GENERAL CABLE CORP /DE/
Form 10-Q
May 11, 2015
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended April 3, 2015

OR

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to .

Commission file number: 1-12983

GENERAL CABLE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	06-1398235 (I.R.S. Employer Identification No.)
4 Tesseneer Drive Highland Heights, KY	41076-9753
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (859) 572-8000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

(Check one):

Large accelerated filer	x	Accelerated filer	¨
Non-accelerated filer	¨	Smaller reporting company	¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Outstanding at May 5, 2015
Common Stock, $0.01 par value	48,887,767

Table of Contents

GENERAL CABLE CORPORATION AND SUBSIDIARIES
INDEX TO QUARTERLY REPORT
ON FORM 10-Q

Table of Contents

PART I. FINANCIAL STATEMENTS
ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
GENERAL CABLE CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(in millions, except per share data) (unaudited)

	Three Fiscal Months Ended	
	April 3, 2015	March 28, 2014
Net sales	$1,262.3	$1,430.1
Cost of sales	1,141.6	1,298.0
Gross profit	120.7	132.1
Selling, general and administrative expenses	109.6	120.7
Goodwill impairment charge	3.2	155.1
Intangible asset impairment charges	—	93.4
Operating income (loss)	7.9	(237.1)
Other income (expense)	(24.9)	(97.7)
Interest income (expense):		
Interest expense	(25.2)	(27.4)
Interest income	0.9	1.2
	(24.3)	(26.2)
Income (loss) before income taxes	(41.3)	(361.0)
Income tax (provision) benefit	0.2	21.4
Equity in net earnings of affiliated companies	0.2	0.2
Net income (loss) including noncontrolling interest	(40.9)	(339.4)
Less: net income (loss) attributable to noncontrolling interest	(2.8)	(24.0)
Net income (loss) attributable to Company common shareholders	$(38.1)	$(315.4)
Earnings (loss) per share		
Earnings (loss) per common share-basic	$(0.78)	$(6.42)
Weighted average common shares-basic	48.8	49.1
Earnings (loss) per common share-assuming dilution	$(0.78)	$(6.42)
Weighted average common shares-assuming dilution	48.8	49.1
Dividends per common share	$0.18	$0.18
Comprehensive income (loss):		
Net income (loss)	$(40.9)	$(339.4)
Currency translation gain (loss)	(44.6)	(10.8)
Defined benefit plan adjustments, net of tax of $1.5 million in the three months ended April 3, 2015 and $0.5 million in the three months ended March 28, 2014	3.0	0.9
Comprehensive income (loss), net of tax	(82.5)	(349.3)
Comprehensive income (loss) attributable to noncontrolling interest, net of tax	(6.4)	(25.0)
Comprehensive income (loss) attributable to Company common shareholders, net of tax	$(76.1)	$(324.3)

See accompanying Notes to Condensed Consolidated Financial Statements.

Table of Contents

GENERAL CABLE CORPORATION AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in millions, except share data)
(unaudited)

	April 3, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$167.6	$205.8
Receivables, net of allowances of $29.2 million at April 3, 2015 and $32.0 million at December 31, 2014	969.4	1,007.0
Inventories	978.1	1,018.8
Deferred income taxes	31.7	32.4
Prepaid expenses and other	79.8	106.4
Assets held for sale	13.1	25.7
Total current assets	2,239.7	2,396.1
Property, plant and equipment, net	704.6	758.4
Deferred income taxes	34.8	24.8
Goodwill	22.4	26.1
Intangible assets, net	61.2	65.1
Unconsolidated affiliated companies	9.1	17.5
Other non-current assets	71.2	78.7
Total assets	$3,143.0	$3,366.7
Liabilities and Total Equity		
Current liabilities:		
Accounts payable	$730.1	$672.1
Accrued liabilities	366.6	407.2
Current portion of long-term debt	221.4	403.5
Total current liabilities	1,318.1	1,482.8
Long-term debt	991.9	933.9
Deferred income taxes	184.0	183.0
Other liabilities	220.9	240.0
Total liabilities	2,714.9	2,839.7
Commitments and contingencies (see Note 18)		
Redeemable noncontrolling interest	12.8	13.8
Total equity:		
Common stock, $0.01 par value, issued and outstanding shares:		
April 3, 2015 – 48,882,616 (net of 9,927,350 treasury shares)		
December 31, 2014 – 48,683,493 (net of 10,126,473 treasury shares)	0.6	0.6
Additional paid-in capital	711.3	714.8
Treasury stock	(180.4)	(184.3)
Retained earnings	137.4	184.4
Accumulated other comprehensive income (loss)	(301.4)	(263.4)
Total Company shareholders' equity	367.5	452.1
Noncontrolling interest	47.8	61.1
Total equity	415.3	513.2
Total liabilities, redeemable noncontrolling interest and equity	$3,143.0	$3,366.7

See accompanying Notes to Condensed Consolidated Financial Statements.

4

GENERAL CABLE CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(in millions) (unaudited)

	Three Fiscal Months Ended	
	April 3, 2015	March 28, 2014
Cash flows of operating activities:		
Net income (loss) including noncontrolling interest	$(40.9)	$(339.4)
Adjustments to reconcile net income (loss) to net cash flows of operating activities:		
Depreciation and amortization	27.6	32.2
Amortization of restricted stock awards	—	0.1
Foreign currency exchange (gain) loss	24.3	86.5
Deferred income taxes	(3.5)	(15.9)
Non-cash asset impairment charges	14.2	256.5
Convertible debt instruments non-cash interest charges	0.5	0.4
(Gain) loss on disposal of subsidiaries	(1.1)	—
(Gain) loss on disposal of property	0.7	2.9
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:		
(Increase) decrease in receivables	(12.9)	(57.1)
(Increase) decrease in inventories	(5.1)	(101.8)
(Increase) decrease in other assets	21.6	3.0
Increase (decrease) in accounts payable, accrued and other liabilities	72.6	97.1
Net cash flows of operating activities	98.0	(35.5)
Cash flows of investing activities:		
Capital expenditures	(20.5)	(27.0)
Proceeds from properties sold	0.9	0.2
Disposal of subsidiaries, net of cash disposed of	20.3	—
Other	0.2	0.1
Net cash flows of investing activities	0.9	(26.7)
Cash flows of financing activities:		
Dividends paid to shareholders	(8.9)	(9.0)
Proceeds from debt	1,003.8	601.0
Repayments of debt	(1,101.6)	(511.9)
Dividends paid to noncontrolling interest	1.5	—
Repurchase of common shares	—	(30.7)
Proceeds from exercise of stock options	0.1	0.1
Net cash flows of financing activities	(105.1)	49.5
Effect of exchange rate changes on cash and cash equivalents	(32.0)	(90.3)
Increase (decrease) in cash and cash equivalents	(38.2)	(103.0)
Cash and cash equivalents – beginning of period	205.8	418.8
Cash and cash equivalents – end of period	$167.6	$315.8
Supplemental Information		
Cash paid during the period for:		
Income tax payments, net of refunds	$1.3	$6.3
Interest paid	$28.1	$10.7
Non-cash investing and financing activities:		
Capital expenditures included in accounts payable	$10.7	$13.6

See accompanying Notes to Condensed Consolidated Financial Statements.

5

Tables of Contents

GENERAL CABLE CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Changes in Total Equity
(in millions) (unaudited)

		General Cable Total Equity					
	Total Equity	Common Stock	Additional Paid in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Noncontrolling Interest
Balance, December 31, 2014	$513.2	$0.6	$ 714.8	$(184.3)	$184.4	$ (263.4)	$ 61.1
Comprehensive income (loss)	(82.5)				(38.1)	(38.0)	(6.4)
Common stock dividend	(8.9)				(8.9)		
Excess tax benefit (deficiency) from stock compensation	(1.5)		(1.5)				
Dividends paid to noncontrolling interest	(1.5)						(1.5)
Sale of noncontrolling interests related to Fiji operations	(5.4)						(5.4)
Other – issuance pursuant to restricted stock, stock options and other	1.9		(2.0)	3.9			
Balance, April 3, 2015	$415.3	$0.6	$ 711.3	$(180.4)	$137.4	$ (301.4)	$ 47.8

		General Cable Total Equity					
	Total Equity	Common Stock	Additional Paid in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Noncontrolling Interest
Balance, December 31, 2013	$1,379.8	$0.6	$ 699.6	$(155.3)	$847.4	$ (112.1)	$ 99.6
Comprehensive income (loss)	(349.3)				(315.4)	(8.9)	(25.0)
Common stock dividend	(9.0)				(9.0)		
Repurchase of common shares	(30.7)			(30.7)			
Other – issuance pursuant to restricted stock, stock options and other	2.5		2.2	0.3			
Balance, March 28, 2014	$993.3	$0.6	$ 701.8	$(185.7)	$523.0	$ (121.0)	$ 74.6

See accompanying Notes to Condensed Consolidated Financial Statements.

Table of Contents

GENERAL CABLE CORPORATION AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (unaudited)

1.Basis of Presentation and Principles of Consolidation

The accompanying unaudited Condensed Consolidated Financial Statements of General Cable Corporation and Subsidiaries (“General Cable” or the “Company”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results of operations for the three fiscal months ended April 3, 2015 are not necessarily indicative of results that may be expected for the full year. The December 31, 2014 Condensed Consolidated Balance Sheet amounts are derived from the audited financial statements. These financial statements should be read in conjunction with the audited financial statements and notes thereto in General Cable’s 2014 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 2, 2015. The Company’s fiscal quarters consist of 13-week periods ending on the Friday nearest to the end of the calendar months of March, June and September.

The Condensed Consolidated Financial Statements include the accounts of General Cable Corporation and its wholly-owned subsidiaries. Investments in 50% or less owned joint ventures in which the Company has the ability to exercise significant influence are accounted for under the equity method of accounting. All intercompany transactions and balances among the consolidated companies have been eliminated.

2. Accounting Standards

The Company’s significant accounting policies are described in Note 2 to the audited annual consolidated financial statements in the 2014 Annual Report on Form 10-K. In the three months ended April 3, 2015, there have been no significant changes to these policies. There have been no accounting pronouncements adopted by the Company in 2015.

The following accounting pronouncement was adopted and became effective with respect to the Company in 2014:

In April 2014, the Financial Accounting Standards Board (“FASB”) issued ASU 2014-08, "Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity", which raises the threshold for determining which disposals are required to be presented as discontinued operations and modifies related disclosure requirements. The revised accounting guidance applies prospectively to all disposals (or classifications as held for sale) of components of an entity and for businesses that, upon acquisition, are classified as held for sale on or after adoption. Early adoption is permitted for disposals (or classifications as held for sale) that have not been previously reported in financial statements. The Company elected to early adopt the guidance and implemented ASU 2014-08 for the year ended December 31, 2014. The effects of applying the revised guidance will vary based upon the nature and size of future disposal transactions. It is expected that fewer disposal transactions will meet the new criteria to be reported as discontinued operations. There were no disposals of components of the Company that were reported as discontinued operations in the quarter ended April 3, 2015. The Company will continually evaluate the status of discontinued operations each quarter to ensure compliance with ASU 2014-08 requirements.

The following accounting pronouncements, which will become effective in future periods with respect to the Company, were issued in 2015 and 2014:

In April 2015, the FASB issued ASU 2015-03, “Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs.” The update requires debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability instead of being presented as an asset. Debt disclosures will include the face amount of the debt liability and the effective interest rate. The update requires retrospective application and represents a change in accounting principle. The update is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted for financial statements that have not been previously issued. ASU 2015-03 is not expected to have a material impact on the Company’s Consolidated Financial Statements.

In May 2014, the FASB issued ASU 2014-09, “Revenue from Contracts with Customers (Topic 606).” This guidance outlines a single, comprehensive model for accounting for revenue from contracts with customers. The Company will adopt the standard on January 1, 2018. The Company is evaluating the impact that the standard will have on its Consolidated Financial Statements.

In June 2014, the FASB issued ASU 2014-12, "Compensation - Stock Compensation (Topic 718): Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could be Achieved after the Requisite Service Period." This standard provides more explicit guidance for treating share-based payment awards that require a specific performance target that affects vesting and that could be achieved after the requisite service period as a performance condition. The new guidance is

Table of Contents

effective for annual and interim reporting periods beginning after December 15, 2015. The Company does not expect the adoption of this guidance to have a material impact on its Consolidated Financial Statements.

