



2015

ANNUAL REPORT



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ANNUAL REPORT 2015



BMT Group supports its divisions in order to become the global reference in the high-precision machining sector. Through these divisions, BMT Group aspires to be the best provider thanks to its advanced technological knowledge. BMT Group strives for this position by monitoring the markets, by investing intelligently in companies with high potential, and by further refining existing technologies, so as to optimise the products for the divisions' customers.

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Key figures

Consolidated figures 2011 - 2015

In EUR millions	2015 IFRS	2014 IFRS	2013 IFRS	2012 IFRS	2011 IFRS
Turnover	306.37	269.61	270.64	291.35	285.24
Number of personnel	3,644	3,055	2,993	3,028	2,956
Investments	39.68	26.14	20.61	27.41	20.41
Gross operating cash flow	66.11	53.55	48.67	52.55	57.02
Taxes	9.69	9.83	6.39	9.23	6.97
Net operating cash flow	56.42	43.72	42.28	43.33	50.05
Net operating profit	36.46	26.30	24.57	27.80	35.37
Depreciation of goodwill	0	0	0	0	0
Net profit	36.46	26.30	24.57	27.80	35.37

Definitions:

Net operating profit = consolidated net profit + depreciation of goodwill

Net operating cash flow = net operating profit + depreciation + deferred taxes

Gross operating cash flow = net operating cash flow + taxes



Important events 2015

1. A year of growth, both organic as well as by acquisitions

Highlights

The group experienced a year focused on growth whereby:

- Three divisions were able to confirm their budgeted organic growth.
- The fourth division, Cnud-Efco, noted a revival of its market and re-obtained a full order book by year-end.
- The industrial gears division acquired a majority stake in Involute Technologies Pvt. Ltd., an Indian gear manufacturer.
- The Aero division entered into a 50% joint-venture "AMT-Titastar" starting September 2015.
- Extensive negotiations took place starting mid 2015 which resulted in a 100% take-over of the Belgian based gear manufacturing group VCST during March 2016.
- 2015 sales and results have been positively influenced by exchange rate fluctuations of mainly the USD as well as the RMB.

Sales

Sales amounted to 306.4 million EUR, 13.6% higher compared to 2014.

The group experienced a year with organic growth in 3 of the 4 divisions and has also been expanding its industrial gears division during 2015 with a majority participation in Involute Technologies Pvt. Ltd.

This acquisition has been included in the 2015 numbers for a period starting July 2015 and has positively influenced the 2015 sales with 12.5 million EUR.

Even without this acquisition, the group realized an organic sales growth with 9% compared to last year.

The GLASS division noted a sales increase from 120.5 million EUR to 130.0 million EUR, an increase with 7.9%.

- The Glass Mould division was able to increase its sales with 11.8% from 109.2 million EUR to 122.1 million EUR.
- The Glass Engineering division on the other hand noted a further sales drop during 2015 from 11.3 million EUR to 7.9 million EUR.

The GEARS division was able to increase sales from 149.1 million EUR in 2014 to 176.3 million EUR, i.e. an increase with 18.3%. The 2015 sales also includes the sales of Involute Technologies Pvt. Ltd., acquired as from beginning of the second semester and included in the 2015 divisional sales for an amount of 12.5 million EUR.

Excluding this acquisition, sales of the GEARS division would have increased with 9.9%.

- The Aerospace division increased its sales from 56.6 million EUR to 62.9 million EUR, i.e. an increase with 11.1%. This increase is fully due to the changed USD exchange rate compared to 2014.
- The Industrial gears division noted a sales increase from 92.5 million EUR to 113.5 million EUR, i.e. an increase with 22.7% though this increase also includes the second semester sales of Involute Technologies Pvt. Ltd. in an amount of 12.5 million EUR. Excluding this acquisition, sales of the Industrial Gears division has increased with 9.2%.

All divisions, except the Glass Engineering division, have experienced a successful year with growing sales numbers. By the end of 2015 however, the market of the Glass Engineering division has equally picked up and Cnud-Efco has been able to obtain sufficient orders allowing to budget for a fully loaded 2016. The cyclical slowdown in the glass market has taken a far longer period this time but it now seems that this downturn may well be over as there are more projects on the market again also for the coming years.

Results

EBITDA increased from 53.5 million EUR in 2014 (19.9% of total sales) to 65.8 million EUR (21.5% of total sales).

NET CASHFLOW increased from 43.7 million EUR (16.2% of total sales) to 56.4 million EUR (18.4% of total sales).

NET PROFIT increased from 26.3 million EUR (9.8% of total sales) to 36.5 million EUR (11.9% of total sales).

Both sales and results profited from a positive impact of changed exchange rates during 2015, mainly related to the USD and the RMB.

Whereas this seems rather obvious for the aerospace division, a market which is dominated and expressed in USD worldwide, also the other divisions, though to a lower extent, have had some positive impact as well of mainly the stronger USD.

2. Group structure

As from July 2nd 2015 the group has acquired a majority stake in Involute Technologies Pvt. Ltd., an Indian gear manufacturer located in Pune, Maharastra.

The Industrial Gears division has actively been looking for a production facility in India in order to serve its customer base and to be able to fully participate in the growing transportation services industry in India.

The financials of Involute Technologies Pvt. Ltd., having realized a sales of 12.5 million EUR during the second semester of 2015 are being included at 100% in the consolidated group financials and the 40% minority stake has been excluded from the net results only.

Also during 2015 the group has been studying the announced sales process of the VCST group of companies, active in automotive gear manufacturing. Early March 2016 the IGW group has been successful in this 100% acquisition process and as of 24 March 2016 the acquisition process has been closed.

The VCST Group, active with production facilities in 5 countries, realized in 2015 sales of close to 170 million EUR employing 1,250 persons.

Financials of VCST will be included in the consolidation of the group starting April 2016 and will substantially increase the size, not only of the IGW Group but of the whole of the BMT Group as from next year onwards.

Starting September 2015 the group furthermore entered into a joint-venture, called AMT-Titastar.

This JV, set up together with a French company "AET", is active in the production of a 3D printed Titanium drilling machine, a patented product. Purpose is to further invest in this technology which in first instance seems to provide interesting opportunities in the aerospace division within which the JV was created.

The financials of this JV are included at a rate of 50% in the consolidated group numbers.



Board of Directors, Auditor & Management

Board of directors

J.PEAS bvba,
Chairman, permanently represented by
Jean-Pierre SEYNAEVE

Kleding Demolux nv,
Director, permanently represented by
Arthy SEYNAEVE

Jean-Christophe Seynaeve bvba,
Director, permanently represented by
Jean-Christophe SEYNAEVE

Midelco nv, Director,
permanently represented by
Philippe VLERICK

Group De Cloedt nv,
Director, permanently represented by
François COUSIN

Auditors

ERNST & YOUNG,
Assurance services BV CVBA,
represented by Leen DEFOER

Management committee

Jean-Pierre SEYNAEVE, Chairman

Jean-Christophe SEYNAEVE, C.E.O.

Johan DE LILLE, C.F.O.

Hans DE VUYST, Group General Counsel

GLASS Division

Glass Mould Subdivision

Darko RANOGAJEC, OMCO Group
Yves MORTIER, OMCO International nv,
Glass Moulds Aalter
Jan DE MEY, OMCO International nv,
Hamme Foundry
Christian TÖSCHER, OMCO GMA Austria GmbH
Martyn ATKINSON, OMCO UK Ltd
Darko RANOGAJEC, OMCO Croatia doo
Borut TRIPLAT, OMCO Feniks Slovenija doo
Huseyin YULUG, OMCO Istanbul KSvTAS (JV)
Barrie BASTON, OMCO Romania srl

Glass Engineering Subdivision

Géraldine SEYNAEVE, CNUD-EFCO Group
Reint BERGHMANS, CNUD-EFCO International nv
Liuben BERNSTEIN, CNUD-EFCO Romania srl
Jiang LAN, CNUD-EFCO Trading (Beijing) Co. Ltd

GEARS Division

Industrial Gears Subdivision

Holger STEHLING, IG Watteeuw Group
Günther LEHRENFELD, a.i., IG Watteeuw CR sro
Basil SOHRMANN,
IG Watteeuw (Suzhou) Co. Ltd.
Ruben NOTTEBOOM,
IG Watteeuw International nv
Iulian NISTOR, IG Watteeuw Romania srl
Eric ARCHER, IG Watteeuw USA llc
Sven DE WACHTER,
Involute Technologies Pvt. Ltd.

Aerospace Subdivision

Luk Roels, BMT Aerospace Group
Matthew RICHEY, BMT Aerospace USA Inc
Koen DEVOLDER, BMT Aerospace International nv
& BMT Eurair nv
Andrea LEONARDI, BMT Aerospace Romania srl

