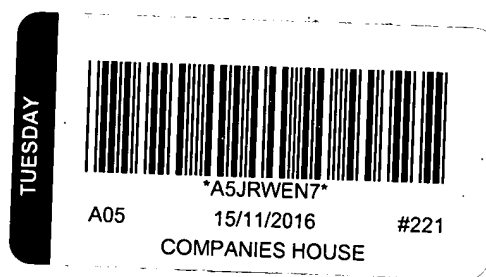


**Cytec UK Holdings Limited**

**Annual report and financial  
statements**

**Registered number 02834414**

**31 December 2015**



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## **Directors' report**

The directors present their annual report and audited financial statements for the year ended 31 December 2015.

The Company has met the requirements in the Companies Act 2006 to obtain the exemption provided, based on its size, from the presentation of a strategic report.

### **Principal activities and business review**

The principal activity of the Company is that of a holding company for investments in the business of industrial materials, composites, mining chemicals and additive technology chemicals, for use primarily in the automotive, aerospace and leisure industries, and for use in the mining and agriculture industry.

### **Investments**

The investment balance as at 31 December 2015 was £387,411,470 (2014: £379,530,470).

On 27 October 2015, the company acquired 20% of the issued share capital of Penso Holdings Limited, a company based in the UK. The purchase price amounted to £7,881,000 with potential additional consideration of no more than £4,000,000 depending on the future performance of the acquired interest. Penso Holdings Limited is a manufacturer of composite materials used in the automotive business.

The investment balance has been considered for impairment by the Directors, with an impairment loss of £nil recognised in the year (2014: £nil).

The carrying amounts of the investments are reviewed for impairment by the Directors at each reporting date or when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable.

If any such indication exists, the asset's recoverable amount is estimated by the following method: the carrying amounts of the investments were reviewed against their recoverable amounts, being the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment.

Management do not expect significant changes in the investment portfolio in 2016.

### **Results and dividend**

Losses for the financial year were £6,285,101 (2014: profit of £3,248,236). During the year dividends of £nil (2014: £nil) were paid.

### **Directors**

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

|                 |                             |
|-----------------|-----------------------------|
| D.M. Drillock   | (resigned 18 December 2015) |
| R.D. Smith      | (resigned 18 December 2015) |
| A.L. Schiebroek |                             |
| S. Delpech      |                             |

**Directors' report** *(continued)*

**Disclosure of information to auditor**

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

**Auditor**

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

By order of the board

**A Schiebroek**  
*Director*

Date:

  
8 November 2016

Abenbury Way  
Wrexham Industrial Estate  
Wrexham

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent ;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## KPMG LLP

8 Princes Parade  
Liverpool  
L3 1QH  
United Kingdom

### **Independent auditor's report to the members of Cyttec UK Holdings Limited**

We have audited the financial statements of Cyttec UK Holdings Limited for the year ended 31 December 2015 set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss for the year then ended ;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## **Independent auditor's report to the members of Cyttec UK Holdings Limited**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

*Hywel Jones*

**Hywel Jones (Senior Statutory Auditor),**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
8 Princes Parade  
Liverpool  
L3 1QH

Date: 10 November 2016

**Statement of profit and loss account and other comprehensive income**  
*for the year ended 31 December 2015*

|   | <i>Note</i> | 2015<br>£'000 | 2014<br>£'000 |
|---|-------------|---------------|---------------|
| Administrative expenses                                     |             | (138)         | (34)          |
| <b>Operating loss</b>                                       |             | (138)         | (34)          |
| Interest receivable and similar income                      | 4           | -             | 69            |
| Interest payable and similar charges                        | 5           | (7,646)       | (8,458)       |
| Dividend income from shares in group companies              |             | -             | 9,913         |
| <b>(Loss)/profit on ordinary activities before taxation</b> |             | (7,784)       | 1,490         |
| Tax on (loss)/profit on ordinary activities                 | 6           | 1,499         | 1,758         |
| <b>(Loss)/profit for the financial year</b>                 |             | (6,285)       | 3,248         |

There were no recognised gains or losses other than those disclosed in the profit and loss account, in either the current or preceding year.

All the activities of the company are classed as continuing.

The Notes on pages 9-17 form part of these financial statements.