3. Restructuring and Review of Strategic Alternatives and Operational Structure

July 2014 restructuring program

In July 2014, the Company announced a comprehensive restructuring program. The restructuring program, which builds on the Company's previously launched productivity and asset optimization plans, is focused on the closure of certain underperforming assets as well as the consolidation and realignment of other facilities. The Company is also implementing initiatives to reduce selling, general and administrative ("SG&A") expenses globally. During the first quarter of 2015, the Company continued with incremental restructuring actions including SG&A cost reduction and further asset optimization plans in North America and Europe.

The Company expects to incur approximately $225 million in before-tax restructuring charges. The total expected costs are $27 million in the North America segment, $145 million in the Europe segment, $38 million in the Latin America segment and $15 million in the Africa/Asia Pacific segment. As of April 3, 2015, aggregate costs incurred are $10.7 million in the North America segment, $124.7 million in the Europe segment, $31.6 million in the Latin America segment, and $14.8 million in the Africa/Asia Pacific segment. For the three months ended April 3, 2015, the Company incurred charges of $15.5 million. In the three months ended April 3, 2015, costs incurred were $3.9 million in the North America segment, $9.1 million in the Europe segment, $2.9 million in the Latin America segment, and $(0.4) million in the Africa/Asia Pacific segment. For the three months ended April 3, 2015, approximately $8.6 million of these charges were recorded in the Cost of sales caption and $6.9 million of these charges were recorded as SG&A expenses in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), respectively. Restructuring costs incurred consist primarily of employee separation costs and asset-related costs to exit or realign facilities. The Company is also incurring other costs as outlined below. Changes in the restructuring reserve and activity for the three months ended April 3, 2015 are below (in millions):

	Employee Separation Costs	Asset-Related Costs	Other Costs	Total
Total expected restructuring charges	$70.0	$125.0	$30.0	$225.0
Balance, December 31, 2014	$32.4	$—	$1.0	$33.4
Net provisions	9.6	1.2	4.7	15.5
Net benefits charged against the assets	—	(1.2)	(2.1)	(3.3)
Payments	(6.9)	—	(2.5)	(9.4)
Foreign currency translation	(2.5)	—	(0.1)	(2.6)
Balance, April 3, 2015	$32.6	$—	$1.0	$33.6
Remaining expected restructuring charges	$21.7	$6.3	$15.2	$43.2

Employee Separation Costs

The Company recorded employee separation costs of $9.6 million in the three months ended April 3, 2015, consisting of $3.7 million in North America, $5.0 million in Europe, $0.8 million in Latin America, and $0.1 million in Africa/Asia Pacific.

Employee separation costs include severance, retention bonuses and pension costs. As of April 3, 2015, employee separation costs included severance charges for approximately 1,130 employees; approximately 915 of these employees were classified as manufacturing employees and approximately 215 of these employees were classified as non-manufacturing employees. The charges relate to involuntary separations and the amounts are based on current salary levels and past service periods and are either considered one-time employee termination benefits in accordance with ASC 420 - Exit or Disposal Cost Obligations or as charges for contractual termination benefits under ASC 712 - Compensation - Nonretirement Postemployment Benefits.

Asset-Related Costs

The Company recorded asset-related costs of $1.2 million in the three months ended April 3, 2015. The long-lived asset impairment charges primarily consist of $1.8 million in Latin America in the three months ended April 3, 2015. Asset-related costs consist of both asset write-downs and accelerated depreciation. Asset write-downs relate to the establishment of a new fair value basis for assets to be classified as held-for-sale or to be disposed of, as well as asset impairment charges for

Table of Contents

asset groups to be held-and-used in locations which are being restructured and it has been determined the undiscounted cash flows expected to result from the use and eventual disposition of the assets are less than their carrying value. Charges for accelerated depreciation relate to long-lived assets that will be taken out of service prior to the end of their normal service period. Management will continue to evaluate the recoverability of the carrying amount of its long-lived assets as the restructuring program is executed.

To determine the fair value, a current appraisal of each impaired asset groups' machinery and equipment and real property, as applicable, was performed utilizing standard valuation approaches, which incorporate Level 3 inputs. The Company assesses impairment at the asset group level which represents the lowest level for which identifiable cash flows can be determined independent of other groups of assets and liabilities. The asset groups at the Company are primarily each manufacturing unit, unless the cash flows of the manufacturing unit are not independent due to shared production, distribution and sale of the finished product. The Company considered the expected net cash flows to be generated by the use of each asset group, as well as the expected cash proceeds from the disposition of the assets, if any, to determine fair value. The impairment charges were recorded in the Cost of sales caption in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

The Company notes the plan to abandon a long-lived asset before the end of its previously estimated useful life is a change in accounting estimate per ASC 250 - Accounting Changes and Error Corrections. The annual depreciation impact from the asset write-downs and changes in estimated useful lives is immaterial.

Other Costs

The Company recorded other restructuring-type charges of $4.7 million in the three months ended April 3, 2015. The other restructuring-type charges were $0.2 million in North America, $4.7 million in Europe, $0.3 million in Latin America, and $(0.5) million in Africa/Asia Pacific.

Other restructuring-type charges are incurred as a direct result of the restructuring program. Such charges primarily include working capital write-downs not associated with normal operations, equipment relocation, termination of contracts and other immaterial costs.

October 2014 review of strategic alternatives and operational structure

In October 2014, the Company announced the intent to divest all of the Company's operations in Africa and Asia Pacific in order to simplify the Company's geographic portfolio and reduce operational complexity. The October divestiture plan is focused on the sale and closure of the Company's non-core assets. The Company expects to incur approximately $14 million in pre-tax charges consisting primarily of legal and transaction fees for the dispositions. Such amounts are reflected in the North America segment. Charges incurred in the three months ended April 3, 2015 were immaterial.

As part of this plan, in the first quarter of 2015, the Company completed the sale of its interests in joint ventures including Dominion Wire and Cables ("Fiji"), 51% interest, and Keystone Electric Wire and Cable ("Keystone"), 20% interest, for cash consideration of $9.3 million and $11.0 million, respectively. In the three months ended April 3, 2015, the pre-tax loss on the sale from the disposition of Fiji recognized was $2.6 million and the pre-tax gain from the disposition of Keystone recognized was $3.6 million and are included in the SG&A caption in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

Also, as part of this plan, in the fourth quarter of 2014, the Company completed the sale of its interest in Phelps Dodge International Philippines, Inc. (“PDP”) and Phelps Dodge Philippines Energy Products Corporation (“PDEP”) for cash consideration of $67.1 million. The results of PDP and PDEP are reported in the Africa/Asia Pacific segment for the three months ended March 28, 2014. The pre-tax loss of PDP and PDEP for the three months ended March 28, 2014 was $2.3 million. The pre-tax loss attributable to the Company for the three months ended March 28, 2014 was $1.4 million.The pre-tax profit of PDP and PDEP for the year ended December 31, 2014 was $10.4 million. The pre-tax profit attributable to the Company for the year ended December 31, 2014 was $6.2 million. The pre-tax gain on the sale from the disposition of PDP and PDEP recognized in the quarter ended December 31, 2014 was $17.6 million and is included in the SG&A caption in the Consolidated Statements of Operations and Comprehensive Income (Loss). The sale of PDP and PDEP is considered a disposal of significant component of an entity.

The Company reviewed each component entity in the Company's Africa/Asia Pacific reportable segment to determine if the assets should be considered held for sale. As of April 3, 2015, the Company determined that the remaining component entities within the Africa/Asia Pacific segment did not meet the held for sale criteria set forth in ASC 360 primarily driven by management’s belief that the probability of a sale within one year is uncertain. The Company assessed the discontinued operations financial reporting treatment for those businesses which were contemplated as part of the divestiture plan. Management believes the planned actions in total meet the requirements of a strategic shift that has (or will have) a major effect on an entity’s operations and financial results; however, none of the remaining entities within the component group meet the requirements to be considered held for sale at April 3, 2015 as noted above, and the individual and combined results of the entities that have been disposed of to date (PDP and PDEP, Fiji and Keystone) are not considered a strategic shift that has (or will have) a major effect on an entity’s operations

Table of Contents

and financial results. Therefore, the financial results of the Africa/Asia Pacific reportable segment are presented as continuing operations in the Condensed Consolidated Financial Statements.

4. Other Income (Expense)

Other income (expense) includes foreign currency transaction gains or losses, which result from changes in exchange rates between the designated functional currency and the currency in which a transaction is denominated as well as gains and losses on derivative instruments that are not designated as cash flow hedges. During the three months ended April 3, 2015 and March 28, 2014, the Company recorded other expense of $24.9 million and $97.7 million, respectively. For the three months ended April 3, 2015, other expense was primarily attributable to the adoption of the SIMADI currency exchange system in Venezuela and remeasurement of the local balance sheet at 192.7125 BsF per U.S. dollar which resulted in an expense of $22.5 million, $1.8 million related to other foreign currency transaction losses and $0.6 million related to losses on derivative instruments that were not designated as cash flow hedges. For the three months ended March 28, 2014, other expense was primarily attributable to $83.1 million related to a Venezuela currency devaluation and $14.6 million related to losses on derivative instruments that were not designated as cash flow hedges.

Refer to Note 21 - Venezuelan Operations for more information related to recent developments regarding the Company's Venezuelan operations.

5. Inventories

Approximately 86% of the Company’s inventories are valued using the average cost method and all remaining inventories are valued using the first-in, first-out (FIFO) method. All inventories are stated at the lower of cost or market.

(in millions)	April 3, 2015	December 31, 2014
Raw materials	$219.1	$ 237.1
Work in process	152.5	166.5
Finished goods	606.5	615.2
Total	$978.1	$ 1,018.8

6. Property, Plant and Equipment

Property, plant and equipment consisted of the following (in millions):

	April 3, 2015	December 31, 2014
Land	$69.8	$ 73.9
Buildings and leasehold improvements	258.1	270.3
Machinery, equipment and office furnishings	880.0	905.1
Construction in progress	31.6	36.6
Total gross book value	1,239.5	1,285.9
Less accumulated depreciation	(534.9)	(527.5)
Total net book value	$704.6	$ 758.4

Depreciation expense for the three fiscal months ended April 3, 2015 and March 28, 2014 was $24.1 million and $29.0 million, respectively.

No material impairment charges occurred during the three fiscal months ended April 3, 2015 and March 28, 2014 related to long-lived intangible assets.

7. Goodwill and Other Intangible Assets

Goodwill and intangible assets with indefinite useful lives are not amortized, but are reviewed at least annually for impairment. If the carrying amount of goodwill or an intangible asset with an indefinite life exceeds its fair value, an impairment loss would be recognized in the amount equal to the excess.

The amounts of goodwill and indefinite-lived intangible assets were as follows (millions of dollars):

	Goodwill				Indefinite-Lived Assets – Trade Names		
	North America	Latin America	Africa/Asia Pacific	Total	North America	Europe	Total
Balance, December 31, 2014	$17.0	$3.0	$ 6.1	$26.1	$0.3	$0.4	$0.7
Currency translation and other adjustments	(0.3)	(0.1)	(0.1)	(0.5)	—	—	—
Goodwill and indefinite-lived asset impairment	—	—	(3.2)	(3.2)	—	—	—
Balance, April 3, 2015	$16.7	$2.9	$ 2.8	$22.4	$0.3	$0.4	$0.7

The amounts of other intangible assets were as follows (millions of dollars):

	April 3, 2015	December 31, 2014
Amortized intangible assets:		
Amortized intangible assets	$168.4	$168.4
Accumulated amortization	(102.8)	(99.8)
Foreign currency translation adjustment	(5.1)	(4.2)
Amortized intangible assets, net	$60.5	$64.4

Amortized intangible assets are stated at cost less accumulated amortization as of April 3, 2015 and December 31, 2014. Other intangible assets have been determined to have a useful life in the range of 7 to 12 years. The approximate weighted average useful life of the amortized intangible assets is 10 years. For customer relationships, the Company has accelerated the amortization expense to align with the historical customer attrition rates. All other amortized intangible assets are amortized on a straight-line basis. The amortization of intangible assets for the three months ended April 3, 2015 and March 28, 2014 was $3.0 million and $3.0 million, respectively. The estimated amortization expense during the twelve month periods beginning April 3, 2015 through April 4, 2020 and thereafter, based on exchange rates as of April 3, 2015, is $13.3 million, $12.1 million, $9.2 million, $6.3 million, $5.6 million and $14.0 million thereafter.