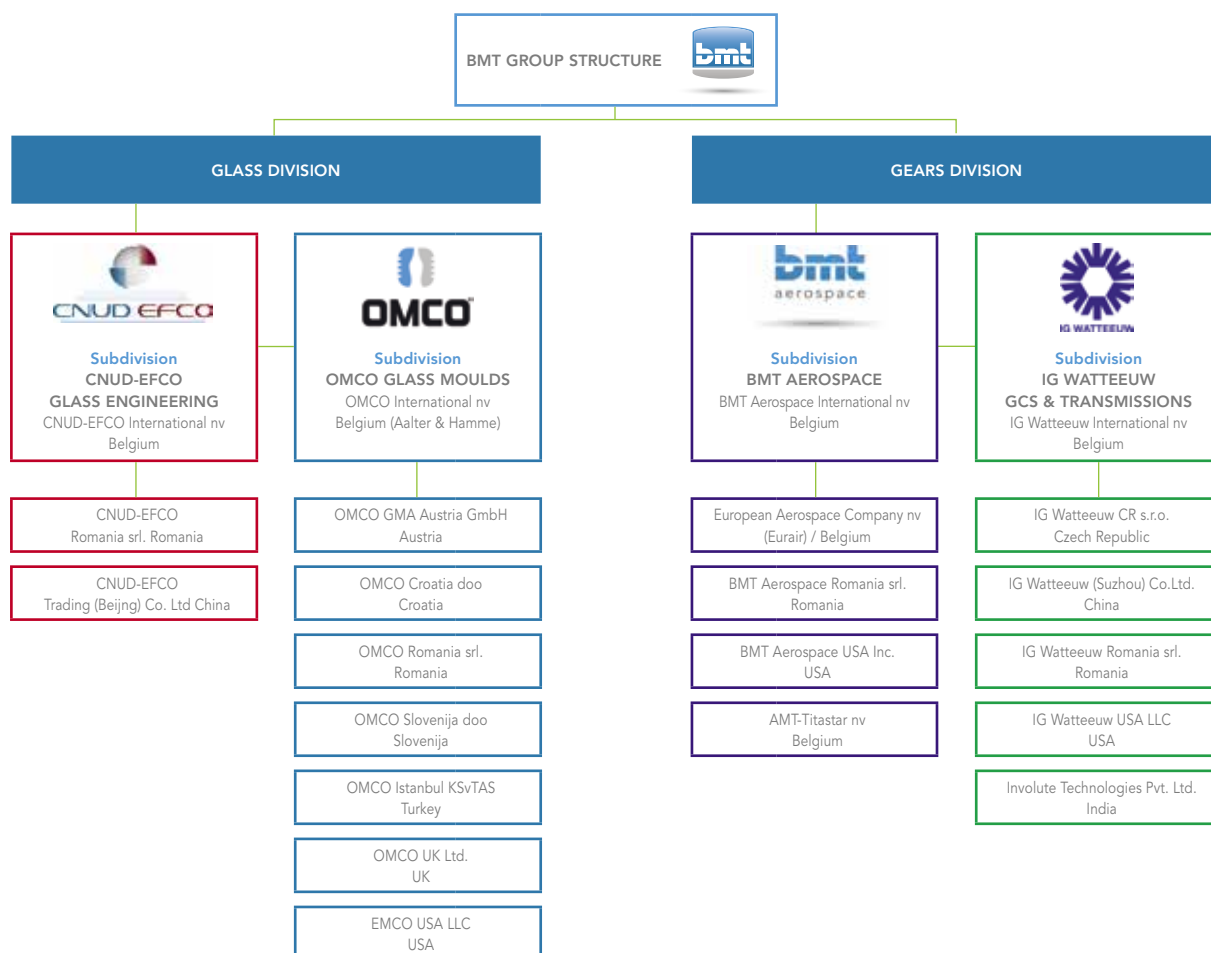
Aerospace



Structure

The structure of the group is shown more in detail hereafter.

The structure indicates all production and manufacturing sites of the various subdivisions of the group.



Since 2014 the operating activities of the Group have been centralised under the Luxemburg holding company of the Group, BMT International SA.

As per end 2014 the contribution by BMT nv of its portfolio into BMT International SA has lead to the situation where BMT nv still holds the major part of the shares of the group.

Whereas it was intended to start dissolving BMT nv during the second semester of 2015, this process has been delayed till mid 2016 and consequently the dual holding structure will only be eliminated at that time.

BMT International SA operates as an active holding company for the above mentioned divisions and the support activities include general management as well as assistance on financial and legal, IT and insurance matters.

Environmental and human resource assistance will be supplied via EB4B nv.

Shareholders

BMT shares are no longer quoted on the stock exchange as from 17/11/2004 onwards.

The shareholding structure remained unchanged throughout 2015 and is as follows:

SIGMA Invest sàrl	70.00% of all shares (531,902 shares)
B.M.H. nv	20.00 % of all shares (151,972 shares)
DC Overseas sa	10.00% of all shares (75,986 shares)



Mission, vision, strategy and prospects

Mission

The BMT Group is an industrial family owned holding which participates in companies throughout the world that are active in high-precision machining of gears and transmissions on the one hand, and the manufacturing of moulds for hollow glassware and the design and set-up of flat-glass lines and glass furnaces on the other hand.

The BMT Group identifies opportunities in these sectors and ensures diversity within the Group's portfolio.

The Luxembourg holding of the Group decides on the major business goals and directions for each of the divisions and moreover centralizes its support on general management level as well as on financial, legal and IT aspects and facilitates the group's growth on an international level.

In addition the BMT Group forms the link between the different divisions within the Group and sees to it that the Board of Directors' decisions are implemented in a correct and well-structured manner.

Support on human resources as well as environmental issues, mainly geared towards the Belgian divisions of the Group, have been grouped within EB4B nv.

BMT Group's aim is to achieve continuous profitable growth in all its divisions.



Vision

BMT seeks to support its divisions in order to become the global reference in the high-precision machining sector.

Through its divisions, the BMT Group aspires to be the best provider thanks to its advanced technological knowledge in two niche markets (manufacturing of high-precision gears as well as engineering and manufacturing of glass moulds and flat-glass lines/glass furnaces).

The divisions strive for this position by monitoring the markets, by investing intelligently in companies with high potential and by further refining existing technologies, so as to optimize the products for their customers.

Strategy towards stakeholders

The Group's strategy remained also during 2015 focused on its main objectives.

- All divisions continue to focus on the Group's overall objective, i.e. to inform all of its potential customers in its niche markets of the advantages they can offer to their customers. This is being done by offering a competitive product, both to its existing customers as well as to an expanding range of new customers, and by simultaneously informing them on new products and innovations that are or can be relevant to them.
- Continue to target a minimum 15% EBITDA profitability for the Group as a whole, as well as for each of its divisions.



- Maintain an optimal working environment and climate for all personnel members by informing them on the mission, vision and strategy of the Group on the level of each division and unit, but also via regular communications via the Group's European Work Council.
- Continue to invest in the core activities of the Group, mainly the Glass Container Moulds, the Aerospace and the Industrial Gears divisions with the continued view of focusing on robotizing and lean manufacturing processes.
- During 2015 the capacity of the Romanian and Croatian Glass Mould plants was further enlarged in order to cope with the increased capacity requirements of their global customers.
- Also the extra capacity created in the Slovenian foundry became operational as from the last quarter of 2015 onwards.
- The main investment in 2015 was realized in the Industrial Gears division following the majority stake acquired in the Indian gear manufacturer Involute Technologies Pvt. Ltd. This company is active in the sector of transmission gears, shafts, assemblies and sub-assemblies and is producing up to 250,000 gears per month both for the local market and also even up to 40% for the export market.
- Beginning as of March 2016, it was announced that the Gears division has been awarded the bidding process with respect to the sale of the VCST Group of companies.
- VCST is a global player in the supply of precision gearing and other company critical components for engines, gearboxes and brake systems for passenger cars and commercial vehicles. The company has a diversified blue-chip customer

portfolio, including Audi, Caterpillar, Continental, Cummins, DAF, General Motors, Punch Powertrain and Volkswagen, amongst others.

VCST is active with production facilities in Belgium, Germany, Romania, China and Mexico and realized a sales of 169 million EUR in 2015 employing 1,250 personnel members.

VCST will be included in the 2016 sales of the Industrial Gears division as from 1 April 2016 onwards.

- Investments to reduce the ecological footprint remain one of the basic criteria on any new investment proposal as is also explained in further details in the "environment" paragraph of this annual report.

Prospects

All divisions of the group are expecting strong and increasing sales in 2016.

In addition thereto the group will also account for a full year sales of Involute Technologies Pvt. Ltd. as well as sales for the last 3 quarters of 2016 of the VCST Group of companies.

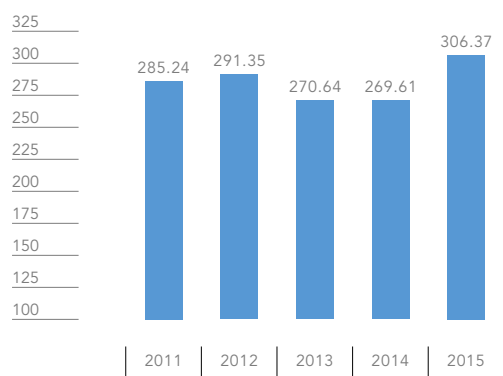
As a consequence the Board of Directors is expecting sales to increase in excess of 500 million EUR for 2016.

The Board of Directors has approved an investment program of 40 million EUR, though this investment budget does not take into account the investment in the VCST Group of companies, neither the financial investment of acquiring 100% of the shares of the group, neither the planned investments by VCST in tangible fixed assets.



Turnover, distribution of turnover and growth strategy

Turnover



The consolidated sales for 2015 reached 306.37 million EUR, i.e. 13.6% higher compared to the 269.61 million EUR of 2014.

This increase of 36.76 million EUR includes the 12.79 million EUR sales of Involute Technologies Pvt. Ltd., realized by this company during the second semester of 2015 when the majority stake was acquired by the IGW Group.

Excluding this acquisition, the 2015 sales would have increased with 8.8% compared to 2014 and would have reached 293.58 million EUR.

The 2015 sales were expected to reach 291 million EUR and the final outcome, excluding the acquisition, was fairly in line therewith.

The main differences towards last year's sales are the following:

- Glass Mould division + 12.8 million EUR
- Industrial Gears division + 21.0 million EUR

- Aerospace division + 6.3 million EUR
- Glass Engineering division - 3.3 million EUR

The GLASS division saw its sales increase only in the Glass Mould division, same as last year, and the Glass Engineering division faced once more a sales decline to a low 7.9 million EUR.

Sales of the GLASS division went up with 9.5 million EUR or 7.9% compared to 2014, fully due to the sales increase of the Glass Mould division.

The GEARS division noted an even higher sales increase of 18.3% compared to 2014. This increase was realized both by the Industrial Gears division whose sales went up with 21 million EUR, i.e. up with 22.7% as well as by the Aerospace division whose sales increased with 6.3 million EUR, i.e. 11.1%.