**Balance sheet**  
*at 31 December 2015*

|  | <i>Note</i> | 2015<br>£000     | 2014<br>£000     |
|--|-------------|------------------|------------------|
| <b>Fixed assets</b>  |             |                  |                  |
| Investments  | 7           | 387,411          | 379,530          |
| <b>Current assets</b>  |             |                  |                  |
| Debtors  | 8           | 849              | 3,350            |
|  |             | <u>849</u>       | <u>3,350</u>     |
| <b>Creditors: amounts falling due within one year</b>          | 9           | <u>(250,745)</u> | <u>(176,080)</u> |
| <b>Net current liabilities</b>                                 |             | (249,896)        | (172,730)        |
| <b>Total assets less current liabilities</b>                   |             | <u>388,260</u>   | <u>206,800</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 10          | -                | (63,000)         |
| <b>Net assets</b>  |             | <u>137,515</u>   | <u>143,800</u>   |
| <b>Capital and reserves</b>                                    |             |                  |                  |
| Called up share capital  | 12          | 10,000           | 10,000           |
| Share premium account  | 13          | 40,066           | 40,066           |
| Profit and loss account  |             | 87,449           | 93,734           |
| <b>Shareholders' funds</b>                                     |             | <u>137,515</u>   | <u>143,800</u>   |

The Notes on pages 9-17 form part of these financial statements.

These financial statements were approved by the board of directors on *8 November 2016* and were signed on its behalf by:

  
**A Schiebroek**  
*Director*

Company registered number: 02834414

## Statement of changes in equity

|   | Called up<br>share<br>capital<br>£000 | Share<br>premium<br>account<br>£000 | Profit and<br>loss account<br>£000 | Total<br>equity<br>£000 |
|---|---------------------------------------|-------------------------------------|------------------------------------|-------------------------|
| Balance at 1 January 2014                                 | 10,000                                | 27,065                              | 90,486                             | 127,551                 |
| <b>Total comprehensive income for the period</b>          |                                       |                                     |                                    |                         |
| Profit  | -                                     | -                                   | 3,248                              | 3,248                   |
| <b>Total comprehensive income for period</b>              | -                                     | -                                   | 3,248                              | 3,248                   |
| Transactions with owners, recorded directly in equity:    |                                       |                                     |                                    |                         |
| Issues of share premium                                   | -                                     | 13,001                              | -                                  | 13,001                  |
| <b>Total contributions by and distributions to owners</b> | -                                     | 13,001                              | -                                  | 13,001                  |
| <b>Balance at 31 December 2014</b>                        | <b>10,000</b>                         | <b>40,066</b>                       | <b>93,734</b>                      | <b>143,800</b>          |
| Balance at 1 January 2015                                 | 10,000                                | 40,066                              | 93,734                             | 143,800                 |
| <b>Total comprehensive income for the period</b>          |                                       |                                     |                                    |                         |
| Loss  | -                                     | -                                   | (6,285)                            | (6,285)                 |
| <b>Total comprehensive income for the period</b>          | -                                     | -                                   | (6,285)                            | (6,285)                 |
| <b>Balance at 31 December 2015</b>                        | <b>10,000</b>                         | <b>40,066</b>                       | <b>87,449</b>                      | <b>137,515</b>          |

The Notes on pages 9-17 form part of these financial statements.

## Notes

(forming part of the financial statements)

### 1 Accounting policies

Cytec UK Holdings Limited (the "Company") is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

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

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position, financial performance and cash flows of the Company is provided in note 15.

The Company's ultimate parent undertaking, Solvay S.A. includes the Company in its consolidated financial statements. The consolidated financial statements of Solvay S.A. are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Rue De Ransbeek, 310, 1120 Bruxelles, Belgium.

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

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Solvay S.A. include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments;
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company.
- The disclosures required by IFRS 7 *Financial Instrument Disclosures*

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1 January 2014 for the purposes of the transition to FRS 101.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### **1.1 Measurement convention**

The financial statements are prepared on the historical cost basis.

#### **1.2 Going concern**

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons:

The company is dependent for its working capital on funds guaranteed by other group companies. CII Luxembourg Sarl, the immediate parent company, has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds and guarantees as are needed by the company. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

#### **1.3 Foreign currency**

Transactions in foreign currencies are translated to the Company's functional currencies at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

#### **1.4 Non-derivative financial instruments**

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

##### *Trade and other debtors*

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

##### *Trade and other creditors*

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

##### *Investments in subsidiaries*

Investments in subsidiaries are carried at cost less impairment.

##### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### **1.5 Impairment excluding deferred tax assets**

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### *Non-financial assets*

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **1.6 Provisions**

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### **1.7 Expenses**

##### *Interest payable and similar charges*

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

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.8 Taxation

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

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

### 2 Auditor's remuneration

Auditor's remuneration payable to the company's auditors for the audit of the accounts was £11,857 (2014: £9,000).