8. Long-Term Debt

(in millions)	April 3, 2015	December 31, 2014
North America		
5.75% Senior Notes due 2022 ("5.75% Senior Notes")	$600.0	$600.0
Subordinated Convertible Notes due 2029 ("Subordinated Convertible Notes")	429.5	429.5
Debt discount on Subordinated Convertible Notes	(259.3)	(259.7)
Senior Floating Rate Notes due 2015 ("Senior Floating Rate Notes")	—	125.0
Asset-Based Revolving Credit Facility ("Revolving Credit Facility")	202.4	136.8
Other	9.0	9.0
Europe debt	9.6	10.5
Latin America credit facilities	179.2	238.6
Africa/Asia Pacific credit facilities	42.9	47.7
Total debt	1,213.3	1,337.4
Less current maturities	221.4	403.5
Long-term debt	$991.9	$933.9

At April 3, 2015, maturities of long-term debt during the twelve month periods beginning April 3, 2015 through April 4, 2020 and thereafter are $221.4 million, $4.0 million, $2.9 million, $203.2 million and $0.8 million, respectively, and $781.0 million thereafter.

The fair value of the Company's long-term debt, as noted below, was estimated using inputs other than quoted prices that are observable, either directly or indirectly.

5.75% Senior Notes

The Company's 5.75% Senior Notes are summarized in the table below:

Tables of Contents

	5.75% Senior Notes	
(in millions)	April 3, 2015	December 31, 2014
Face Value	$600.0	$600.0
Fair Value (Level 2)	564.0	483.0
Interest Rate	5.75 %	5.75 %
Interest Payment	Semi-Annual: Apr 1 & Oct 1	
Maturity Date	October 2022	
Guarantee	Jointly and severally guaranteed by the Company's wholly owned U.S. subsidiaries	

		5.75% Senior Notes
	Beginning Date	Percentage
Call Option [(1)]	October 1, 2017	102.875%
	October 1, 2018	101.917%
	October 1, 2019	100.958%
	October 1, 2020 and thereafter	100.000%

(1) The Company may, at its option, redeem the 5.75% Senior Notes on or after the stated beginning dates at percentages noted above (plus accrued and unpaid interest). Additionally, the Company, may on or prior to October 1, 2015 redeem in the aggregate up to 35% of the aggregate principal amount of 5.75% Senior Notes issued with the cash proceeds from one or more equity offerings, at a redemption price in cash equal to 105.75% of the principal plus accrued and unpaid interest so long as (i) at least 65% of the aggregate principal amount of the 5.75% Senior Notes issued remains outstanding immediately after giving effect to any such redemption; and (ii) notice of any such redemption is given within 60 days after the date of the closing of any such equity offering. In addition, at any time prior to October 1, 2017, the Company may redeem some or all of the 5.75% Senior Notes at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest, plus a make whole premium.

The 5.75% Senior Notes' indenture contains covenants that limit the ability of the Company and certain of its subsidiaries to (i) incur additional indebtedness and guarantee indebtedness; (ii) pay dividends or make other distributions or repurchase or redeem the Company's capital stock; (iii) purchase, redeem or retire debt; (iv) issue certain preferred stock or similar equity securities; (v) make loans and investments; (vi) sell assets; (vii) incur liens; (viii) enter into transactions with affiliates; (ix) enter into agreements restricting the Company's subsidiaries' ability to pay dividends; and (x) consolidate, merge or sell all or substantially all assets. However, these covenants are subject to exceptions and qualifications.

The 5.75% Senior Notes may also be repurchased at the option of the holders in connection with a change of control (as defined in the indenture governing the 5.75% Senior Notes) or in connection with certain asset sales.

Subordinated Convertible Notes

The Company’s Subordinated Convertible Notes outstanding as of April 3, 2015 and December 31, 2014 were as follows:

	Subordinated Convertible Notes	
(in millions)	April 3, 2015	December 31, 2014
Face value	$429.5	$429.5
Debt discount	(259.3)	(259.7)
Book value	170.2	169.8

Fair value (Level 1)	345.5	313.1
Maturity date	Nov 2029	
Stated annual interest rate	4.50% until Nov 2019 2.25% until Nov 2029	
Interest payments	Semi-annually: May 15 & Nov 15	

Senior Floating Rate Notes

On March 31, 2015, the Company used proceeds from the Revolving Credit Facility to repay principal of $125 million and accrued interest of $0.8 million on the Senior Floating Rate Notes due April 2015.

Tables of Contents

The Company’s Senior Floating Rate Notes outstanding as of April 3, 2015 and December 31, 2014 were as follows:

	Senior Floating Rate Notes	
(in millions)	April 3, 2015	December 31, 2014
Face value	$—	$125.0
Fair value (Level 1)	—	123.8
Interest rate	N/A	2.6 %
Interest payment	3-month LIBOR rate plus 2.375% Quarterly: Jan 1, Apr 1, Jul 1 & Oct 1	
Maturity date	Apr 2015	
Guarantee	Jointly and severally guaranteed by the Company’s wholly-owned U.S. subsidiaries	

Revolving Credit Facility

On July 21, 2011, the Company entered into a $400 million Revolving Credit Facility, which was first amended in 2012 to increase the facility size to $700 million and then subsequently amended and restated on September 6, 2013 and further amended on October 22, 2013, May 20, 2014, September 23, 2014, October 28, 2014, and March 9, 2015, to, among other things, increase the Revolving Credit Facility to $1.0 billion, $630 million of which may be borrowed by the U.S. borrower, $300 million of which may be borrowed by the European borrowers and $70 million of which may be borrowed by the Canadian borrower. The Revolving Credit Facility contains restrictions including limitations on, among other things, distributions and dividends, acquisitions and investments, indebtedness, liens and affiliate transactions. The Revolving Credit Facility provides the Company with flexibility and the restrictions in the Revolving Credit Facility generally only apply in the event that the Company's availability under the Revolving Credit Facility falls below certain specific thresholds.

The Revolving Credit Facility has a maturity date of September 6, 2018. The commitment amount under the Revolving Credit Facility may be increased by an additional $250 million, subject to certain conditions and approvals as set forth in the Revolving Credit Facility. The Company capitalized $0.9 million in 2015, $1.7 million in 2014 and $4.9 million in 2013 in deferred financing costs in connection with the Revolving Credit Facility. The Revolving Credit Facility requires maintenance of a minimum fixed charge coverage ratio of 1.00 to 1.00 if availability under the Revolving Credit Facility is less than the greater of $100 million or 10% of the then existing aggregate lender commitments under the Revolving Credit Facility. The fair value of the Revolving Credit Facility approximates the carrying value.

Indebtedness under our Revolving Credit Facility is secured by: (a) for US borrowings under the facility, a first priority security interest in substantially all of our domestic assets and, (b) for Canadian and European borrowings under the facility, a first priority security interest in substantially all of our domestic and Canadian assets and certain assets of our Spanish, French and German subsidiaries party to the facility. In addition, the lenders under our Revolving Credit Facility have received a pledge of (i) 100% of the equity interests in all of the Company's domestic subsidiaries, and (ii) 65% of the voting equity interests in and 100% of the non-voting equity interests in certain of our foreign subsidiaries, including our Canadian subsidiaries and our Spanish, French and German subsidiaries party to the Revolving Credit Facility. Borrowings under the Revolving Credit Facility bear interest at interest rate bases elected by the Company plus an applicable margin calculated quarterly based on the Company's average availability and Total Consolidated Leverage Ratio as set forth in the credit agreement. The Revolving Credit Facility also requires the payment of a commitment fee equal to the available but unused commitments multiplied by an applicable margin of either 0.25% or 0.375% based on the average daily unused commitments.

Tables of Contents

The Company's Revolving Credit Facility is summarized in the table below:

(in millions)	Revolving Credit Facility April 3, 2015	December 31, 2014
Outstanding borrowings	$202.4	$136.8
Total credit under facility	1,000.0	1,000.0
Undrawn availability(1)	391.3	425.0
Interest rate	2.6 %	2.1 %
Outstanding letters of credit	$41.4	$58.5
Original issuance	July 2011	
Maturity date	Sept 2018	

(1) Total undrawn availability for the U.S. borrower, the Canadian borrower and the European borrowers at April 3, 2015 is $237.5 million, $52.3 million and $101.5 million, respectively. Total undrawn availability for the U.S. borrower, the Canadian borrower and the European borrowers at December 31, 2014 was $257.7 million, $54.3 million and $113.0 million, respectively.

Latin America Credit Facilities

The Company's Latin America credit facilities are summarized in the table below:

(in millions)	April 3, 2015	December 31, 2014
Outstanding borrowings	$179.2	$238.6
Undrawn availability	83.4	79.6
Interest rate – weighted average	8.6 %	6.1 %
Maturity date	Various; $176.1 million due within one year	

The Company's Latin America credit facilities are short term loans utilized for working capital purposes. The fair value of the Latin America credit facilities approximates the carrying value due to the short term nature of the facilities.

Africa/Asia Pacific Credit Facilities

The Company's Africa/Asia Pacific credit facilities are summarized in the table below:

(in millions)	April 3, 2015	December 31, 2014
Outstanding borrowings	$42.9	$47.7
Undrawn availability	115.9	62.0
Interest rate – weighted average	6.5 %	5.3 %
Maturity date	Various; $42.9 million due within one year	

The Company's Africa/Asia Pacific credit facilities are short term loans utilized for working capital purposes. The fair value of the Africa/Asia Pacific credit facilities approximates the carrying value due to the short term nature of the facilities.

9. Financial Instruments

The Company is exposed to various market risks, including changes in interest rates, foreign currency exchange rates and raw material (commodity) prices. To manage risks associated with the volatility of these natural business exposures, the Company enters into interest rate, commodity and foreign currency derivative agreements, and copper and aluminum forward pricing agreements. The Company does not purchase or sell derivative instruments for trading purposes. The Company does not engage in derivative contracts for which a lack of marketplace quotations would necessitate the use of fair value estimation techniques.

The Company enters into commodity instruments to hedge the purchase of copper, aluminum and lead in future periods and foreign currency exchange contracts principally to hedge the currency fluctuations in certain transactions denominated in foreign currencies, thereby reducing the Company's risk that would otherwise result from changes in exchange rates. Principal transactions hedged

Tables of Contents

during the year were firm sales and purchase commitments. The fair value of foreign currency contracts represents the amount required to enter into offsetting contracts with similar remaining maturities based on quoted market prices.

As of April 3, 2015 and December 31, 2014, there were no derivatives that were designated as cash flow hedges. In the three months ended April 3, 2015 and March 28, 2014, there was no activity related to derivatives that were designated as cash flow hedges. Changes in the fair value of economic hedges are recognized in current period earnings.

Fair Value of Derivatives Instruments

The notional amounts and fair values of derivatives not designated as cash flow hedges at April 3, 2015 and December 31, 2014 are shown below (in millions):

	April 3, 2015			December 31, 2014		
		Fair Value			Fair Value	
	Notional Amount	Asset (1)	Liability (2)	Notional Amount	Asset (1)	Liability (2)
Derivatives not designated as cash flow hedges:						
Commodity futures	$63.2	$1.8	$2.3	$106.4	$0.5	$3.9
Foreign currency exchange	180.2	2.1	7.6	154.7	4.9	4.2
		$3.9	$9.9		$5.4	$8.1

(1) Balance recorded in “Prepaid expenses and other” and “Other non-current assets”
(2) Balance recorded in “Accrued liabilities” and “Other liabilities”

As of April 3, 2015 and December 31, 2014, all financial instruments held by the Company were subject to enforceable master netting arrangements held by various financial institutions. In general, the terms of our agreements provide that in the event of an early termination the counterparties have the right to offset amounts owed or owing under that and any other agreement with the same counterparty. The Company's accounting policy is to not offset these positions in the Condensed Consolidated Balance Sheets. As of April 3, 2015 and December 31, 2014, the net positions of the enforceable master netting agreements are not significantly different from the gross positions noted in the table above. Depending on the extent of an unrealized loss position on a derivative contract held by the Company, certain counterparties may require collateral to secure the Company's derivative contract position. As of April 3, 2015 and December 31, 2014, there were no contracts held by the Company that required collateral to secure the Company's derivative liability positions.