	2011	2012	2013	2014	2015	15/14
GLASS Division	149.20	141.12	128.34	120.50	130.02	+7.9%
- Glass Moulds	112.29	103.85	104.79	109.23	122.10	+11.8%
- Glass Engineering	36.91	37.27	23.55	11.27	7.92	-29.8%
GEARS Division	130.44	144.22	139.58	149.08	176.35	+18.3%
- Industrial Gears	86.12	90.17	81.27	92.50	113.46	+22.7%
- Aerospace	44.32	54.05	58.31	56.59	62.89	+11.1%
GLASS PROCESSING Division	5.59	6.01	2.71	-	-	-
Total	285.24	291.35	270.64	269.61	306.37	+13.6%
Growth	19.2%	2.1%	-7.1%	-0.4%	+13.6%	



Distribution of turnover

The export content further increases and reached 95.6% of total sales during 2015.

Even though the rest of the European market still remains by far the biggest market of the Group, the turnover in the continent continues to decrease and now reaches 53.3%, or some 10% less compared to 5 years ago.

Sales to the Americas now reach 21.1% and the North American market, clearly accounts for the majority of this growing market with over 90%.

It is expected that sales of the American content will continue to grow as the sales of BMT Aerospace USA, but also the American sales of the OMCO and IGW division are expected to further increase during the years ahead.

Sales for the Far Eastern market also increased as the Industrial Gears division, through its Suzhou plant, continues to increase its sales in this market.

The table for the period 2011-2015 presents an overview of the export per region for the entire Group.

	2011		2012		2013		2014		2015	
	EUR million	In %	EUR million	In %	EUR million	In %	EUR million	In %	EUR million	In %
Belgium	16.83	5.9	16.50	5.6	14.68	5.4	13.54	5.0	13.32	4.4
Europe	180.68	63.3	171.22	58.8	151.69	56.1	157.42	58.4	163.36	53.3
Americas	41.54	14.6	48.51	16.7	55.43	20.5	50.23	18.6	64.60	21.1
Africa	8.60	3.0	17.22	5.9	15.96	5.9	12.25	4.5	12.09	3.9
Far East	37.60	13.2	37.86	13.0	32.88	12.1	36.17	13.4	53.00	17.3
Total	285.24	100.0	291.35	100.0	270.64	100.0	269.61	100.0	306.37	100.0

Growth strategy

The distribution of turnover for each activity sector in recent years is as follows.

	2013	2014	2015
GLASS Division	47.4%	44.7%	42.4%
- Glass Moulds	38.7%	40.5%	39.9%
- Glass Engineering	8.7%	4.2%	2.5%
GEARS Division	51.6%	55.3%	57.6%
- Industrial Gears	30.0%	34.3%	37.0%
- Aerospace	21.6%	21.0%	20.6%
GLASS PROCESSING Division	1.0%	-	-

The GEARS division not only maintained but even further increased its share of the Group's sales to 57.6%. The increase is mainly caused by the additional sales of the acquisition, Involute Technologies Pvt. Ltd., as well as by a further sales decrease of the Glass Engineering division.

Even though the GLASS division is expected to substantially increase its 2016 sales compared to 2015, the share of the GEARS division will further increase to over 65% as the 2016 division's sales will also include a full year sales of Involute Technologies Pvt. Ltd., as well as the sales of the VCST Group for the last 3 quarters of 2016.

Sales and growth strategy by division

GLASS Division

The GLASS division's sales increased from 120.5 million EUR in 2014 to 130.0 million EUR in 2015 and despite this increase its share in the total Group's sales dropped to 42.4%.

The sales increase was solely realized by the Glass Mould division as the Glass Engineering division has been confronted with another sales drop during 2015.

Glass Moulds subdivision

The Glass Moulds realized sales in the amount of 122.1 million EUR, slightly above the expectations of 120.0 million EUR, an increase of 11.8% compared to 2014.

The foundries realized a sales increase of 10% during 2015.

As the capacity increase of the Slovenian foundry was only finalized as from the fourth quarter of 2015 onwards, the sales increase was mainly realized in the Belgian foundry of the OMCO group.

It is expected that the additional capacity created in the Slovenian foundry, mainly dedicated to castings for the glass mould activity of the group, will lead to a substantial increase of the internal sales within the group.

The Mould plants of the group also realized during 2015 another important sales increase of 10%, mainly on the American market.

Also this sales increase required a capacity extension for the production of cavities as well as neckrings and the board agreed to an important capacity extension both for the Romanian and Croatian plants of the group. This capacity increase will allow for another sales increase during 2016.

Following the successful sales activities also for plungers, the capacity increase of the in Belgium centralised production thereof has also been agreed upon and will become fully operational as from the second quarter of 2016 onwards.

Whereas the division already had an important investment budget of 18 million EUR for 2016, the additional capacity increase for the Croatian plant by adding another building of some 10,000 m², an investment which the board additionally agreed upon, has led to a total net investment of 23.5 million EUR in 2016.

This important investment amount also includes the capacity extension of the Slovenian foundry.

Another important investment program of some 17.5 million EUR is planned for 2016, a year during which also the Turkish plant will be relocated into a more spacious facility.

The board expects also for 2016 another sales increase of some 10 million EUR leading to a total sales of over 130 million EUR.

Glass Engineering subdivision

Expectations for 2015 were quite modest since even at the beginning of 2015 there was still no sign that the global glass market would start to restore.

The expectations of a sales figure of 11 million EUR were not even met during 2015 as shipments of some projects have been delayed which led to a final sales amount of only 7.9 million EUR.

As from the second quarter of 2015 onwards however, the market upturn became visible and different projects which had been in the pipeline even for some years started to become alive again.

Cnud-Efco was able to record different projects and thereby obtained a full orderbook for 2016.

If expected shipment dates are confirmed, the board represent expects for 2016 sales in excess of 25 million EUR.

GEARS Division

The GEARS division increased its sales with 27.3 million EUR, from 149.1 million EUR in 2014 to 176.4 million EUR in 2015, i.e. an increase with 18.3%.

Industrial Gears subdivision

Industrial Gears saw its sales increase to 113.5 million EUR, i.e. an increase with 21 million EUR or 22.7% compared to the 92.5 million EUR sales of 2014.

Sales have increased both organically and have reached the expected increase up to 100 million EUR during 2015.

In addition thereto the 12.5 million EUR sales of Involute Technologies Pvt. Ltd., acquired starting the second semester of 2015, were added at 100% in the consolidated sales of the division.

The rebranding of the division into "IGW Power" has been successful during last year and sales efforts will continue to be focused on growth also for the next coming years.

The distribution activities which have been started over the last years in Suzhou (China) and Zanesville (USA) are positively contributing to these sales efforts.

Increased organic sales during 2015 were however mainly concentrated on the sales of transmissions for the railway market and more particularly within the Chinese market.

It is expected that this market will also during 2016 be the motor for the further organic growth of the IGW Group.

In addition thereto, sales for 2016 will grow as a consequence of the acquisitions:

- The 12.5 million EUR sales of Involute Technologies Pvt. Ltd. included in the 2015 numbers the sales realized during the second semester of 2015 only. During 2016 the total sales of Involute Technologies Pvt. Ltd. are expected to reach some 25-30 million EUR.
- The acquisition of the VCST Group of companies became effective as from March 24, 2016 onwards and will substantially lead to a further sales growth of the division with some 140 million EUR.

Following mainly the above acquisitions, the board expects that the sales of the Industrial Gears division during 2015 will reach approximately over 280 million EUR.

Aerospace

The Aerospace division reached a sales number of 62.9 million EUR, i.e. an increase with 6.3 million EUR, representing 11.1% compared to 2014.

It was expected that sales of the division would grow to some 60 million EUR during 2015 and that the stronger USD would positively impact both sales and results in 2015.

Even though sales of the division as a whole have not really increased during 2015, partly since the implementation of some major awarded projects were delayed again, the final outcome translated in EUR shows a different result.

The aerospace market is a market fully driven and based on USD and the continuous strengthening of the USD during 2015 has indeed helped the division to increase its sales and results even above expectations.

Also depending on the further evolution of the USD during 2016, the Board of Directors expects a 15% sales increase during 2016 which should lead to sales in excess of 70 million EUR.

Personnel and investments

Personnel

The total number of employees increased with 513 colleagues during 2015, reaching 3,568 by the end of the year.

As sales increased in the three major divisions, and as order intake for the Glass Engineering division increased during 2015 it seems obvious that also personnel numbers increased in all divisions of the group.

Following the acquisition of Involute Technologies Pvt. Ltd., it is quite obvious that the biggest increase in personnel is to be found in the Industrial Gears division of the group.

The total increase in this division amounted to 311 colleagues of whom 285 are related to the Indian Involute Technologies activities.

As sales within the existing plants increased to the biggest extent in the Chinese plant, it is also in Suzhou that the highest increase of personnel numbers has been noted.

Only the Belgian plant has been confronted with a slight reduction.

Also the Aerospace division, though quite moderately, increased its total labour force with 7 members, an increase which was primarily noted in the Romanian plant.

The table below shows the evolution in employment figures within the various divisions at the end of 2014 and 2015.

	2014	2015	difference
Blue collar	2,256	2,429	+173
GLASS Division	1,255	1,392	+137
- Glass Moulds	1,153	1,277	+124
- Glass Engineering	102	115	+13
GEARS Division	1,001	1,037	+36
- Industrial Gears	709	742	+33
- Aerospace	292	295	+3
White collar	779	1,139	+340
GLASS Division	340	366	+26
- Glass Moulds	275	291	+16
- Glass Engineering	65	75	+10
GEARS Division	450	761	+311
- Industrial Gears	330	637	+307
- Aerospace	120	124	+4
BMT HQ	9	12	+3
TOTAL	3,055	3,568	+513
GLASS Division	1,595	1,758	+163
- Glass Moulds	1,428	1,568	+140
- Glass Engineering	167	190	+23
GEARS Division	1,451	1,798	+347
- Industrial Gears	1,039	1,379	+340
- Aerospace	412	419	+7
BMT HQ	9	12	+3

The Glass Mould division has realized a further increase of its sales and capacity and by consequence additional personnel started in the Croatian and Romanian plant, similar to prior year.

The division noted an increase with 140 personnel members, thereby totalling 1,568 colleagues at the end of 2015.

Although sales of the Glass Engineering division did not increase during 2015, the order intake during the second semester of 2015 has been such that a huge increase of the required labor force was needed, leading to the hiring of an additional 23 members of staff, all for the Romanian plant.