### 3 Directors' remuneration

The directors did not receive any remuneration for their incidental services to this company for the years ended 31 December 2015 or 31 December 2014.

### 4 Other interest receivable and similar income

|  | 2015<br>£000 | 2014<br>£000 |
|--|--------------|--------------|
| Interest income on unimpaired financial assets | -            | 69           |
| Total interest receivable and similar income   | -            | 69           |

Interest receivable and similar income includes income from group undertakings of £nil (2014: £68,782).

### 5 Interest payable and similar charges

|  | 2015<br>£ 000 | 2014<br>£ 000 |
|--|---------------|---------------|
| Total interest expense on financial liabilities measured at amortised cost | 7,646         | 8,458         |
| Total interest payable and similar charges                                 | 7,646         | 8,458         |

Interest payable and similar charges relates to interest payable and similar on bank loans and overdrafts.

## Notes (continued)

### 6 Taxation

#### Recognised in the income statement

|   | 2015    |                     | 2014    |                     |
|---|---------|---------------------|---------|---------------------|
|   | £000    | £000                | £000    | £000                |
| <i>UK corporation tax</i>               |         |                     |         |                     |
| Current tax on income for the period    | (1,546) |                     | 53      |                     |
| Adjustments in respect of prior periods | 47      |                     | (1,811) |                     |
|   | <hr/>   |                     | <hr/>   |                     |
| Tax on profit on ordinary activities    |         | <hr/> (1,499) <hr/> |         | <hr/> (1,758) <hr/> |

#### Reconciliation of effective tax rate

|   | 2015    | 2014    |
|---|---------|---------|
|   | £'000   | £'000   |
| (Loss)/profit for the year                                    | (6,285) | 3,248   |
| Total tax credit  | (1,499) | (1,758) |
|   | <hr/>   | <hr/>   |
| (Loss)/profit excluding taxation                              | (7,784) | 1,490   |
| Tax using the UK corporation tax rate of 20.25% (2014: 21.5%) | (1,576) | 320     |
| Under / (over) provided in prior years                        | 47      | (1,811) |
| Non-deductible expenses                                       | 30      | -       |
| Non-taxable income  | -       | (267)   |
|   | <hr/>   | <hr/>   |
| Total tax expense   | (1,499) | (1,758) |
|   | <hr/>   | <hr/>   |

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

## Notes (continued)

### 7 Fixed asset investments

|                       | Shares in<br>group<br>undertakings<br>£ |
|-----------------------|---|
| <i>Cost</i>           |   |
| At beginning of year  | 379,530                                 |
| Additions             | 7,881                                   |
| Dissolved investments | -                                       |
| At end of year        | <u>387,411</u>                          |
| <i>Provisions</i>     |   |
| At beginning of year  | -                                       |
| Provided in year      | -                                       |
| At end of year        | <u>-</u>                                |
| <i>Net book value</i> |   |
| At 31 December 2015   | <u>387,411</u>                          |
| At 31 December 2014   | <u>379,530</u>                          |

The Company has the following investments in subsidiaries:

|                                    | Country of<br>Incorporation | Class of<br>shares held | Ownership<br>2015 | 2014 |
|------------------------------------|-----------------------------|-------------------------|-------------------|------|
| Cytec Industrie UK Limited         | England                     | Ordinary                | 100%              | 100% |
| Cytec Engineered Materials Limited | England                     | Ordinary                | 100%              | 100% |
| Cytec Industries BV                | Netherlands                 | Ordinary                | 100%              | 100% |
| Cytec Engineered Materials GmbH    | Germany                     | Ordinary                | 90%               | 90%  |
| Umeco Limited                      | England                     | Ordinary                | 100%              | 100% |
| Penso Holdings Limited             | England                     | Ordinary                | 20%               | -    |
| Cytec Russia                       | Russia                      | Ordinary                | 1%                | 1%   |

The principal activity of the Company is that of a holding company for investments in the business of industrial materials, composites, mining chemicals and additive technology chemicals, for use primarily in the automotive, aerospace and leisure industries, and for use in the mining and agriculture industry.

During 2015 the company purchased 20% of the issued share capital of Penso Holdings Limited. The purchase price amounted to £7,881,000, with potential additional consideration of no more than £4,000,000 depending on the future performance of the acquired interest.