Other Forward Pricing Agreements

In the normal course of business, the Company enters into forward pricing agreements for the purchase of copper and aluminum for delivery in a future month to match certain sales transactions. The Company accounts for these forward pricing arrangements under the “normal purchases and normal sales” scope exception because these arrangements are for purchases of copper and aluminum that will be delivered in quantities expected to be used by the Company over a reasonable period of time in the normal course of business. For these arrangements, it is probable at the inception and throughout the life of the arrangements that the arrangements will not settle net and will result in physical delivery of the inventory. At April 3, 2015 and December 31, 2014, the Company had $19.1 million and $11.6 million, respectively, of future copper and aluminum purchases that were under forward pricing agreements. At April 3, 2015 and December 31, 2014, the fair value of these arrangements was $19.0 million and $11.2 million, respectively, and the Company had an unrealized loss of $0.1 million and $0.4 million, respectively, related to these transactions. The Company expects the unrealized gains under these agreements to offset firm sales price commitments with customers. Depending on the extent of the unrealized loss position on certain forward pricing agreements, certain counterparties may require collateral to secure the Company’s forward purchase agreements. There were no funds posted as collateral as of April 3, 2015 or December 31, 2014.

Table of Contents

10. Income Taxes

The Company’s effective tax rate for the three months ended April 3, 2015 and March 28, 2014 was 0.5% and 5.9%, respectively. The low effective tax rate for the three months ended April 3, 2015 was primarily due to the combined impact of no tax benefits being available for the $22.5 million Venezuelan currency devaluation loss and foreign currency loss in Venezuela and the impact of operational losses incurred in jurisdictions where valuation allowances are recorded against net deferred tax assets. These unfavorable effective tax rate drivers were partially offset by a $6.1 million and a $4.3 million income tax benefit recorded during the three months ended April 3, 2015 associated with uncertain tax position reserve and valuation allowance releases, respectively. The low effective tax rate for the three months ended March 28, 2014 was primarily due to a relatively small income tax benefit, $19.9 million, recorded on $339.6 million pre-tax charges recorded during the quarter related to asset impairments and the Venezuela currency devaluation, as well as the impact of the full year forecasted operational losses incurred in jurisdictions where valuation allowances were recorded against net deferred tax assets. Similar to the three months ended April 3, 2015, the unfavorable effective tax rate drivers for the three months ended March 28, 2014 were partially offset by an $8.0 million income tax benefit associated with the reduction of uncertain tax position reserves.

During the first quarter of 2015, the Company accrued approximately $0.9 million of income tax expense for uncertain tax positions likely to be taken in the current year and for interest and penalties on tax positions taken in prior periods, all of which would have a favorable impact on the effective tax rate, if recognized. In addition, $6.1 million of income tax benefits were recognized due to statute of limitation expirations associated with various uncertain tax positions.

The Company files income tax returns in numerous tax jurisdictions around the world. Due to uncertainties regarding the timing and outcome of various tax audits, appeals and settlements, it is difficult to reliably estimate the amount of unrecognized tax benefits that could change within the next twelve months. The Company believes it is reasonably possible that approximately $5 million of unrecognized tax benefits could change within the next twelve months due to the resolution of tax audits and statute of limitations expiration.

The Internal Revenue Service ("IRS") currently is in the process of examining the Company's 2012 consolidated income tax return. The IRS completed its examination of the Company's 2007 through 2010 consolidated income tax returns in the second quarter of 2013 with insignificant tax adjustments. With limited exceptions, tax years prior to 2010 are no longer open in major foreign, state, or local tax jurisdictions.

Tables of Contents

11. Employee Benefit Plans

The Company provides retirement benefits through contributory and noncontributory qualified and non-qualified defined benefit pension plans covering eligible domestic and international employees as well as through defined contribution plans and other postretirement benefits.

The components of net periodic benefit cost for pension benefits were as follows (in millions):

	Three Fiscal Months Ended			
	April 3, 2015		March 28, 2014	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Service cost	$0.4	$1.5	$0.5	$1.4
Interest cost	1.8	1.1	2.0	1.7
Expected return on plan assets	(2.6)	(0.7)	(2.7)	(0.8)
Amortization of prior service cost	—	0.2	—	0.3
Amortization of net loss	1.9	0.7	1.2	0.1
Settlement loss	—	0.9	—	—
Net pension expense	$1.5	$3.7	$1.0	$2.7

The estimated net loss for the defined benefit pension plans that will be amortized from accumulated other comprehensive income into net pension expense in 2015 is $10.5 million. The prior service cost to be amortized from accumulated other comprehensive income into net pension expense over the next fiscal year is immaterial.

Defined benefit pension plan cash contributions for the three fiscal months ended April 3, 2015 and March 28, 2014 were $3.0 million and $3.3 million, respectively.

Refer to Note 3 - Restructuring and Review of Strategic Alternatives and Operational Structure for charges for contractual termination benefits under ASC 712 - Compensation - Nonretirement Postemployment Benefits.

Tables of Contents

12. Accumulated Other Comprehensive Income

The components of accumulated other comprehensive income (loss) as of April 3, 2015 and December 31, 2014, respectively, consisted of the following (in millions):

	April 3, 2015		December 31, 2014	
	Company Common Shareholders	Noncontrolling Interest	Company Common Shareholders	Noncontrolling Interest
Foreign currency translation adjustment	$(226.1)	$(7.4)	$(185.1)	$(3.8)
Pension adjustments, net of tax	(75.3)	(2.9)	(78.3)	(2.9)
Accumulated other comprehensive income (loss)	$(301.4)	$(10.3)	$(263.4)	$(6.7)

The following is the detail of the change in the Company's accumulated other comprehensive income (loss) from December 31, 2014 to April 3, 2015 including the effect of significant reclassifications out of accumulated other comprehensive income (loss) (in millions, net of tax):

	Foreign currency translation	Change of fair value of pension benefit obligation	Total
Balance, December 31, 2014	$(185.1)	$(78.3)	$(263.4)
Other comprehensive income (loss) before reclassifications	(47.2)	—	(47.2)
Amounts reclassified from accumulated other comprehensive income	6.2	3.0	9.2
Net current - period other comprehensive income (loss)	(41.0)	3.0	(38.0)
Balance, April 3, 2015	$(226.1)	$(75.3)	$(301.4)

The following is the detail of the change in the Company's accumulated other comprehensive income (loss) from December 31, 2013 to March 28, 2014 including the effect of significant reclassifications out of accumulated other comprehensive income (loss) (in millions, net of tax):

	Foreign currency translation	Change of fair value of pension benefit obligation	Other	Total
Balance, December 31, 2013	$(67.1)	$(52.6)	$7.6	$(112.1)
Other comprehensive income (loss) before reclassifications	(9.8)	—	—	(9.8)
Amounts reclassified from accumulated other comprehensive income	—	0.9	—	0.9
Net current - period other comprehensive income (loss)	(9.8)	0.9	—	(8.9)
Balance, March 28, 2014	$(76.9)	$(51.7)	$7.6	$(121.0)

Tables of Contents

The following is the detail of the reclassifications out of accumulated other comprehensive income (loss) for the three months ended April 3, 2015 (in millions, net of tax):

	Three Fiscal Months Ended April 3, 2015	Three Fiscal Months Ended March 28, 2014	
	Amount reclassified from accumulated other comprehensive income (loss)	Amount reclassified from accumulated other comprehensive income (loss)	Affected line item in the Condensed Consolidated Statement of Operations and Comprehensive Income (Loss)
Foreign currency translation			
Sale of Fiji	$6.2	$—	SG&A
Amortization of defined pension items, net of tax:			
Prior service cost	$0.1	$0.2	SG&A
Net loss	1.7	0.7	SG&A
Settlement Loss	1.2	—	SG&A
Total - Pension Items	$3.0	$0.9	
Total	$9.2	$0.9	

Tables of Contents

13. Share-Based Compensation

The Company has various plans that provide for granting options, restricted stock units and restricted stock to certain employees and independent directors of the Company and its subsidiaries. The Company recognizes compensation expense for share-based payments based on the fair value of the awards at the grant date. The Black-Scholes valuation model is used to determine the fair value of non-qualified stock options. The fair value of performance stock units is determined using a Monte Carlo simulation model. Restricted stock units and restricted stock awards fair value is based on the Company market stock price on the date of grant. The table below summarizes share-based compensation for the three fiscal months ended April 3, 2015 and March 28, 2014 (in millions).

	Three Fiscal Months Ended	
	April 3, 2015	March 28, 2014
Non-qualified stock option expense	$0.4	$1.3
Non-vested stock awards expense	2.0	2.7
Total pre-tax share-based compensation expense	$2.4	$4.0
Excess tax benefit (deficiency) on share-based compensation	$(1.5)	$—

The Company records share-based compensation expense as a component of Selling, general and administrative expenses.

Table of Contents

14. Redeemable Noncontrolling Interest

On October 1, 2012, the Company participated in a share subscription for 60% of the outstanding and issued shares of Procables. The existing shareholders immediately prior to the subscription (the “Sellers” or “Minority Shareholders”) maintained control of the remaining 40% of the shares. The Company and the Minority Shareholders also agreed to certain put and call options with regard to the remaining 40% interest in Procables retained by the Minority Shareholders. For a 36-month period commencing on the fifth anniversary of the closing date, the Minority Shareholders may exercise a put option to sell their entire 40% interest in Procables to the Company. The Company shall be irrevocably obligated to purchase the shares (the "Put Option"). In addition, the Company has a call option (the "Call Option") to purchase the Minority Shareholders’ 40% interest in Procables, during the 36-month period commencing on the expiration of the Put Option period. The consideration to be exchanged, per share in the event of a Put Option or Call Option shall be the higher of the following (1) the final per share purchase price; or (2) a price per share based on the Company's enterprise value equal to seven times the average of its earnings before interest, taxes, depreciation and amortization (“EBITDA”) over the two most recently audited year-end financial statements immediately prior to the option being exercised, minus the 12-month average Net Indebtedness, as defined in the agreement, of the Company for the most recent audited fiscal year (“EBITDA average”). The Company determined that the Put Option is embedded within the noncontrolling interest shares that are subject to the Put Option. The redemption feature requires classification of the Minority Shareholder's interest in the Condensed Consolidated Balance Sheets outside of equity under the caption “Redeemable noncontrolling interest.”

The redeemable noncontrolling interest of Procables was recorded on the acquisition date based on the estimated fair value of the shares including the embedded Put Option. The fair value of the Put Option was estimated at the higher of the final per share purchase price or EBITDA average. At April 3, 2015, the final per share purchase price was greater than the EBITDA average; therefore, the redeemable noncontrolling interest was valued at the same cost as the fair value determined at the opening balance sheet date subject to foreign currency translation. Subsequent adjustments to the value of the redeemable noncontrolling interest due to the redemption feature, if any, will be recognized as they occur and recorded within Net income (loss).

The following is a rollforward of the redeemable noncontrolling interest (in millions):

Balance, December 31, 2014	$13.8
Net income (loss)	—
Foreign currency translation	(1.0)
Balance, April 3, 2015	$12.8

15. Shipping and Handling Costs

All shipping and handling amounts billed to a customer in a sales transaction are classified as revenue. Shipping and handling costs associated with storage and handling of finished goods and shipments to customers are included in cost of sales and totaled $32.4 million and $41.1 million, respectively, for the three fiscal months ended April 3, 2015 and March 28, 2014.

Tables of Contents

16. Earnings (Loss) Per Common Share

The Company applies the two-class method of computing basic and diluted earnings per share. Future declarations of dividends and the establishment of future record dates and payment dates are subject to the final determination of our Board of Directors.

A reconciliation of the numerator and denominator of earnings (loss) per common share-basic to earnings (loss) per common share-assuming dilution is as follows (in millions, except per share data):

	Three Fiscal Months Ended	
(in millions, except per share data)	April 3, 2015	March 28, 2014
Earnings (loss) per common share – basic:		
Net income (loss) attributable to Company common shareholders	$(38.1)	$(315.4)
Net income (loss) for basic EPS computations [1]	(38.1)	(315.4)
Weighted average shares outstanding for basic EPS computation [2]	48.8	49.1
Earnings (loss) per common share – basic [3]	$(0.78)	$(6.42)
Earnings (loss) per common share – assuming dilution:		
Net income (loss) attributable to Company common shareholders	$(38.1)	$(315.4)
Net income (loss) for diluted EPS computation [1]	$(38.1)	$(315.4)
Weighted average shares outstanding including nonvested shares	48.8	49.1
Weighted average shares outstanding for diluted EPS computation [2]	48.8	49.1
Earnings (loss) per common share – assuming dilution	$(0.78)	$(6.42)

(1) Numerator

(2) Denominator

(3) Under the two-class method, earnings (loss) per share – basic reflects undistributed earnings per share for both common stock and unvested share-based payment awards (restricted stock).