Belgian employment has been kept stable at 406, exactly the same level as by end 2014 and accounts now for 11.1% of total employment of the group.

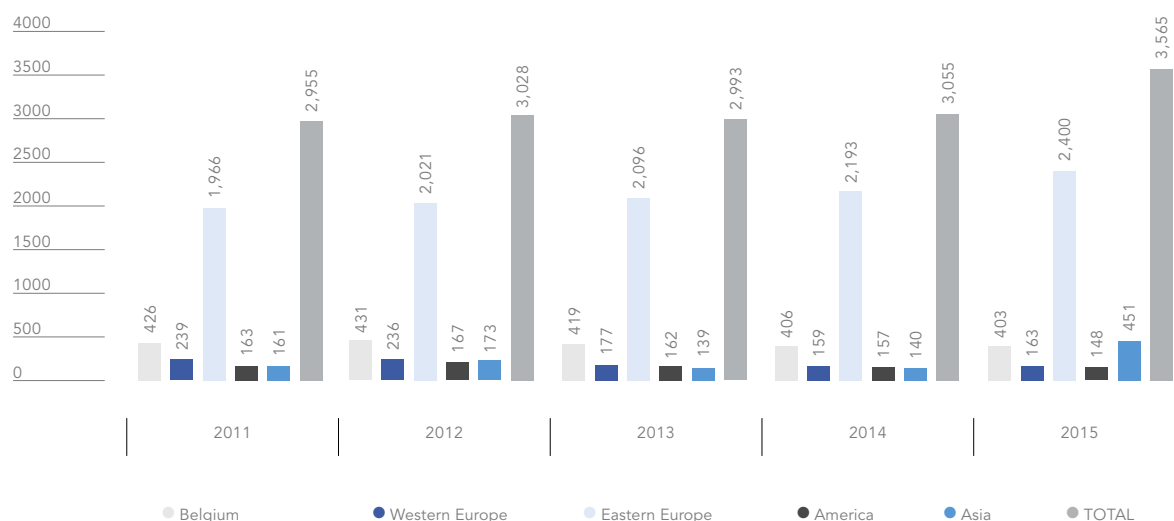
The chart hereafter presents the overview of the group's annual employment numbers by the end of December in Belgium and abroad from 2011 until 2015.

Personnel numbers have substantially increased in Asia (+311), obviously following the acquisition of Involute Technologies Pvt. Ltd. which added 285 personnel members in this region.

Also the employment in the Eastern European countries further increased (+207) whereas the employment in Belgium and the Western European countries remained at the same level as in 2014.

Increases in the Eastern European countries were also this year noted in all countries except the Turkish plant which stayed at the same level as in 2014: Romania (+101), Croatia (+68), Slovenia (+20) and Czech Republic (+18).

Employment outside Belgium further increased slightly from 86.6% by the end of 2012 to 88.6% by the end of 2015.



Investments

Investments in tangible fixed assets

Whereas a budget of 30 million EUR was approved, the final net invested amount reached close to 40 million EUR.

The increase towards the initial budget is due to the following:

- The acquisition of Involute Technologies Pvt. Ltd. was obviously not included in the initial investment budget and also Involute Technologies Pvt. Ltd. was carrying out its own investment plan, including the building project of an additional production plant of approximately 10,000 m².
- A second increase followed the approval by the board to accelerate the building of the plant extension for the Croatian Glass Mould plant.

Net investments are allocated over the two divisions as follows: Glass division (23.9 million EUR), Gears division (15.8 million EUR).

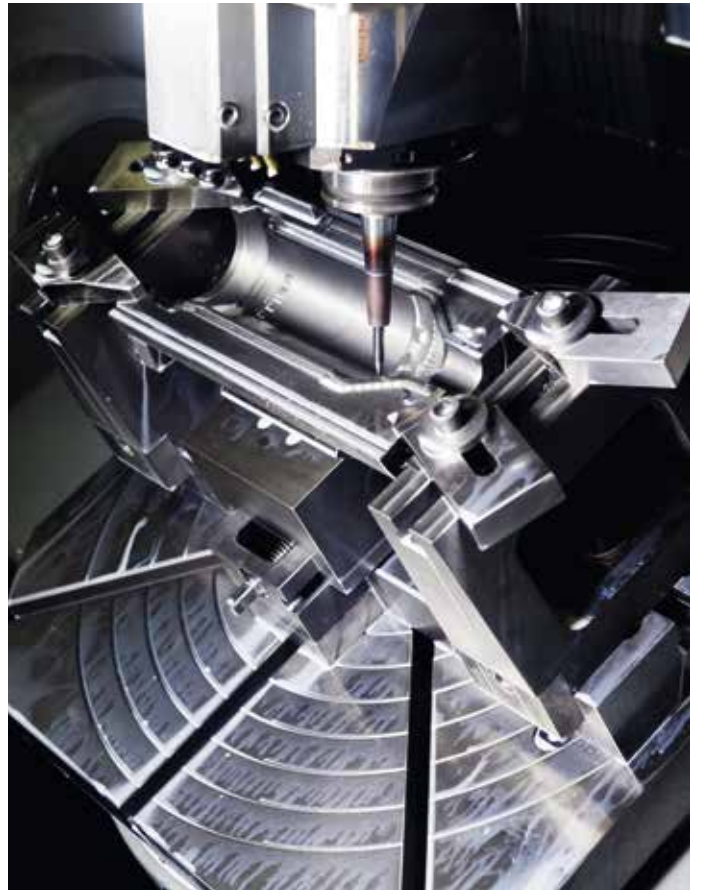
The following chart gives an overview of the Group's net investments in intangible and tangible fixed assets between 2011 and 2015, divided over the divisions.



Investments in the Glass division

(totalling 23.9 million EUR):

- Nearly all investments (23.5 million EUR) have been allocated to the Glass Mould division and also this year the bulk of the investments were allocated to the Croatian plant.
 - This year the Croatian investment program was both accelerated and enlarged in order to anticipate a further expected increase of the demand. The Croatian investment program includes an additional workshop of some 10,000 m² as well as over 20 additional turning and milling centres and different welding robots both for the mould production and the centralised neckring production of the Croatian Plant.
 - A second important investment is the finalisation of the extension of the Slovenian foundry with a capacity extension dedicated for glass mould castings. This investment, although decided some time ago, had to be postponed in order to obtain all required approvals for the building extension. The investment was finalised at the beginning of the 4th quarter of 2015 and will allow a further sales increase for 2016.



- The Romanian plant has also increased its shop space with an additional 3,000 m² during 2015 and has continued its investment process with different machines allowing for a further planned and expected sales growth.
- Also the Belgian plant has further expanded its capacity for the plunger production which is centralised in this plant for the whole of the OMCO group.
- Investments for the Glass Engineering division (0.4 million EUR) were limited since the major investment in the Romanian new plant was finished by mid 2013.

Investments in the Gears Division (totalling 15.8 million EUR) were spread over the 2 subdivisions:

- Investments amounted to 5.1 million EUR for the Aerospace division and also this year the major part (3.0 million EUR) was allocated to the Fraser and Iasi plants. The major investment for the Belgian plant was the acquisition of a

neighbouring industrial plot of land of some 7,659 m² as well as of a multi sensor measuring machine as the main investment in equipment.

- Net investments for the Industrial Gears division reached 10.7 million EUR, including the investments made during the second semester by Involute Technologies Pvt. Ltd. As already indicated the investments of the Indian plant include the construction of an additional production plant of some 10,000 m² which is intended to be finalised by mid 2016.

The Romanian plant invested some 2.2 million EUR, mainly in multitasking machines which replaced some older turning machines.

The Czech plant equally invested in a multitasking machine and started the investment for a new machining centre.

The table below summarizes the net investments over the various divisions as per end 2015.

In 1,000 EUR	Land & buildings	Machinery & equipment	Furniture & vehicles	Leasing	Other tangible assets	Assets under construction	Total
GLASS Division	26,036	36,717	2,158	0	654	8,316	73,879
- Glass Moulds	13,971	35,361	2,090	0	126	8,312	59,858
- Glass Engineering	12,065	1,356	68	0	528	4	14,021
GEARS Division	28,146	33,349	1,681	0	0	4,125	67,042
- Industrial Gears	19,442	20,105	1,255	0	0	3,974	44,597
- Aerospace	8,704	13,244	426	0	20	51	22,445
BMT HQ	0	2	189	0	79	0	270
Total	53,872	70,068	4,028	0	753	12,161	140,883

Investment prospects for 2016

The 2016 investment budget which the Board of Directors has in principal agreed upon reached 40 million EUR.

This budget does not take into account the financial investment in the VCST Group and consequently neither the investments which this group of companies has planned for 2016 in tangible and intangible fixed assets.

The investment budget of 40 million EUR also comprises an investment into buildings, the major part thereof being the finalisation of the investment by both OMCO Croatia and Involute Technologies Pvt. Ltd.

The remainder of the investment program will be allocated to investments in machines and robotised cells spread over the different divisions. During 2016 the bulk of these investments will be located on the Glass Mould division.

Environment

As a group which is active in different domains of the industry we are continuously challenged for growth. This growth comes in the various domains that are affected by our daily operations and this includes environmentally related improvements. Our world faces important environmental challenges and we acknowledge the role that companies can play in these domains.

In our daily operations we respond to these challenges through several measures:

- We strive to be as efficient as possible in the use of natural resources.
- We consider water and energy management in investment projects and optimization of existing processes.
- We strive to reduce greenhouse gasses and install measures and procedures to protect the soil.
- We seek to improve waste handling and management.

Energy

More efficient use of energy lowers our production costs, conserves limited energy resources, and increases productivity. Efficient use of energy has a positive impact on the environment by reduced emissions of greenhouse gases and air pollutants. It is clear that increasing the efficiency of energy is a substantial benefit for our activities.

It is our continuous challenge to identify opportunities to optimise energy efficiency in our manufacturing processes.

All this will help to reduce the global footprint of our overall actions at the different locations. Hereafter are the actions identified in the different plants during 2015.