## Notes (continued)

### 8 Debtors

|                                    | 2015<br>£000 | 2014<br>£000 |
|------------------------------------|--------------|--------------|
| Amounts owed by group undertakings | 82           | 82           |
| Corporation tax                    | 767          | 3,112        |
| Other debtors                      | -            | 156          |
|                                    | <hr/>        | <hr/>        |
| Due within one year                | 849          | 3,350        |
|                                    | <hr/>        | <hr/>        |

### 9 Creditors: amounts falling due within one year

|                                    | 2015<br>£000 | 2014<br>£000 |
|------------------------------------|--------------|--------------|
| Bank overdraft                     | 22,618       | 19,866       |
| Accruals and deferred income       | 16           | 18           |
| Amounts owed to group undertakings | 228,111      | 156,196      |
|                                    | <hr/>        | <hr/>        |
|                                    | 250,745      | 176,080      |
|                                    | <hr/>        | <hr/>        |

### 10 Creditors: amounts falling due in more than one year

|                                    | 2015<br>£000 | 2014<br>£000 |
|------------------------------------|--------------|--------------|
| Amounts owed to group undertakings | -            | 63,000       |
|                                    | <hr/>        | <hr/>        |

## Notes (continued)

### 11 Interest-bearing loans and borrowings

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

|  | 2015<br>£000 | 2014<br>£000 |
|--|--------------|--------------|
| <b>Creditors falling due more than one year</b>        |              |              |
| Debenture loans  | -            | 63,000       |
|  | -            | 63,000       |
| <b>Creditors falling due within less than one year</b> |              |              |
| Debenture loans  | 228,111      | 156,195      |
| Unsecured bank facility                                | 22,618       | 19,866       |
|  | 250,729      | 176,061      |

#### *Debenture loans: Terms and debt repayment schedule*

|  | Currency | Nominal<br>interest<br>rate | Year of<br>maturity | Carrying<br>amount<br>2015<br>£000 | Carrying<br>amount<br>2014<br>£000 |
|--|----------|-----------------------------|---------------------|------------------------------------|------------------------------------|
| Intercompany Loan Umeco Limited                              | GBP      | 2.22%                       | 2016                | 96,112                             | 96,112                             |
| Intercompany Loan Cytec MED LAB Limited                      | GBP      | 2.25%                       | 2016                | 4,000                              | 4,000                              |
| Intercompany Loan Cytec Process Materials (Keighley) Limited | GBP      | 2.25%                       | 2016                | 10,000                             | 10,000                             |
| Intercompany Loan Cytec Industries Europe CV                 | GBP      | 2.28%                       | 2016                | 11,000                             | 11,000                             |
| Intercompany Loan Cytec Industries UK Limited                | GBP      | 0.00%                       | 2016                | 14,900                             | 14,900                             |
| Intercompany loan Cytec Belgium BVBA                         | GBP      | 2.24%                       | 2016                | 25,000                             | 16,783                             |
| Intercompany loan Cytec Engineered Materials UK Ltd          | GBP      | 2.23%                       | 2016                | 3,400                              | 3,400                              |
| Intercompany Loan CII Luxembourg Irish Branch                | GBP      | 0.00%                       | 2016                | 63,699                             | 63,000                             |
|  |          |                             |                     | 228,111                            | 219,195                            |

## Notes (continued)

### 12 Capital and reserves

#### Share capital

|   | 2015<br>£000 | 2014<br>£000 |
|---|--------------|--------------|
| <i>Allotted, called up and fully paid</i> |              |              |
| Ordinary shares of £1 each                | 10,000       | 10,000       |

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

### 13 Share premium account

|                               | 2015<br>£000 | 2014<br>£000 |
|-------------------------------|--------------|--------------|
| At beginning of year          | 40,066       | 27,065       |
| Share premium during the year | -            | 13,001       |
|                               | 40,066       | 40,066       |

### 14 Ultimate parent company and parent company of larger group

The immediate parent company is CII Luxembourg Sarl in which the results of the Company are incorporated. The ultimate controlling party is Solvay S.A.

The largest group in which the results of the Company are consolidated is that headed by Solvay S.A., incorporated in Belgium. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from Rue De Ransbeek, 310, 1120 Bruxelles, Belgium.

### 15 Explanation of transition to FRS 101

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015, the comparative information presented in these financial statements for the year ended 31 December 2014 and in the preparation of an opening FRS 101 balance sheet at 1 January 2014 (the Company's date of transition).

In preparing its FRS 101 balance sheet, the Company has not adjusted any amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP) as both FRS 101 and UK GAAP present the same results.