Under ASC 260 - Earnings per Share and ASC 470 - Debt and because of the Company’s obligation to settle the par value of the Subordinated Convertible Notes in cash, the Company is not required to include any shares underlying the Subordinated Convertible Notes in its weighted average shares outstanding – assuming dilution until the average stock price per share for the quarter exceeds the $36.75 conversion price of the Subordinated Convertible Notes and only to the extent of the additional shares that the Company may be required to issue in the event that the Company’s conversion obligation exceeds the principal amount of the Subordinated Convertible Notes.

Regarding the Subordinated Convertible Notes, the average stock price threshold conditions had not been met as of April 3, 2015. At any such time in the future that threshold conditions are met, only the number of shares issuable under the “treasury” method of accounting for the share dilution would be included in the Company’s earnings per share – assuming dilution calculation, which is based upon the amount by which the average stock price exceeds the conversion price.

Tables of Contents

The following table provides examples of how changes in the Company’s stock price would require the inclusion of additional shares in the denominator of the weighted average shares outstanding – assuming dilution calculation for the Subordinated Convertible Notes.

Share Price	Shares Underlying Subordinated Convertible Notes	Total Treasury Method Incremental Shares (1)
$36.75	—	—
$38.75	603,152	603,152
$40.75	1,147,099	1,147,099
$42.75	1,640,151	1,640,151
$44.75	2,089,131	2,089,131

(1) Represents the number of incremental shares that must be included in the calculation of fully diluted shares under GAAP.

17. Segment Information

The chief operating decision maker ("CODM") evaluates segment performance and allocates resources based on segment operating income. Segment operating income represents income from continuing operations before interest income, interest expense, other income (expense), other financial costs and income tax. Effective in the fourth quarter of 2014, in connection with the Company's announcement to commit to a plan to divest all of the Company's operations in Asia Pacific and Africa, the Company reorganized its reportable segments as a result of a change to what the CODM uses to measure profitability and allocate resources. Accordingly, in the fourth quarter of 2014, the Company presented four geographic operating and reportable segments — North America, Europe, Latin America, and Africa/Asia Pacific. As a result of the change in how the CODM manages and allocates resources, there was a change in how certain corporate costs are allocated to better align with how the CODM allocates resources. Previously, the amounts were evenly allocated across each reportable segment and the amounts are now allocated based on a percentage of revenue at each segment. This change in the allocation method is reflected in the results below retrospectively. The Company’s operating and reportable segments align with the structure of the Company’s internal management organization. All four segments engage in the development, design, manufacturing, marketing and distribution of copper, aluminum, and fiber optic communication, construction, electric utility and electrical infrastructure wire and cable products. In addition to the above products, the North America, Latin America and Africa/Asia Pacific segments manufacture and distribute rod mill wire and cable products.

Net revenues as shown below represent sales to external customers for each segment. Intersegment sales have been eliminated. In the three months ended April 3, 2015, intersegment sales were $7.0 million in North America, $12.5 million in Europe, $4.3 million in Latin America, and were immaterial in Africa/Asia Pacific. In the three months ended March 28, 2014, intersegment sales were $9.3 million in North America, $17.3 million in Europe, $8.8 million in Latin America, and $0.2 million in Africa/Asia Pacific.

Summarized financial information for the Company’s reportable segments for the three fiscal months ended April 3, 2015 and March 28, 2014 is as follows:

	Three Fiscal Months Ended	
(in millions)	April 3, 2015	March 28, 2014
Net Sales:		
North America	$638.2	$594.7
Europe	261.8	323.1

Latin America	205.3	288.7
Africa/Asia Pacific	157.0	223.6
Total	$1,262.3	$1,430.1
Segment Operating Income (Loss):		
North America	$29.6	$32.7
Europe	5.9	(10.3)
Latin America	(15.9)	(165.0)
Africa/Asia Pacific	(11.7)	(94.5)
Total	$7.9	$(237.1)

Tables of Contents

(in millions)	April 3, 2015	December 31, 2014
Total Assets:		
North America	$1,179.0	$1,220.3
Europe	719.1	751.4
Latin America	571.4	656.6
Africa/Asia Pacific	673.5	738.4
Total	$3,143.0	$3,366.7

Table of Contents

18. Commitments and Contingencies

Environmental matters

We are subject to a variety of federal, state, local and foreign laws and regulations covering the storage, handling, emission and discharge of materials into the environment, including CERCLA, the Clean Water Act, the Clean Air Act (including the 1990 amendments) and the Resource Conservation and Recovery Act.

Our subsidiaries in the United States have been identified as potentially responsible parties with respect to several sites designated for cleanup under CERCLA or similar state laws, which impose liability for cleanup of certain waste sites and for related natural resource damages without regard to fault or the legality of waste generation or disposal. Persons liable for such costs and damages generally include the site owner or operator and persons that disposed or arranged for the disposal of hazardous substances found at those sites. Although CERCLA imposes joint and several liability on all potentially responsible parties, in application, the potentially responsible parties typically allocate the investigation and cleanup costs based upon, among other things, the volume of waste contributed by each potentially responsible party.

Settlements can often be achieved through negotiations with the appropriate environmental agency or the other potentially responsible parties. Potentially responsible parties that contributed small amounts of waste (typically less than 1% of the waste) are often given the opportunity to settle as “de minimus” parties, resolving their liability for a particular site. We do not own or operate any of the waste sites with respect to which we have been named as a potentially responsible party by the government. Based on our review and other factors, we believe that costs relating to environmental clean-up at these sites will not have a material adverse effect on our results of operations, cash flows or financial position.

At April 3, 2015 and December 31, 2014, we had an accrued liability of approximately $3.9 million and $4.5 million, respectively, for various environmental-related liabilities to the extent costs are known or can be reasonably estimated as a liability. While it is difficult to estimate future environmental-related liabilities accurately, we do not currently anticipate any material adverse effect on our results of operations, financial position or cash flows as a result of compliance with federal, state, local or foreign environmental laws or regulations or cleanup costs of the sites discussed above.

Asbestos litigation

We have been a defendant in asbestos litigation for the past 27 years. Our subsidiaries have been named as defendants in lawsuits alleging exposure to asbestos in products manufactured by us. As of April 3, 2015, we were a defendant in approximately 3,229 cases brought in state and federal courts throughout the United States. In the three months ended April 3, 2015, 30 asbestos cases were brought against us. In the calendar year 2014, 104 asbestos cases were brought against us. In the last 27 years, we have had no cases proceed to verdict. In many of the cases, we were dismissed as a defendant before trial for lack of product identification. As of April 3, 2015, 47,939 asbestos cases have been dismissed. In the three months ended April 3, 2015, 52 asbestos cases were dismissed. As of December 31, 2014, 47,887 cases were dismissed. With regards to the approximately 3,229 remaining pending cases, we are aggressively defending these cases based upon either lack of product identification as to whether we manufactured asbestos-containing product and/or lack of exposure to asbestos dust from the use of our product.

As of April 3, 2015, 2,679 pending lawsuits were brought on behalf of plaintiffs by a single admiralty law firm (“MARDOC”) and seek unspecified damages. Plaintiffs in the MARDOC cases generally allege that they formerly worked in the maritime industry and sustained asbestos-related injuries from products that General Cable ceased manufacturing in the mid-1970s. The MARDOC cases are managed and supervised by a federal judge in the United States District Court for the Eastern District of Pennsylvania (“District Court”) by reason of a transfer by the judicial panel on Multidistrict Litigation (“MDL”). In September 2014, upon receipt from the MDL Court of a current statistical report listing numbers of outstanding cases as well as a list identifying outstanding Maritime/MARDOC cases by plaintiff name, General Cable recorded a dismissal of 25,759 cases reducing its number of pending Maritime/MARDOC cases to 2,679.

In the MARDOC cases in the MDL, the District Court in May 1996 dismissed all pending cases filed without prejudice and placed them on an inactive administrative docket. To reinstate a MARDOC case from the inactive docket, plaintiffs’ counsel must show that the plaintiff not only suffered from a recognized asbestos related injury, but also must produce specific product identification evidence to proceed against an individual defendant. During 2010, the MDL Court ordered Plaintiffs to identify the defendants against whom they intended to proceed in the Maritime cases. General Cable was not named as a defendant against whom the plaintiffs intended to proceed. As such it is now anticipated that General Cable will be dismissed from all Maritime related lawsuits.

For cases outside the MDL as of April 3, 2015, plaintiffs have asserted monetary damages in 258 cases. In 127 of these cases, plaintiffs allege only damages in excess of some dollar amount (about $446 thousand per plaintiff); in these cases there are no claims for specific dollar amounts requested as to any defendant. In the 130 other cases pending in state and federal district courts (outside the MDL), plaintiffs seek approximately $473 million in damages from as many as 50 defendants. In one case, plaintiffs have asserted damages related to General Cable in the amount of $10 million. In addition, in relation to these 258 cases, there are claims of $325 million in punitive damages from all of the defendants. However, many of the plaintiffs in these cases allege non-malignant injuries. As of April 3, 2015 and December 31, 2014, we had accrued, on a gross basis, approximately $4.5 million and

Table of Contents

$4.7 million, respectively, and as of April 3, 2015 and December 31, 2014, had recovered approximately $0.5 million of insurance recoveries for these lawsuits. The net amount of $4.0 million and $4.2 million, as of April 3, 2015 and December 31, 2014, respectively, represents our best estimate in order to cover resolution of current and future asbestos-related claims.

The components of the asbestos litigation reserve are current and future asbestos-related claims. The significant assumptions are: (1) the number of cases per state, (2) an estimate of the judgment per case per state, (3) an estimate of the percentage of cases per state that would make it to trial and (4) the estimated total liability percentage, excluding insurance recoveries, per case judgment. Management's estimates are based on the Company's historical experience with asbestos related claims. The Company's current history of asbestos claims does not provide sufficient and reasonable information to estimate a range of loss for potential future, unasserted asbestos claims because the number and the value of the alleged damages of such claims have not been consistent. As such, the Company does not believe a reasonably possible range can be estimated with respect to asbestos claims that may be filed in the future. Settlement payments are made, and the asbestos accrual is relieved, when we receive a fully executed settlement release from the plaintiff's counsel. As of April 3, 2015 and December 31, 2014, aggregate settlement costs were $9.6 million and $9.5 million, respectively. For the three months ended April 3, 2015 and March 28, 2014, settlement costs totaled $0.1 million. As of April 3, 2015 and December 31, 2014, aggregate litigation costs were $25.1 million and $24.7 million, respectively. For the three months ended April 3, 2015 and March 28, 2014, litigation costs were $0.4 million.

In January 1994, we entered into a settlement agreement with certain principal primary insurers concerning liability for the costs of defense, judgments and settlements, if any, in all of the asbestos litigation described above. Subject to the terms and conditions of the settlement agreement, the insurers were responsible for a substantial portion of the costs and expenses incurred in the defense or resolution of this litigation. However, one of the insurers participating in the settlement that was responsible for a significant portion of the contribution under the settlement agreement entered into insurance liquidation proceedings and another became insolvent. As a result, the contribution of the insurers has been reduced and we have had to bear substantially most of the costs relating to these lawsuits.

European Commission competition matter

As part of the Company’s acquisition of Silec Cable, S.A.S (“Silec”) in December 2005, SAFRAN SA (“SAFRAN”), agreed to indemnify the Company for the full amount of losses arising from, related to or attributable to practices, if any, that are similar to previous practices investigated by the French competition authority for alleged competition law violations related to medium-and high voltage cable markets. The Company has asserted a claim under this indemnity against SAFRAN related to the European Commission’s Statement of Objections, discussed below, to preserve the Company’s rights in case of an adverse European Commission decision.