BMT Aerospace at Oostkamp, Belgium:

- A study has been conducted for a relighting project in our workshop: the installation of intelligent LED lighting will allow us to improve the illumination level for our employees and simultaneously reduce the energy consumption to about 50% of the actual level (this is a reduction of approximately 200 tons of CO₂ emission). Implementation of this study will start in 2016.

BMT Aerospace at Fraser, USA:

- The actual HID lighting has been replaced by more efficient LED lighting to improve illumination level in the workshop resulting in an estimated energy reduction of >300 MWh/year (or approximately 200 tons of CO₂ emission).

OMCO at Aalter, Belgium:

- Renovation of the roof of our workshop (1st part) with an improved insulation level in accordance with energy requirements.
- Installation of new energy efficient heating in the part of the workshop dedicated to 3D-printing (AMT Titastar).

OMCO at Hum na Sutli, Croatia:

- Installation of a new production building with integration of energy efficient technology to obtain the energy efficiency grade A.
- Installation of heat exchangers on the new compressor units to re-use the generated heat for heating the workplace and reduce the use of gas as a natural resource.
- High-efficient lighting through LED has been installed in the workshop.

OMCO at Iasi, Romania:

- The last phase in the relighting of the workshop has been finalized by installation of LED-lighting.

IG Watteeuw at Brno, Czech Republic:

- Replacement of lighting in the service hall by more efficient LED lighting to improve the illumination level and reduce energy consumption.

IG Watteeuw at Suzhou, China:

- A new air compressor has been installed with improved energy efficiency for the compressed air network (frequency controlled).
- Installation of high-efficiency lighting for the workshop.

IG Watteeuw at Oostkamp, Belgium:

- Renovation of the existing offices has continued and also offices on the groundfloor benefit from the implementation of energy efficient technology: existing windows have been replaced by new and

better insulated windows and high performant LED lighting has been installed into the offices.

- The heating installation in the workshop has been replaced by high performance heating elements.

AMT-Titastar at Aalter, Belgium:

- Installation of insulated cabins with LED and high efficient lighting.

Water

The fact that issues of water quality, quantity, management and flooding are essential for our common future is undeniable. Existing water infrastructures are becoming vulnerable to extreme rainfall events which are often linked to climate change. Floodings caused by extreme rainfall demand a different approach: increased amounts of paved surfaces prevent infiltration into the ground and rise the demand for temporary storage with retarded disposal or harvesting systems for re-use.

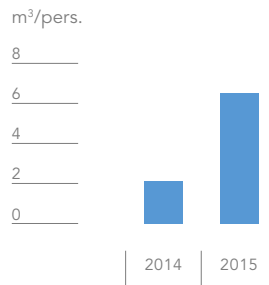
Rainwater is a free water source provided by nature and by capturing and collecting rainwater we can significantly offset our potable water use. This will not only reduce the cost for potable water but is also a sustainable, efficient use of water resources.

Depending on the local yearly average rainfall the installation of rainwater harvesting systems can reduce the need for potable waters. Rainwaters also can be used as cooling water to replace the need for groundwater.

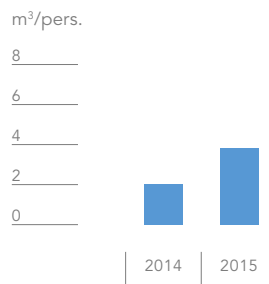
Based on our experiences and through legislative responsibilities we continue our efforts and investments in rainwater harvesting systems and actions to reduce our need for potable waters.

- OMCO at Hum na Sutli, Croatia has installed a lagoon to collect rainwaters. Collected rainwaters will also be re-used for sanitary needs and set-up of emulsions.
- OMCO at Iasi, Romania has prepared an underground storage for harvesting of rainwaters which will be re-used in the production process. Monitoring is installed for improved water management.

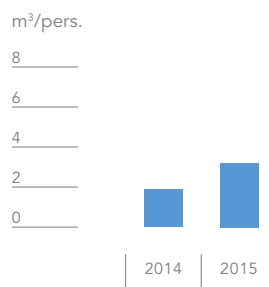
Re-used rainwaters at IG Watteeuw, Oostkamp



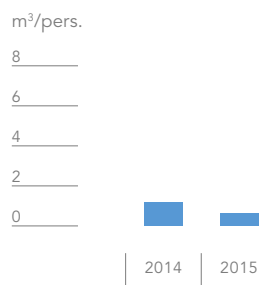
Re-used rainwaters at BMT Aerospace, Oostkamp



Re-used rainwaters at OMCO, Aalter



Re-used rainwaters at OMCO, Hamme



Air Emissions

Industrial emissions of greenhouse gases and air pollutants need to be monitored and reduced.

Monitoring programs are installed to control emissions in order to operate in conformity with local legislation.

Implementing new and other technologies will help us to reduce the emissions into the atmosphere.

- IG Watteeuw at Oostkamp, Belgium has installed a new heating installation with improved and cleaner exhaust.
- IG Watteeuw at Brno, Czech Republic has installed new VOC filters with high efficiency on the exhaust of the paint booth.
- OMCO at Aalter, Belgium has installed a new heating installation with improved and cleaner exhaust.

Soil

Dangerous and hazardous goods are still necessary for some of our processes and their presence demands that they are stored and handled safely. To reduce the potential for soil contamination due to spills or accidents, secondary containment for the storage is implemented.

- IG Watteeuw at Oostkamp, Belgium has finalized the last phase on sanitization of the soil contamination that was historically created through leaking of chip containers.
- IG Watteeuw at Brno, Czech Republic has renovated the floor in its service hall with a special protective coating to prevent soil contamination. In addition a semi-automatic gate has been installed at the storage of chemicals to prevent possible spills to leak outside.
- BMT Aerospace at Oostkamp, Belgium has started the construction of a new warehouse for storage of chemicals (secondary containment and special floor coating are integrated).

Waste

The different processes of our activities generate both non-hazardous and hazardous waste. To minimize the environmental impact of the amounts of waste produced we are setting up programs for sorted disposal. A program for sorted disposal needs appropriate material-specific bins to collect and temporary store the collected waste.

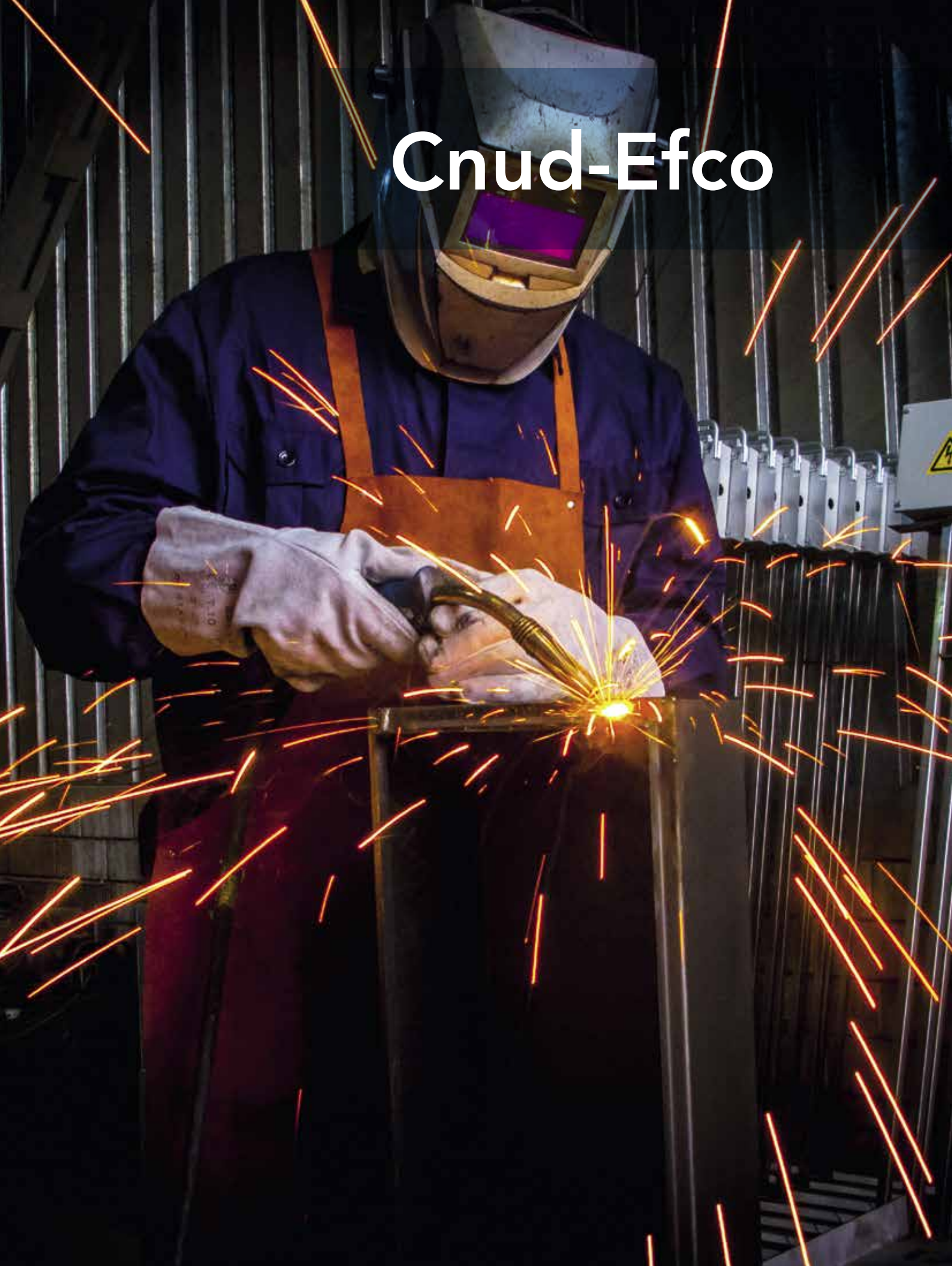
- OMCO at Hum na Sutli, Croatia has installed a new station for temporary storage of chips and waste emulsion with special attention to preventive measures for spills.
- IG Watteeuw at Brno, Czech Republic has installed a connection to the city sewerage system for controlled discharge of waste waters in respect of the limits. By this measure all hauling transports for removal of waste waters are eliminated.

