tCO_2e/yr	4,586	4,369	**4,448**	22,676	21,110	**20,909**
LABOR PRACTICES & DECENT WORK									
Total workforce by employment type, employment contract, and region	Total workforce	LA1	Average FTE	1,633	1,673	**1,601**	25,199	24,200	**25,645**
	% of total employees who are part time		%	3.6	3.4	**3.4**	NA	NA	**NA**
Programs for skills management and training		LA11		See CSR section of the Activity Report 2012			See CSR section of the Activity Report 2012 / Additional information on www.belron.com (CSR section: Our people)		

Additional information: **D'Ieteren Auto** - D'Ieteren Auto has developped its own monitoring system for its environmental performance. Yearly audits are performed at the corporately-owned sites. The company reports on energy and water consumption, as well as waste level, 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 a central team of the Belron Environmental Reporting System (BERS), allowing close monitoring of the emissions. Waste: recycled glass waste has increased from 64% in 2012 to 84% in 2013. Recycled non-glass waste has increased from 19% in 2012 to 56% in 2013.

Financial calendar

Interim management statement (after market)	15 May 2014
General Meeting	5 June 2014
Ex date	10 June 2014
Payment date	13 June 2014
2014 Half-year results (after market)	28 August 2014
Analyst meeting & press conference HY 2014	29 August 2014
Interim management statement (after market)	13 November 2014

Press and investor relations – D'Ieteren Group

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Information about the Group (press releases, annual reports, financial calendar, share price, statistical 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.

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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.

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