On July 5, 2011, the European Commission issued a Statement of Objections in relation to its ongoing competition investigation to a number of wire and cable manufacturers in the submarine and underground power cables business, including our Spanish affiliate, Grupo General Cable Sistemas, and its French subsidiary, Silec. The Statement of Objections alleged that the two affiliates engaged in violations of competition law in the underground power cables businesses for limited periods of time. The allegations related to Grupo General Cable Sistemas claimed that it had participated in a cartel from January 2003 to May 2007, while the allegations related to Silec were for the ten month period following its December 22, 2005 acquisition from SAFRAN by Grupo General Cable Sistemas.

Following our formal responses to the Statement of Objections in October 2011 and a hearing in 2012, the European Commission issued a final decision on April 2, 2014. In the decision, the claims of infringement against Grupo General Cable Sistemas were dismissed for lack of evidence of alleged cartel activity. With regard to Silec, the European Commission’s decision imposed a fine of 1.9 million Euros related to the period Silec has been owned by us. This fine was based on participation that allegedly commenced well before Silec was acquired by us. On June 13, 2014, we filed an appeal with the General Court of the European Union challenging the European Commission’s decision as to Silec in Europe based on established precedent. We also continue to pursue our claim for full indemnification for the Silec fine under the terms of the acquisition agreement with SAFRAN executed in 2005.

Table of Contents

Transformer damage claims

In March 2012, we received formal notice of a claim for damages arising from a transformer fire that occurred in December 2010 allegedly resulting in loss of equipment and some consequential damages at a metal processing facility in Iceland. We supplied and installed cables and terminations to the transformer, which was manufactured and installed by an independent third party, during 2006 and the first quarter of 2007. Our work was inspected and accepted by the customer in March 2007. In August 2012, the customer initiated arbitration proceedings before the ICC Tribunal with a request to arbitrate in Pennsylvania. In September 2012, we initiated litigation in Pennsylvania state court seeking a declaration that we are not liable for any damages associated with the alleged loss resulting from the transformer fire and seeking to enjoin the ICC arbitration proceedings. The customer then moved the case from state to federal district court in the Western District of Pennsylvania which determined on motion that the ICC Tribunal not the court should decide whether the claims were arbitrable in the first instance. The ICC Tribunal held the arbitration hearing during the week of April 13, 2015, and requested post-hearing briefs from the parties. We continue to believe we have substantial defenses to potential liability in regard to the transformer fire and claimed loss. At this time, we are unable to predict an estimated range of damages or whether we will have any liability attributable to the transformer fire.

Brazil tax matters

One of our Brazilian subsidiaries is involved in administrative proceedings with State treasury offices regarding whether tax incentives granted to us by one Brazilian state are applicable to goods sold in another Brazilian State. We believe we correctly relied on the tax incentives granted and that we have substantial defenses to their disallowance by the Brazilian State claimant. The total amount of taxes allegedly due for the infractions including potential interest and penalties is up to $8 million. In September 2012, an Administrative Court found that we were not liable for any incentive tax payments claimed by the State treasury office, however this determination was overturned on appeal and has since been further appealed. This appeal remains pending at the Brazilian Courts. Despite the pending appeal, in October 2014, the State issued a summons to recover the approximately $8 million of contested incentives described above, and we are complying with the terms of the State's summons while continuing to contest the Court's ruling.

One of our Brazilian subsidiaries has received formal notices of infractions from the Brazilian state authorities related to the failure to timely file electronic records with the state authorities in regard to inventories, good receipts, and invoices from acquisitions. The total amount due for the infractions including potential interest and penalties is up to $20 million. As of April 3, 2015, based on ongoing proceedings, we have accrued approximately $2.5 million, which represents our best estimate of the probable loss upon resolution of these claims.

Our Brazilian subsidiaries have received notifications of various other claims related to disputed tax credits taken on Federal Tax Offset returns, which are in various phases of litigation. We believe we correctly applied the tax credits taken and that we have substantial defenses to these claims. The total amount of taxes allegedly due for the disputed credits, including potential interest and penalties is up to $12 million.

At this time, we believe we have defenses to all remaining claims or are unable to predict an estimated range of damages and whether or not a liability will exist for these remaining claims.

Brazil Labor Matter

One of our Brazilian subsidiaries has received infraction notices issued by the Department of Labor. Subsequently, the Brazilian Federal Labor Public Prosecutor filed a related lawsuit claiming collective punitive damages, in the amount of approximately $10 million. In March 2015, the Lower Labor Court rendered a decision granting collective punitive damages of approximately $1.6 million. The Brazilian subsidiary is appealing this decision, and as of April 3, 2015, we have accrued our best estimate of the probable loss upon resolution of this claim, which is immaterial.

Brazil theft claim

As previously reported, on October 29, 2012, the Company announced that it had identified historical accounting errors relating to inventory. We concluded that the Brazil inventory accounting issues were, to a significant extent, attributable to a complex theft scheme affecting work in process and finished goods inventory. On July 11, 2014, we received notice of an insurance settlement and receipt of payment on the above theft in the amount of $5 million.

Government and internal investigations

We have been reviewing, with the assistance of external counsel, certain commission payments involving sales to customers of our subsidiary in Angola. The review has focused upon payment practices with respect to employees of public utility companies, use of agents in connection with such payment practices, and the manner in which the payments were reflected in our books and

Table of Contents

records. We have determined at this time that certain employees in our Portugal and Angola subsidiaries directly and indirectly made or directed payments at various times from 2002 through 2013 to officials of Angola government-owned public utilities that raise concerns under the FCPA and possibly under the laws of other jurisdictions. Based on an analysis completed with the assistance of our external counsel and forensic accountants, we have concluded at this time, that we are able to reasonably estimate the profit derived from sales made to the Angolan government-owned public utilities in connection with the payments described above which we believe is likely to ultimately be disgorged. As a result, we have recorded an estimated charge in the amount of $24 million as an accrual as of December 31, 2014. There was no change to the accrual in the first quarter of 2015. The accrued amount reflects the probable and estimable amount of the Angola-related profits that the Company believes is subject to being disgorged, and does not include any provision for any fines, civil or criminal penalties, or other relief, any or all of which could be substantial. We also have been reviewing, with the assistance of external counsel, our use and payment of agents in connection with our Thailand and India operations, which may have implications under the FCPA. We have voluntarily disclosed these matters to the SEC and the DOJ and have provided them with additional information at their request, including information in response to an SEC subpoena. The SEC and DOJ inquiries into these matters are ongoing. We continue to cooperate with the DOJ and the SEC with respect to these matters. At this time, we are unable to predict the nature of any action that may be taken by the DOJ or SEC or any remedies these agencies may pursue as a result of such actions. We are continuing to implement a third party screening process on sales agents that we use outside of the United States, including, among other things, a review of the agreements under which they were retained and a risk-based assessment of such agents to determine the scope of due diligence measures to be performed by a third-party investigative firm. We also have provided anti-corruption training to our global sales force, and ultimately will provide such training to all salaried employees. In addition, we have hired a Chief Compliance Officer, who is responsible for the day-to-day management of our compliance function. The Chief Compliance Officer reports to our Chief Executive Officer, and also has a reporting relationship with the Audit Committee.

As previously disclosed, we conducted internal investigations, subject to the oversight of the Audit Committee of our Board of Directors and with the assistance of external counsel, principally relating to matters resulting in restatements of a number of our previously issued financial statements. The matters addressed in the investigations included (i) inventory accounting errors addressed in the restatements, including those resulting from inventory theft in Brazil, as well as the timing of internal reporting of the inventory accounting issues to senior corporate management at our headquarters in Highland Heights, Kentucky and (ii) historical revenue recognition accounting practices with regard to "bill and hold" sales in Brazil related to aerial transmission projects, including instances where we have determined that the requirements for revenue recognition under GAAP with respect to the bill and hold sales were not met. ("Bill and hold" sales generally are sales meeting specified criteria under GAAP that enable the seller to recognize revenue at the time title to goods and ownership risk is transferred to the customer, even though the seller does not ship the goods until a later time. In typical sales transactions other than those accounted for as bill and hold, title to goods and ownership risk is transferred to the customer at the time of shipment or delivery.) In connection with these matters, among others, our management identified control deficiencies that constituted material weaknesses in our internal control over financial reporting. These material weaknesses resulted in accounting errors that caused us to issue two sets of restated financial statements. In March 2013, principally to correct the inventory accounting errors, we issued restated consolidated financial statements as of December 31, 2011 and 2010 and for the years ended December 31, 2011, 2010 and 2009, and unaudited restated financial statements for interim periods in 2011 and interim periods ended on March 30, 2012 and June 29, 2012. In January 2014, principally to correct errors relating to revenue recognition with respect to the bill and hold sales, we issued restated consolidated financial statements (which also encompassed matters addressed in the earlier restatement) as of December 31, 2012, 2011 and 2010 and for the years ended December 31, 2012, 2011, 2010 and 2009, and unaudited restated financial statements for interim periods in 2011 and 2012 and the interim period ended on March 29, 2013.

We voluntarily contacted the SEC to advise it of our initial internal investigation, and we have continued to provide information to the SEC on an ongoing basis, including, among other things, information regarding the matters described above and certain earnings management activities by employees prior to the end of 2012. As we previously disclosed, these earnings management activities (none of which identified to date had a material effect on our consolidated financial statements) were designed to delay the reporting of expenses or other charges, including improper capitalization of costs, misuse of accruals and failure to timely report inventory shortfalls identified through physical inventory counts. The SEC has issued a formal order of investigation. Pursuant to the formal order, the SEC issued subpoenas to us seeking relevant documents and to certain of our current and former employees seeking their testimony. The SEC has requested information regarding, among other things, the above-described Angola matter, matters that were subject to our internal investigations and earnings management activities by employees. We continue to cooperate with the SEC in connection with its investigation.

Any determination that our operations or activities are not in compliance with existing laws or regulations could result in the imposition of substantial fines, civil and criminal penalties, and equitable remedies, including disgorgement and injunctive relief. Because the government investigations and our review regarding commission payment practices and our use and payment of agents described above are ongoing, we are unable to predict their duration, scope, results, or consequences. Dispositions of these types of matters can result in modifications to business practices and compliance programs, and in some cases the appointment of a monitor to review future business and practices with the objective of effecting compliance with the FCPA and other applicable

Table of Contents

laws. At this time, we cannot reasonably estimate the amount or range of additional possible loss that we may incur above the amount accrued to date in connection with the foregoing matters.

Purported class action and derivative litigation

Litigation was initiated against us and certain of our current and former directors, executive officers and employees following the restating of our financial statements principally as a result of the matters described above under “Government and internal investigations” relating to our Brazilian business.

Two civil complaints were filed in the United States District Court for the Southern District of New York on October 21, 2013 and December 4, 2013 by named plaintiffs, on behalf of purported classes of persons who purchased or otherwise acquired our publicly traded securities, against us, Gregory Kenny, our President and Chief Executive Officer, and Brian Robinson, our Executive Vice President and Chief Financial Officer. On our motion, the complaints were transferred to the United States District Court for the Eastern District of Kentucky, the actions were consolidated, and a consolidated complaint was filed in that Court on May 20, 2014 by City of Livonia Employees Retirement System, as lead plaintiff on behalf of a purported class of all persons or entities who purchased our securities between November 3, 2010 and October 14, 2013 (the “City of Livonia Complaint”). The City of Livonia Complaint alleged claims under the antifraud and controlling person liability provisions of the Exchange Act, alleging generally, among other assertions, that we employed inadequate internal financial reporting controls that resulted in, among other things, improper revenue recognition, understated cost of sales, overstated operating income, net income and earnings per share, and the failure to detect inventory lost through theft; that we issued materially false financial results that had to be restated on two occasions; and that statements of Messrs. Kenny and Robinson that they had tested and found effective our internal controls over financial reporting and disclosure were false. The City of Livonia Complaint alleged that as a result of the foregoing, our stock price was artificially inflated and the plaintiffs suffered damages in connection with their purchase of our stock. The City of Livonia Complaint sought damages in an unspecified amount; reasonable costs and expenses, including counsel and experts fees; and such equitable injunctive or other relief as the Court deems just and proper. On July 18, 2014, defendants filed a motion to dismiss the City of Livonia Complaint based on plaintiff’s failure to state a claim upon which relief could be granted. After oral argument on January 7, 2015, the Court granted the motion to dismiss with prejudice on January 27, 2015. On February 24, 2015, plaintiff filed a motion to alter or amend the January 27, 2015 judgment and for leave to file the proposed amended complaint, which we have opposed. That motion is now fully briefed and pending.