Transportation

The BMT Group Car Policy has been updated by more severe limits on exhaust emissions to lower the general impact of BMT's fleet vehicles thereby following the evolution of available technology.

The international average for leased company cars as achieved a value of 115 g CO₂/km.

Cnud-Efco



Consolidated results

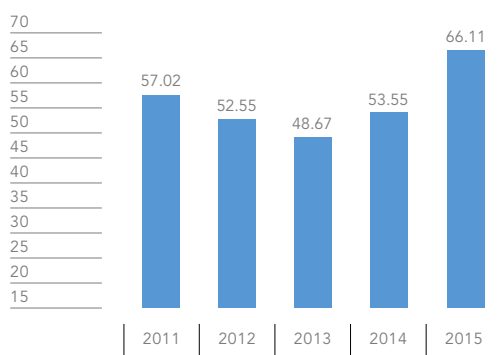
Consolidated results have been established on basis of IFRS principles since 2005.

Current gross operating cash flow reached 66.11 million EUR compared to 53.55 million EUR during 2014, i.e. an increase with 23.5%.

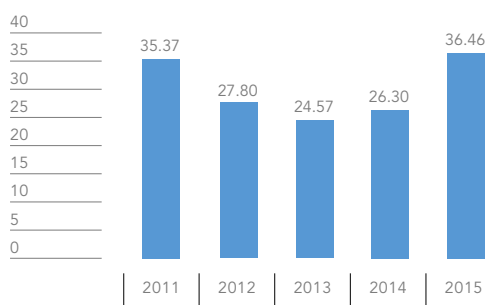
Net operating profit amounted to 36.47 million EUR compared to 26.30 million EUR in 2014, i.e. an increase with 38.7%.

- **Gross operating cash flow:** increased from 53.55 million EUR during 2014 to 66.11 million EUR during 2015. As a percentage to sales, the gross operating cash flow for 2015 increased from 19.86% during 2014 to 21.58% during 2015.
- **Consolidated net profit:** increased from 26.30 million EUR during 2014 to 36.47 million EUR during 2015, i.e. an increase with 38.7%. As a percentage to sales, the consolidated net profit increased from 9.8% during 2014 to 11.9% during 2015.

The table below represents the gross cash flow from 2011 till 2015.



The following table represents the net profit from 2011 till 2015.



The table below gives an overview of the results of 2013, 2014 and 2015, all based on IFRS reporting principles.

IFRS	2013	2014	2015	Difference
Net profit	24.57	26.30	36.46	+10.16
Amortisation of goodwill	0	0	0	0
Net operating profit	24.57	26.30	36.46	+10.16
Depreciation of fixed assets	17.71	17.42	19.95	+2.53
Net cash flow	42.28	43.72	56.41	+12.69
Deferred taxes	-1.07	+0.45	+1.0	+0.55
Net cash flow	41.21	44.17	57.41	+13.24
Taxes	7.46	9.38	8.70	-0.68
Gross operating cash flow	48.67	53.55	66.11	+12.56



Corporate Governance

The following Corporate Governance information is provided.

Board of Directors (BMT nv)

Directors	Term of appointment (closing of annual meeting)	Main job if outside the company
J.PEAS bvba, Chairman (1), with permanent representative Mr. J.P. SEYNAEVE	2021	Managing Director, Chairman STHI nv
Kleding Demolux nv, Director (1), with permanent representative Mr. A. SEYNAEVE	2020	Managing Director STHI nv
Jean-Christophe Seynaeve bvba, Director (2), with permanent representative Mr. J.C. SEYNAEVE	2017	Managing Director Jean-Christophe Seynaeve bvba
Midelco nv, Director (3), with permanent representative Mr. P. VLERICK	2019	Chairman UCO nv
GROUP DE CLOEDT nv, Director (4), with permanent representative Mr. F. COUSIN	2020	Director Group De Cloedt nv

(1) Non-executive director attached to shareholder Sigma Invest sàrl

(2) Executive director

(3) Non-executive director attached to shareholder B.M.H. nv

(4) Non-executive director attached to shareholder DC Overseas sa

The Board of Directors consists of five members:

- one executive director:
 - Jean-Christophe Seynaeve bvba, permanently represented by Mr. Jean-Christophe Seynaeve, C.E.O. BMT Group
- four non-executive directors:
 - two of them are members of the Board of Directors of STHI nv, J.PEAS bvba, with permanent representative Mr. Jean-Pierre Seynaeve, Chairman and Managing Director, and Kleding DEMOLUX nv, with permanent representative Mr. Arthy Seynaeve, Managing Director;
 - Midelco nv, with permanent representative Mr. Philippe Vlerick;
 - Group De Cloedt nv, with permanent representative Mr. François Cousin.

Rules and regulations concerning appointment and re-election of directors

"The directors, who may or may not be shareholders, are appointed by the General Meeting for a maximum term of six years. Their appointment commences after the General Shareholders' Meeting, which decides on the appointment, and ends at the closing of the annual meeting. Resigning directors are eligible for re-election."

(Articles of Association, art. 16)

Operation of the Board of Directors

"The Board of Directors may perform any act deemed useful or necessary for the realisation of the company objectives except those reserved by law for the general shareholders' meeting". (Articles of Association, art. 15).

"The meetings are held at the registered office or any other location as specified in the notice of the meeting" (Articles of Association, art. 20).

The Board of Directors meets at least six times per year and deals with the compilation of the annual accounts and all other matters entrusted to it through the Articles of Association and by law.

The following issues are covered, among others: approval of budgets including investment budgets, handling of acquisition files, recruitment, promotion and remuneration of top executives and the monitoring of the monthly results of each establishment. These results are reported in a uniform way within the whole Group in order to facilitate comparisons over time or between divisions. The members receive the relevant information in good time in order to make proper preparations for the meeting.

Rules in the Articles of Association on decision-making

"The meetings are convened by the chairman or in his absence by any director when required by the company's interest, as well as within 14 days following a request thereto by at least two directors. (see Articles of Association, art. 20)

The Board of Directors elects a chairman and a vice chairman among its members. In their absence, the Board of Directors will be presided by the oldest director present." (Articles of Association, art. 18)

"The Board of Directors may only validly deliberate and decide on items put on the agenda if at least half of its members are present or validly represented. On items not listed on the agenda, the Board of Directors may only validly deliberate and decide if all members are present and approve the decision.

Any director who is unable to attend or who is absent may appoint one of his colleagues on the board by letter, telegram, telex, fax or any other means of communication to represent him at a particular meeting of the board and to vote on his behalf.

The director granting a power of attorney shall then be deemed to have participated in the voting. No proxyholder may represent more than one director.

In exceptional cases, if the urgent needs and interests of the company require so, the decisions of the Board of Directors may be taken by unanimous written consent of the directors.

All decisions of the board are taken with a simple majority of votes. In the event of a tie, the chairman shall have the casting vote, except if only two members are present." (Articles of Association, art. 21).

The decisions of the Board of Directors are usually taken by consensus.

Day-to-day management

"The Board of Directors may assign the company's day-to-day management to one or more directors or to one or more managers or other persons, who may or may not be shareholders. Their special remuneration will be determined by the Board of Directors.

They may always be re-elected and their mandates may coincide with those of chairman or vice chairman of the Board of Directors". (cfr. Articles of Association, art. 27).

"The Board of Directors may set up an executive committee whose members may be chosen from within or outside the Board. It stipulates the powers of this committee, governs its operation and decides on the remuneration of its members". (cfr. Articles of Association, art. 23).

"The company shall be validly represented judicially and extra-judicially:

- either by two directors jointly;*
- or by special proxyholder, within the limits of their power of attorney;*
- or by the person in charge of the day-to-day management, within the limits of this management role". (cfr. Articles of Association, art. 28).*

Day-to-day management of the divisions is entrusted to a managing director and management meetings are held within each activity at regular intervals (every two months), dealing with all aspects of the company policy, and the respective divisional heads report on the implementation of policy options as decided by the Board of Directors.

Appropriation of profit

"The credit balance of the profit and loss account is allocated as follows:

- 1. a minimum of five percent is first deducted to form legal reserves until this amount has reached one tenth of the share capital;*
- 2. the General Meeting decides on the allocation of the balance as proposed by the Board of Directors.*

The General Meeting may decide to increase the part that is allocated to legal reserves before the end of the year." (cfr. Articles of Association, art. 42).

"The dividends are paid at the time and in the manner determined by the Board of Directors. Payment must be effected prior to the end of the financial year within which the amount is determined. The Board of Directors may decide to award interim dividends". (cfr. Articles of Association, art. 43).

The Board of Directors has a clear option to increase the growth of the BMT Group within the Glass Division and the Gears Division.

This growth must be financed primarily through internal resources in order to create shareholder value. As a specific dividend pay-out ratio it has been agreed that 1/3 of the net consolidated profit will be proposed as a dividend pay-out.

Based on the 2015 consolidated net profit, the Board of Directors proposes a total gross dividend pay-out of 12,157,760 EUR.

Committees set up by the Board of Directors

Audit committee

An audit committee has been set up as a subcommittee of the Board of Directors, consisting of three members.

The members are two non-executive directors, Mr. Philippe Vlerick – also chairman of the audit committee – and Mr. Jean-Pierre Seynaeve, one executive director, Mr. Jean-Christophe Seynaeve. The members have been appointed for a term of three years. If the remaining term of their appointment as director has less than three years to run, their term of appointment will be limited to the remaining duration of their appointment as director.

The main task of the audit committee is to assist the Board of Directors in its supervisory role, in particular with checking:

- financial information intended for both shareholders and non-shareholders;
- the internal audit system set up by the Board of Directors and management;
- the audit process.

The audit committee meets two times a year and reports to the Board of Directors. The following issues are on its agenda and are within its authority:

- financial information: annual accounts, annual report, interim reports and other reports and information for third parties;
- internal monitoring;
- the audit process;
- other tasks: corporate governance, environment, conflicts of interest, etc.