In addition, a derivative complaint was filed on January 7, 2014 in the Campbell County, Kentucky Circuit Court against all but one member of our Board of Directors, including Mr. Kenny, two former directors, Mr. Robinson and two former officials, one of whom is our former executive officer. The derivative complaint alleges that the defendants breached their fiduciary duties by knowingly failing to ensure that we implemented and maintained adequate internal controls over our accounting and financial reporting functions and by knowingly disseminating to stockholders materially false and misleading statements concerning our financial results and internal controls. The derivative complaint seeks damages in an unspecified amount, appropriate equitable relief to remedy the alleged breaches of fiduciary duty, attorneys’ fees, experts’ fees and other costs. On March 5, 2014, the derivative case was placed on inactive status until a motion is filed by a party to reinstate the action to the Court’s active docket.

We believe the derivative complaint, insofar as it relates to our current and former directors, including Mr. Kenny, and to Mr. Robinson, and the City of Livonia Complaint are without merit and intend to vigorously contest the actions.

Other

In addition, we are involved in various routine legal proceedings and administrative actions incidental to our business. In the opinion of our management, these routine proceedings and actions should not, individually or in the aggregate, have a material adverse effect on our consolidated results of operations, cash flows or financial position. However, in the event of unexpected future developments, it is possible that the ultimate resolution of these matters or other similar matters, if unfavorable, may have such adverse effects.

In accordance with GAAP, we record a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. These provisions are reviewed at least quarterly and adjusted to reflect the impacts of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertaining to a particular case. To the extent additional information arises or our strategies change, it is possible that

our estimate of our probable liability in these matters may change.
In Europe as it relates to the 2005 purchase of shares of Silec, the Company has pledged to the bank the following: Silec shares, segment assets such as land and buildings and certain General Cable entities in Spain and Portugal, which have been designated as guarantors.
The General Cable Executive Severance Benefit Plan (“Severance Plan”), effective January 1, 2008, applicable to our U.S. executives holding a position of Executive Vice President or above prior to August 1, 2014, and the 2014 Executive Officer Severance Plan ("2014 Severance Plan"), applicable to the Company’s executive officers holding a position of Executive Vice President or above or the position of Chief Financial Officer, General Counsel, or Chief Human Resources Officer and were hired

Table of Contents

or first promoted into such position after August 1, 2014, each include a change in control provision such that the executives may receive payments or benefits in accordance with the Severance Plan or 2014 Severance Plan, as applicable, to the extent that both a change of control and a triggering event, each as defined in the Severance Plan, occur. Unless there are circumstances of ineligibility, as defined, the Company must provide payments and benefits upon both a change in control and a triggering event.

The Company has entered into various operating lease agreements related principally to certain administrative, manufacturing and distribution facilities and transportation equipment. At April 3, 2015, future minimum rental payments required under non-cancelable lease agreements during the twelve month periods beginning April 3, 2015 through April 4, 2020 and thereafter are $38.6 million, $29.1 million, $17.5 million, $7.7 million and $6.3 million, respectively, and $7.8 million thereafter.

As of April 3, 2015, the Company had $55.1 million in letters of credit (including the $41.4 million outstanding on the Company's Revolving Credit Facility), $154.0 million in various performance bonds and $156.1 million in other guarantees. Other guarantees include bank guarantees and advance payment bonds. These letters of credit, performance bonds and guarantees are periodically renewed and are generally related to risk associated with self-insurance claims, defined benefit plan obligations, contract performance, quality and other various bank and financing guarantees. Advance payment bonds are often required by customers when the Company obtains advance payments to secure the production of cable for long term contracts. The advance payment bonds provide the customer protection on their deposit in the event that the Company does not perform under the contract.

Table of Contents

19. Unconsolidated Affiliated Companies

Unconsolidated affiliated companies are those in which the Company generally owns less than 50 percent of the outstanding voting shares. The Company does not control these companies and accounts for its investments in them on the equity method basis. The unconsolidated affiliated companies primarily manufacture or market wire and cable products in the Latin America and Africa/Asia Pacific segments. The Company's share of the income of these companies is reported in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) under "Equity in net earnings of affiliated companies." For the three fiscal months ended April 3, 2015 and March 28, 2014, equity in net earnings of affiliated companies was $0.2 million. The net investment in unconsolidated affiliated companies was $9.1 million and $17.5 million as of April 3, 2015 and December 31, 2014, respectively. As of April 3, 2015, the Company's ownership percentage was as follows: PDTL Trading Company Ltd. 49%, Colada Continua Chilean, S.A. 41%, Nostag GmbH & Co. KG 33%, Pakistan Cables Limited 24.6% and Thai Copper Rod Company Ltd. 18%.

20. Fair Value Disclosure

The fair market values of the Company's financial instruments are determined based on the fair value hierarchy as discussed in ASC 820 - Fair Value Measurements.

The Company carries derivative assets and liabilities (Level 2) and marketable equity securities (Level 1) held in the rabbi trust as part of the Company's Deferred Compensation Plan at fair value. The fair values of derivative assets and liabilities traded in the over-the-counter market are determined using quantitative models that require the use of multiple market inputs including interest rates, prices and indices to generate pricing and volatility factors, which are used to value the position. The predominance of market inputs are actively quoted and can be validated through external sources, including brokers, market transactions and third-party pricing services. Marketable equity securities are recorded at fair value, which are based on quoted market prices.

Financial assets and liabilities measured at fair value on a recurring basis are summarized below (in millions).

	Fair Value Measurement							
	April 3, 2015				December 31, 2014			
	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3	Fair Value
Assets:								
Derivative assets	$—	$3.9	$—	$3.9	$—	$5.4	$—	$5.4
Equity securities (1)	20.4	—	—	20.4	22.1	—	—	22.1
Total assets	$20.4	$3.9	$—	$24.3	$22.1	$5.4	$—	$27.5
Liabilities:								
Derivative liabilities	$—	$9.9	$—	$9.9	$—	$8.1	$—	$8.1
Total liabilities	$—	$9.9	$—	$9.9	$—	$8.1	$—	$8.1

(1) Balance represents the market value of the assets, exclusive of the market value of restricted stock and restricted stock units held ("Deferred Stock") and the General Cable Stock Fund by participants' elections, held in the Rabbi Trust in connection with the Company's deferred compensation plan at April 3, 2015 and December 31, 2014 classified as "other non-current assets" in the Condensed Consolidated Balance Sheets. The market value of mutual fund investments and General Cable Stock Fund in the Rabbi Trust was $31.2 million and $31.9 million as of April 3, 2015 and December 31, 2014, respectively. Amounts payable to the plan participants at April 3, 2015 and December 31, 2014, excluding the Deferred Stock were $22.3 million and $23.5 million, respectively, and are classified as "other liabilities" in the Condensed Consolidated Balance Sheets.

At April 3, 2015, there were no material financial assets or financial liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3). Similarly, there were no nonfinancial assets or nonfinancial liabilities measured at fair value on a non-recurring basis.

Table of Contents

21. Venezuelan Operations

First quarter 2014 devaluation and first quarter 2014 government actions

On January 24, 2014, the Venezuelan government announced the establishment of a dual exchange rate system. A rate of 6.30 BsF per U.S. dollar was to be applied to priority sectors, while other sectors of the economy were eligible to apply an exchange rate determined based on the results of the Venezuelan central bank's system of weekly SICAD 1 currency auctions to a wider range of transactions. In addition, on January 24, 2014, the Venezuelan government issued Exchange Agreement No. 25, which stated that the rate of exchange established in the most recent SICAD 1 auction would be used for payments related to foreign investments, royalties and the use and exploitation of patents, trademarks, licenses, franchises and technology. During January 2014, the Venezuelan government also announced the replacement of CADIVI with a new foreign currency administration, the National Center for Foreign Commerce (CENCOEX).

On February 19, 2014, the Venezuelan government announced plans for another currency exchange mechanism ("SICAD 2") which allowed authorized foreign exchange operators, such as regulated banks and capital market brokers, to act as intermediaries in the sale of acquisitions of foreign currency. The SICAD 2 rate was intended to more closely resemble a market-driven exchange rate compared to the rates provided by Venezuela's other regulated exchange mechanisms. SICAD 2 became effective on March 24, 2014.

After consultation with Venezuelan legal counsel, management had determined in the first quarter of 2014 that "foreign investments" in Exchange Agreement No. 25 should be interpreted to mean that future dividend remittances would be transacted at the exchange rate established through the SICAD 1 auction process, and should be used as the exchange rate required to remeasure the Company's net monetary assets, after giving consideration to the U.S. dollar-denominated payables noted above which the Company expected the Venezuelan government to approve and settle by using U.S. dollars obtained at the official rate.

Effective in the first quarter of 2014, the Company expected that the majority of its Venezuelan subsidiary's net monetary assets would have been remeasured at the SICAD 1 rate since that is the rate the Company believed, would have been applicable for future dividend remittances. In applying the March 28, 2014 SICAD 1 exchange rate of 10.8 BsF per U.S. dollar to certain of its monetary assets and liabilities, the Company recorded a devaluation charge of $83.1 million which was included in Other income (expense) within the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

At March 28, 2014, the Company did not intend to utilize the SICAD 2 foreign exchange mechanism at the prevailing exchange rates. The Company assessed a number of factors, including the limited number of SICAD 2 auctions held to date at the time, the Company's ability to access the SICAD 2 exchange at that date, the restrictions placed on eligible participants, the amount of U.S. dollars available for purchase through the auction process, and the historical lack of official information about the resulting SICAD 2 rate at that date. At that time, based upon its assessment, the Company did not believe it would be appropriate to use rates from the SICAD 2 exchange system for financial reporting purposes.

In addition to the aforementioned exchange controls, the Venezuelan President used decree power to pass the Law of Costs, Earnings, and Fair Profits, which became effective in January 2014, authorizing, among other things, the Venezuelan government to set maximum pricing limits in the private sector. Therefore, the majority of the Company's product portfolio in Venezuela is subject to price controls, which restricts the Company's ability to increase prices more than 30% higher than product costs. Until this law is removed or revised to allow for a higher level of pricing, the Venezuelan operating profit margin is expected to be lower than historical and previously projected future profit levels.

Fourth quarter 2014 devaluation and fourth quarter 2014 government actions

As of December 31, 2014, given increased uncertainties and lack of liquidity, the Company determined the SICAD 2 floating auction rate was the appropriate rate to use for financial reporting purposes. As of December 30, 2014, the Venezuela President took over the Central Bank's exchange mechanisms, removing the head of the CENCOEX. In addition, the SICAD 1 auctions had increasingly restricted. The Company, in one SICAD 1 auction, was awarded $11.2 million for the purchase of copper pounds in the fourth quarter of 2014; however, as of December 31, 2014 the $11.2 million awarded had not been authorized for payment. There had been no companies authorized for payment since October that were awarded U.S. dollars through the SICAD 1 auctions. In addition, ongoing labor negotiations and expected continuing social unrest in Venezuela were expected to result in lower than historical and previously projected future profit levels.

As of December 31, 2014, the Company had not participated in the SICAD 2 auctions, given the low dollar values awarded were generally not sufficient to purchase needed quantities of copper pounds. However, to maintain liquidity, the Company intended

Table of Contents

to participate in future auctions. Although there were uncertainties related to the SICAD 2 auctions, at December 31, 2014 the Company believed the SICAD 2 floating rate would be applicable for future dividend remittances.

As of December 31, 2014, the Company used the SICAD 2 rate of approximately 50 BsF per U.S. dollar to remeasure all of its BsF-denominated assets and liabilities of its Venezuelan subsidiary.

First quarter 2015 devaluation and first quarter 2015 government actions

A new Venezuelan currency exchange system, known as the "Marginal Currency System" (or "SIMADI"), opened for trading on February 12, 2015, replacing the previous SICAD 2 mechanism. The SIMADI is intended to provide limited access to a free market rate of exchange. The only way to obtain USD through SIMADI is through the supply and demand available within the subsidiary's financial institutions. The Company believes that significant uncertainty exists regarding the exchange mechanisms in Venezuela, including how any such mechanisms will operate in the future and the availability of U.S. dollars under each mechanism including SIMADI. As of April 3, 2015, the Company has participated in several SIMADI auctions, but has not been awarded any U.S. dollars. Further, the low dollar values awarded are generally not sufficient to purchase needed quantities of copper pounds. However, to maintain liquidity the Company intends to participate in future auctions, if available. Although there were uncertainties related to the SIMADI auctions, at April 3, 2015 the Company believed the SIMADI floating rate would be applicable for future dividend remittances.

As of April 3, 2015, the Company used the SIMADI rate of approximately 192.7125 BsF per U.S. dollar to remeasure all of its BsF-denominated assets and liabilities of its Venezuelan subsidiary. In applying the April 3, 2015 SIMADI exchange rate of 192.7125 BsF per U.S. dollar to certain of its monetary assets and liabilities, the Company recorded other expense of $22.5 million for the quarter ended April 3, 2015, which was included in Other income (expense) within the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

2015 Venezuela financial results

During the three months ended April 3, 2015, the Company did not settle any U.S. dollar denominated intercompany payables and accounts payable in Venezuela. During the three months ended March 28, 2014, the Company settled $3.0 million of U.S. dollar denominated intercompany payables and accounts payable in Venezuela primarily at the prior official rate, 6.30 BsF per U.S. dollar.

At April 3, 2015 and December 31, 2014, the Company's total assets in Venezuela were approximately $13 million and $43 million and total liabilities were approximately $46 million and $51 million, respectively. At April 3, 2015 and December 31, 2014, total assets included BsF denominated monetary assets of approximately $9 million and $37 million, which consisted primarily of approximately $8 million and $31 million of cash, and approximately $0.4 million and $2 million of accounts receivable, respectively. At April 3, 2015 and December 31, 2014, total liabilities included BsF denominated monetary liabilities of approximately $2 million and $7 million, which consisted primarily of accounts payable and other current and non-current accruals, respectively.

The Company's sales in Venezuela were less than 1% and 3% of consolidated net sales for the three fiscal months ended April 3, 2015 and March 28, 2014, respectively. Operating loss in Venezuela was 65% of consolidated operating income for the three fiscal months ended April 3, 2015 and 19% of consolidated operating loss for the three fiscal months ended March 28, 2014.

For the three fiscal months ended April 3, 2015 and March 28, 2014, 100% of Venezuela's sales were BsF denominated. For the three fiscal months ended April 3, 2015 and March 28, 2014, Venezuela's cost of sales were approximately 84% and 54% BsF denominated, respectively.

At April 3, 2015 and December 31, 2014, there were approximately $44.3 million of U.S. dollar payables outstanding all greater than 180 days. All monetary assets and liabilities were remeasured at the SIMADI rate at April 3, 2015. All monetary assets and liabilities were remeasured at the SICAD 2 rate at December 31, 2014. Currency exchange controls in Venezuela continue to limit the Company's ability to repatriate funds from Venezuela. We do not consider the net assets of Venezuela to be integral to the Company's ability to service its debt or operational requirements.

Tables of Contents

22. Supplemental Guarantor Condensed Financial Information

General Cable Corporation ("Parent Company") and its U.S. 100% wholly-owned subsidiaries ("Guarantor Subsidiaries") fully and unconditionally guarantee the $600.0 million of 5.75% Senior Notes due in 2022 of the Parent Company on a joint and several basis. The following tables present financial information about the Parent Company, Guarantor Subsidiaries and Non-Guarantor Subsidiaries in millions. Intercompany transactions are eliminated in the "Eliminations" column of the Supplemental Guarantor Condensed Financial Information tables.

Condensed Statements of Operations and Comprehensive Income (Loss) Information

Three Fiscal Months Ended April 3, 2015

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net sales:					
Customers	$—	$540.2	$ 722.1	$—	$1,262.3
Intercompany	21.1	62.7	46.2	(130.0)	—
	21.1	602.9	768.3	(130.0)	1,262.3
Cost of sales	—	527.0	723.5	(108.9)	1,141.6
Gross profit	21.1	75.9	44.8	(21.1)	120.7
Selling, general and administrative expenses	20.6	47.0	63.1	(21.1)	109.6
Goodwill impairment charge	—	—	3.2	—	3.2
Operating income (loss)	0.5	28.9	(21.5)	—	7.9
Other income (expense)	0.7	(1.7)	(23.9)	—	(24.9)
Interest income (expense):					
Interest expense	(15.5)	(17.1)	(10.0)	17.4	(25.2)
Interest income	14.9	2.5	0.9	(17.4)	0.9
	(0.6)	(14.6)	(9.1)	—	(24.3)
Income (loss) before income taxes	0.6	12.6	(54.5)	—	(41.3)
Income tax (provision) benefit	(0.6)	(4.7)	5.5	—	0.2
Equity in net earnings of affiliated companies and subsidiaries	(38.1)	(46.0)	0.1	84.2	0.2
Net income (loss) including noncontrolling interest	(38.1)	(38.1)	(48.9)	84.2	(40.9)
Less: net income (loss) attributable to noncontrolling interest	—	—	(2.8)	—	(2.8)
Net income (loss) attributable to Company common shareholders	$(38.1)	$(38.1)	$ (46.1)	$84.2	$(38.1)
Comprehensive income (loss):					
Net income (loss)	$(38.1)	$(38.1)	$ (48.9)	$84.2	$(40.9)
Currency translation gain (loss)	(41.0)	(41.0)	(19.2)	56.6	(44.6)
Defined benefit plan adjustments, net of tax	3.0	3.0	1.8	(4.8)	3.0
Comprehensive income (loss), net of tax	(76.1)	(76.1)	(66.3)	136.0	(82.5)
Comprehensive income (loss) attributable to noncontrolling interest, net of tax	—	—	(6.4)	—	(6.4)
Comprehensive income (loss) attributable to Company common shareholders, net of tax	$(76.1)	$(76.1)	$ (59.9)	$136.0	$(76.1)

Tables of Contents

Condensed Statements of Operations and Comprehensive Income (Loss) Information
Three Fiscal Months Ended March 28, 2014

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net sales:					
Customers	$—	$475.7	$ 954.4	$—	$1,430.1
Intercompany	17.7	81.6	53.2	(152.5)	—
	17.7	557.3	1,007.6	(152.5)	1,430.1
Cost of sales	—	486.2	946.6	(134.8)	1,298.0
Gross profit	17.7	71.1	61.0	(17.7)	132.1
Selling, general and administrative expenses	14.8	41.5	82.1	(17.7)	120.7
Goodwill impairment charge	—	—	155.1	—	155.1
Intangible asset impairment charges	—	—	93.4	—	93.4
Operating income (loss)	2.9	29.6	(269.6)	—	(237.1)
Other income (expense)	—	(2.9)	(94.8)	—	(97.7)
Interest income (expense):					
Interest expense	(15.0)	(16.7)	(13.5)	17.8	(27.4)
Interest income	14.1	3.7	1.2	(17.8)	1.2
	(0.9)	(13.0)	(12.3)	—	(26.2)
Income (loss) before income taxes	2.0	13.7	(376.7)	—	(361.0)
Income tax (provision) benefit	(0.3)	(0.9)	22.6	—	21.4
Equity in net earnings of affiliated companies and subsidiaries	(317.1)	(329.9)	0.1	647.1	0.2
Net income (loss) including noncontrolling interest	(315.4)	(317.1)	(354.0)	647.1	(339.4)
Less: net income (loss) attributable to noncontrolling interest	—	—	(24.0)	—	(24.0)
Net income (loss) attributable to Company common shareholders	$(315.4)	$(317.1)	$ (330.0)	$647.1	$(315.4)
Comprehensive income (loss):					
Net income (loss)	$(315.4)	$(317.1)	$ (354.0)	$647.1	$(339.4)
Currency translation gain (loss)	(9.8)	(9.8)	(8.1)	16.9	(10.8)
Defined benefit plan adjustments, net of tax	0.9	0.9	0.2	(1.1)	0.9
Comprehensive income (loss), net of tax	(324.3)	(326.0)	(361.9)	662.9	(349.3)
Comprehensive income (loss) attributable to noncontrolling interest, net of tax	—	—	(25.0)	—	(25.0)
Comprehensive income (loss) attributable to Company common shareholders, net of tax	$(324.3)	$(326.0)	$ (336.9)	$662.9	$(324.3)

Tables of Contents

Condensed Balance Sheets Information
April 3, 2015

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Assets					
Current assets:					
Cash and cash equivalents	$—	$2.7	$ 164.9	$—	$167.6
Receivables, net of allowances	—	299.8	669.6	—	969.4
Inventories	—	393.2	584.9	—	978.1
Deferred income taxes	—	15.5	16.2	—	31.7
Prepaid expenses and other	1.5	18.1	60.2	—	79.8
Assets held for sale	—	—	13.1	—	13.1
Total current assets	1.5	729.3	1,508.9	—	2,239.7
Property, plant and equipment, net	0.5	203.5	500.6	—	704.6
Deferred income taxes	—	30.5	34.8	(30.5)	34.8
Intercompany accounts	1,139.7	212.6	78.3	(1,430.6)	—
Investment in subsidiaries	193.8	747.9	—	(941.7)	—
Goodwill	—	13.8	8.6	—	22.4
Intangible assets, net	—	11.0	50.2	—	61.2
Unconsolidated affiliated companies	—	8.3	0.8	—	9.1
Other non-current assets	11.8	31.5	27.9	—	71.2
Total assets	$1,347.3	$1,988.4	$ 2,210.1	$(2,402.8)	$3,143.0
Liabilities and Total Equity					
Current liabilities:					
Accounts payable	$—	$180.5	$ 549.6	$—	$730.1
Accrued liabilities	7.6	107.7	251.3	—	366.6
Current portion of long-term debt	—	—	221.4	—	221.4
Total current liabilities	7.6	288.2	1,022.3	—	1,318.1
Long-term debt	779.2	202.4	10.3	—	991.9
Deferred income taxes	191.5	—	23.0	(30.5)	184.0
Intercompany accounts	—	1,217.4	213.2	(1,430.6)	—
Other liabilities	1.5	86.6	132.8	—	220.9
Total liabilities	979.8	1,794.6	1,401.6	(1,461.1)	2,714.9
Redeemable noncontrolling interest	—	—	12.8	—	12.8
Total Company shareholders' equity	367.5	193.8	747.9	(941.7)	367.5
Noncontrolling interest	—	—	47.8	—	47.8
Total liabilities, redeemable noncontrolling interest and equity	$1,347.3	$1,988.4	$ 2,210.1	$(2,402.8)	$3,143.0

Tables of Contents

Condensed Balance Sheets Information
December 31, 2014

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Assets					
Current assets:					
Cash and cash equivalents	$—	$1.2	$204.6	$—	$205.8
Receivables, net of allowances	—	273.7	733.3	—	1,007.0
Inventories	—	406.9	611.9	—	1,018.8
Deferred income taxes	—	15.6	16.8	—	32.4
Prepaid expenses and other	1.6	30.6	74.2	—	106.4
Assets held for sale	—	—	25.7	—	25.7
Total current assets	1.6	728.0	1,666.5	—	2,396.1
Property, plant and equipment, net	0.5	209.0	548.9	—	758.4
Deferred income taxes	—	—	24.8	—	24.8
Intercompany accounts	1,280.8	402.4	94.1	(1,777.3)	—
Investment in subsidiaries	269.9	643.9	—	(913.8)	—
Goodwill	—	13.8	12.3	—	26.1
Intangible assets, net	—	11.4	53.7	—	65.1
Unconsolidated affiliated companies	—	8.3	9.2	—	17.5
Other non-current assets	12.1	33.7	32.9	—	78.7
Total assets	$1,564.9	$2,050.5	$2,442.4	$(2,691.1)	$3,366.7
Liabilities and Total Equity					
Current liabilities:					
Accounts payable	$—	$106.8	$565.3	$—	$672.1
Accrued liabilities	11.2	114.5	281.5	—	407.2
Current portion of long-term debt	125.0	—	278.5	—	403.5
Total current liabilities	136.2	221.3	1,125.3	—	1,482.8
Long-term debt	778.8	136.8	18.3	—	933.9
Deferred income taxes	196.8	(40.9)	27.1	—	183.0
Intercompany accounts	—	1,374.5	402.8	(1,777.3)	—
Other liabilities	1.0	88.9	150.1	—	240.0
Total liabilities	1,112.8	1,780.6	1,723.6	(1,777.3)	2,839.7
Redeemable noncontrolling interest	—	—	13.8	—	13.8
Total Company shareholders’ equity	452.1	269.9	643.9	(913.8)	