Remuneration and appointment committee

A remuneration and appointments committee has been set up as a subcommittee of the Board of Directors. The members of this committee are Messrs. Jean-Pierre Seynaeve, Jean-Christophe Seynaeve and Philippe Vlerick.

The committee proposes the levels of remuneration paid to the directors and to the senior executives of the various divisions.

The committee, which meets twice a year, is also responsible for monitoring the implementation of its proposals.

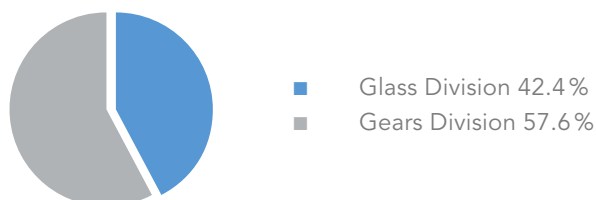
Auditor's remuneration for additional services

In consequence of the additional tasks carried out at the request of the Board of Directors, the auditor received fees amounting to EUR 36,860 during the past financial year.



Glass division (42.44 % of group turnover)

Turnover distribution 2015



	2011	2012	2013	2014	2015
Sales (million EUR)	149.20	141.12	128.35	120.53	130.02
Personnel	1,446	1,486	1,527	1,595	1,758

Glass moulds (39.86 % of group turnover)

	2011	2012	2013	2014	2015
Sales (million EUR)	112.29	103.85	104.80	109.23	122.10
Personnel	1,197	1,239	1,312	1,428	1,568

2015 proved to be an exceptionally successful year for the OMCO Group resulting in an 11.8 % increase in turnover which peaked at 122.10 million Euro including both foundries.

Continuous heavy investment in the latest technology allow the group to increase efficiency, improve quality and importantly keep pace with the expected price levels. Just as significant with regard to investment in 2015 was the construction of a new 10,000 sq meter production unit built adjacent to the current plant in Croatia. In addition the OMCO Slovenian foundry was extended and a new state of the art casting line was added at a cost of 5 million euro which will support the increase in demand for glass cast iron and at the same time improve the overall lead time.

The above measures and investments will allow OMCO to meet their ambitions with regard to growth and to increase their market share.

Strategically 2015 proved successful with a number of formal supply agreements signed with key customers.

Mould Shops

OMCO Belgium

Efficient manufacturing is key to the success of our Plunger Manufacturing Unit as the selling price continues to fall. This is being achieved through clever robotization, automation, together with flexible working habits.

This product is critical to glass container weight and quality and our disciplined approach has given us a 17 % increase in output (total 122,243 pieces) enabling us to offer an attractive package and become a chosen supplier to many prominent glass bottle producers.

OMCO UK

2015 proved to be a difficult year for our UK manufacturing, due to difficult trading conditions in the UK spirit dominated market. Less new products were available in 2015 compared to the previous year but more significant was the number of low cost mould manufacturers entering the market

A close-up photograph of a precision-machined metal component, likely a valve or part of a pump. The metal has a brushed finish and a complex, curved shape. A small, stylized logo is engraved on the surface. A dark, cylindrical tool or probe is positioned near the part, suggesting a manufacturing or inspection process.

Omco

resulting in a serious drop in the market price of all components.

Increased sub-contracting along with job selection biased toward complex containers, a known strength of OMCO UK, enabled the factory to remain fully loaded at most times and yield an acceptable return.

OMCO Croatia

Our group's flagship operation had a tremendous year, crowned at the end of the year with the completion of the new building, which will allow us to separate the manufacturing of cavities from the neck ring components in environmentally friendly and spacious surroundings.

Prior to the completion of this investment, this plant was already the world's biggest single facility mould manufacturer, now employing 570 people, producing in 2015 an incredible 73,000 cavities and 335,000 neck rings all products being shipped to bottle makers big and small across the globe.

The complete package of quality and service and the ability to deliver promptly as well as in high volumes played a significant part in winning a good share of contractual businesses.

OMCO Austria

Similar to the UK, the Austrian facility has to compete with low cost mould producers arguably made worse by the fact that they are based on the European mainland as opposed to the UK's island base.

With the support of their local customers and also, like OMCO UK, using clever sub-contracting the facility was able to keep its head above water.

OMCO Romania

The latest facility of the group, OMCO Romania, continued to grow during 2015 and improve and played a strong supportive role to OMCO group enabling us to satisfy our global footing. They were able to produce increasingly more complex products including all the plunger coolers that accompany the plungers produced in Belgium. This plunger cooler production is a relatively new operation, also in the OMCO group as a whole, in a very historic, skilled trade.

The factory continues to benefit from serious investment in the training of personnel, more floor space and first class machinery. Romania will play a significant part in our strategy going forward.

An increase in personnel through 2015, along with the machine tool investment resulted in a 10% increase in the number of cavities produced.

OMCO Istanbul

Once again and influenced by the 50/50 joint venture agreement which we have with our partner Sisecam Glass Group, the Istanbul plant performed very well. Again because of this Joint-Venture OMCO Istanbul remains stable enjoying some guarantee with regard to order intake which in turn creates a stable workforce.

Foundries

OMCO Metals

It was a very busy year for the Hamme foundry experiencing a growth in their mechanical casting activity. In addition the foundry was able to increase the bronze glass mould business and sales as a result of the investment in a new bronze furnace.

Looking forward to 2016, this investment will double their melting capacity for glass mould bronze.

An increased sales effort in recent years has brought prospective new clients which all being well will result in serious growth during 2016.

OMCO Feniks

Following two years of heavy investment, by the end of 2015 the new line for glass mould castings has been put into operation, giving an annual output of 2,500 tons.

The new investment will increase the capacity by some 40%, an increase which will be covered by the current sales activity.

Moving forward the next step in the development process will be additional robotization and automation.

Glass engineering (2.58 % of group turnover)

	2011	2012	2013	2014	2015
Sales (million EUR)	36.91	37.27	23.55	11.27	7.92
Personnel	249	247	215	167	190

Although the level of sales for Cnud-Efco was forecasted to reach the same level as in 2014, sales have even further dropped from 11.3 million EUR in 2014 to 7.9 million EUR in 2015.

As the total lifecycle of a Cnud-Efco project can be spread over 18 months from signature to final

acceptance, the low level of activity for the year is the consequence of the slowdown of the previous years and its reduced number of investments in float glass plants worldwide.



However the work in progress has increased by 3 million EUR in 2015, versus a decrease by more than 5 million EUR in 2014. This reflects a growth in business based on signed contracts and consequently an increased orderbook for 2016.

In 2015 the company has realized various repair jobs both for the annealing lehr and the roof accounting for 2.4 million EUR over the USA, Korea and Europe. Two important projects were started in the Middle East with a wider scope going from the annealing lehr, including the mechanical drive, the rollers and the electrical cabinets to the tin bath roof, the bottom casing and the tin bath accessories.

The development of the latter has been the main internal project focused on during the year with a renewed design and insourced production.

In 2015 the company, as another important internal project, further defined the blueprint of its SAP implementation with a linked investment in 2015 of more than 0.3 million EUR.

In a diversification exercise, Cnud-Efco has continued to produce dollies for airport transportation as well

as other smaller construction projects both for glass and non-glass applications.

The team has reintroduced the hollow glass industries with its newly developed lehrs. Further opportunities in a diversified industry are being analysed.

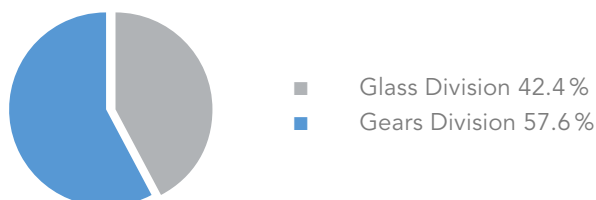
During the last quarter of 2015 and the first quarter of 2016, the order book of Cnud-Efco has increased drastically and shows more than 27 million EUR at the end of March 2016. This leads to a forecasted sales of 28 million EUR for 2016 with most of the orders to be shipped during the year.

Generally, APAC is leading the flat glass market with a share of 60%-65% in 2015 with China alone having more than 50% of the global market share while North America and Europe together represented 20-25% during the same period. Consequently the signed projects are mostly to be realized on the APAC market with some orders for central Asia where factors like increasing urbanization and a rising real estate sector are driving the market.



Gears division (57.56% of group turnover)

Turnover distribution 2015



	2011	2012	2013	2014	2015
Sales (million EUR)	130.44	144.22	138.58	149.08	176.35
Personnel	1,315	1,475	1,456	1,451	1,798

As from 2010 onwards, the gears division has further strengthened the technical expertise and related

synergies between its 2 subdivisions, Industrial Gears and Aerospace.

Industrial gears & transmissions (37.03 % of group turnover)

	2011	2012	2013	2014	2015
Sales (million EUR)	86.12	90.17	81.27	92.50	113.46
Personnel	1,089	1,079	1,035	1,039	1,379

2015 has proven to be a difficult but very successful year for IGW. Although expectations on gear turnover could not be realized, leaving some of the available capacity idle, additional gearbox turnover could be generated to compensate and realize a cost coverage.

With 113 million Euro turnover, the ambitious budget could eventually be realized, driven mostly by the rapidly growing Asian transport market. IGW realized further steps towards a customer driven organization and will continue to follow its growth strategy. Next to that a lot of operations were carried out to improve efficiency and operational performance throughout all locations and functions. One of the most important events of the past year surely was the start of a joint venture with the Indian based Involute Technologies Pvt. Ltd. The partner company is a component manufacturer specialized in gears for agriculture, construction equipment and

hydraulic applications. It has a global customer base and 4 extensive production sites, with a 5th under construction. The company now also sells under the reputable brand name IGW, adding another solid platform for sustainable growth for India, as well as other parts of the world.

Sales & markets

IGW has known an outstanding year in terms of sales. During 2015 IGW delivered more than 145,000 gearwheels, shafts and pinions as well as more than 8,000 gearboxes to its customers. Accordingly, gearbox sales increased with more than 12% in terms of quantity. After some difficult years caused by the global crisis in 2008, the European markets stabilized, which is great news especially for the gear market.

The major driver of IGW's sales results however remained the Asian railway market, especially China,

driven by the increasing urbanization. This has led to IGW achieving a new sales record in the history, with more than 28 million Euro sales in China, largely driven by the strong demand for metro gearboxes. Thanks to the joint venture with Involute Technologies Pvt. Ltd., IGW started to get involved in complementary industry markets, such as agriculture, construction equipment and hydraulic applications all over the world. The rising importance of new markets such as heating, ventilation and air conditioning (HVAC), together with the new client base of Involute Technologies, started lowering IGW's dependency on the energy markets. This market was really struggling during the whole 2015 because of the historically low oil prices, which was noticeable in the level of investments made by companies in the oil & gas markets and associated low order intake. This dip in the energy markets, combined with a less and less favorable Dollar/Euro exchange rate, slowed down growth in the second half of the year, after two excellent quarters in terms of growth of sales figures.

Investments

As suffering from an inhomogeneous ERP environment without sufficient functionality to operate multiple plant environments, IGW invested in the newest release of the ERP system QAD. All plant specific implementations could be completed before the end of the year.

During 2015 IGW heavily invested approximately 10.7 million Euro in refurbishment and upgrading of its production capacity and production sites.

The plant in Oostkamp (Belgium) continued to renew the office buildings, finishing the engineering, production and planning offices. Some minor investments were also made in the shop floor, including new material handling cranes and machine retrofits.

In Brno (Czech Republic) the total 2015 investment was 2.5 million Euro and contained the acquisition of a new 5-axis machine center (Kovosvit Mas), capable of more efficient manufacturing processes by combining multiple machining operations. And to be able to turn large shafts a new CNC lathe (also Kovosvit Mas) was procured. In order to follow the increasing demand for Quality inspection and control, a new 3D coordinate measuring machine

(Wenzel), a manual 3D measuring gauge (Mitutoyo) machine and a completely new nitral edging installation were put into service. There were also significant investments in the field of engineering software. New software modules like MSC ADAMS, GEAR AT and BEARING AT were purchased, which will aid in the development of new gearboxes by modal analysis and simulation of dynamic forces.

In Iasi, after significant investments of more than 3.7 million Euro in 2014, another 2.1 million Euro were invested in 2015. More than 3,000 m² of floor space was renovated and could be added to the manufacturing facility, followed by a move of the distribution center and the hard machining equipment for the large gears. This move had become necessary as a first step towards a complete layout enhancement and "defragmentation" in preparation for expected continued growth.

Following the strategy of last year, aiming to reduce manufacturing lead times, six old machines will be replaced by three new ones early 2016 with improved and integrated capabilities. Those machines will be multitasking machines, each with two spindles and two turrets of the type Takisawa TMM 250, able to combine turning and drilling/tapping/milling operations within the same stage of production. Next to that enhanced quality, general process stability and associated reduction of throughput time can be expected.

In Suzhou (PRC) IGW invested in the purchase of a new horizontal machine center (OKK HM 1000S) and some retrofits/overhauls. The development of the plant in Zanesville (USA), IGW's most recent location, also continued during 2015. Main investments there were a CMM measuring machine and a routine test bench for locally assembled gearboxes.

Operations

All IGW locations maintained their focus on productivity increases by layout enhancements and multiple machine operation. In Oostkamp (Belgium) 2 further steps towards cost reduction, enhancement of output standard hours and productivity could be achieved. In Iasi (Romania), IGW's development department started to develop gearboxes for oil and gas applications and as internal service provider. Three engineers were hired and trained, with more

IGW



hires down the pipeline. Next to that the production process management and quality control teams were significantly strengthened. Operations in Brno enhanced their focus on servicing and testing capabilities. The testing department underwent the first step of an extensive renovation program. This included the introduction of new testing technologies, high tech sensors, the built of separate unloaded test cells and a new hydraulic system.

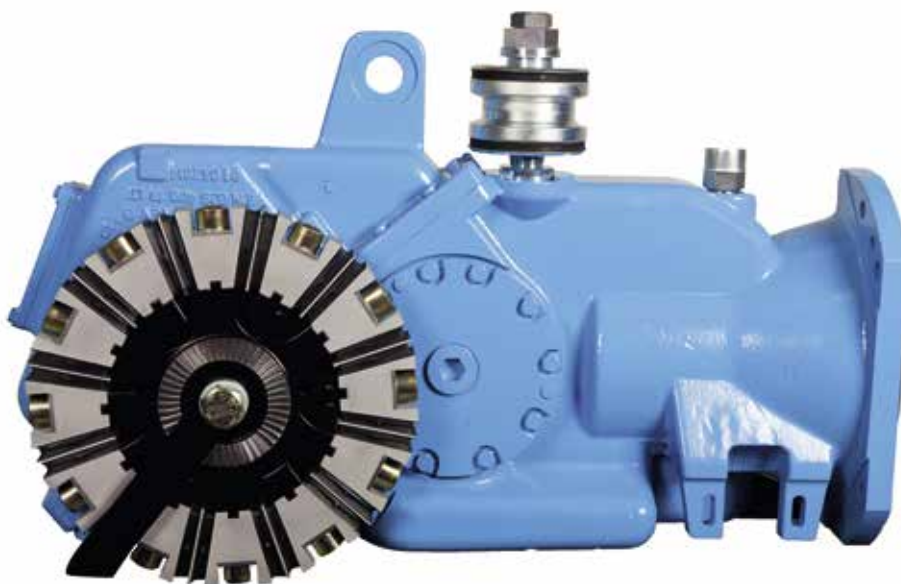
In China the service center was moved from Taiyuan to Qingdao City. The new workshop was finished in April 2015 and was already able to provide overhaul service for 600 gearboxes during the remainder of the year. The plant in Suzhou significantly reinforced its management team and organization in terms of HR, production, industrial engineering and project management. Among other things material flow and warehouse layout were improved followed by a consequent 5S initiative.

Operations also continued to grow in the US location in Zanesville. Because of the Buy America Act it is important to be able to deliver solutions for the US market from US soil. Here all manufacturing equipment was re-positioned in preparation of expected order intake in late 2016. An ISO 9001 certification was prepared and will be completed in April 2017.

Outlook

2016 is expected to be a year of double digit growth for IGW, mainly driven by its effective segmentation strategy, if supported by a stable market environment in Europe. This growth will be mostly driven by China, as it was in 2015, challenging IGW's worldwide capacity distribution. To fully capitalize on the opportunities in Asia, sales actions will be intensified there during 2016. Europe is maturing after its revival from the crisis, and is expected to grow slightly. Most of this growth is believed to occur in the market of railway applications. Notable is that a significant part of this growth is foreseen to occur out of new customers.

The strong US Dollar and low oil prices might continue to be a challenge in 2016, especially for the gear market. China is predicted to remain a huge growth market thanks to their continuing urbanization process. The urbanization rate will reach 60% by 2020, creating 200 cities with over 1 million inhabitants and providing plenty of opportunities for the selling of transport products. With a strong proven track record of successful projects in the four biggest cities (Shanghai, Beijing, Guangzhou and Shenzhen), IGW will make use of its leading position to benefit from all growth opportunities arising.



Aerospace (20.53 % of group turnover)

	2011	2012	2013	2014	2015
Sales (million EUR)	44.2	54.06	58.31	56.59	62.89
Personnel	360	396	421	412	419

BMT Aerospace with its current operations in Oostkamp (Belgium), Fraser (Michigan USA) and Iasi (Romania), is an international market leading provider of high technology components for the worldwide aerospace market.

The group designs, manufactures and market gears, mechanical components, sub-assemblies and gearboxes for the principal equipment producers.

Divisional revenue increased with 11% to 62.9 million EUR, this including a favourable exchange rate evolution.

During 2015 a divisional structure was redrafted, a divisional CEO was appointed and starting 2016 a divisional management team will be created. Key responsibilities of this divisional management team will be:

- Development and implementation of strategy, operational plans, policies, procedures and budgets.
- Assessment and control of risks.
- Implementation of a global sales team.
- Facilitate higher level solutions to meet the customer needs.
- Develop guidelines to help optimize the transfer of work to cost competitive locations as customer pricing pressure is an ongoing challenge.
- Creating a deeper culture of shared practices and know-how across the division.
- Update the reporting systems and data collection infrastructure to improve efficiency as well as to facilitate faster decision making.

At the same time the operating units remain empowered and accountable for their individual businesses. This allows BMT Aerospace to retain

an entrepreneurial spirit as it grows, which in turn enables innovative solutions to be developed for the customers and agility in decision making and delivery.

As the customers increasingly operate on a global basis it is important that BMT Aerospace is able to support them across the world. In industries where customers have choices with whom they do business, BMT's on-time delivery, quality performance and competitiveness are key to the division gaining market share.

The global aerospace markets continue to be strong and air travel is forecasted to double in the next 15 years.

Demand for larger commercial aircraft remains very robust with Airbus and Boeing, both having record order books.

Airbus has announced an increase in the single aircraft production to a rate of 60 per month in 2019 and Boeing has announced a similar increase to 57 in 2019.



Since the division is supplier to the major aero engine manufacturers we will also benefit from additional content on the new CFM LEAP engines and the Pratt & Whitney geared turbo fan engines.

Within the military and defence sector we expect growth with the Joint Strike Fighter which is scheduled to ramp-up significantly over the next 5 years.

All three entities received noteworthy long term contracts with both existing and new customers.

BMT Aerospace is now supplier to all major aircraft builders and aero engine manufacturers.

As the division forecasts a very healthy revenue growth over the coming years, based on a growing market share, new aerospace programs entering production and increasing existing platforms, the division will continue to invest in all three business units (Belgium, USA and Romania).

Capital expenditure for a new state of art 7,000 square metre facility in Iasi (Romania), inclusive of special processes as heat treatment and surface enhancements, will be a major investment over the coming years.

The US facility in Fraser, Michigan and the Belgian facility in Oostkamp will continue to invest in specialised equipment for the manufacturing of high precision large gears, prismatic parts and gearbox housings. This important capex program, together with further investments in innovation, 3D printing/ additive manufacturing capability and the large opportunities from customers consolidating supply chain keep the division well positioned to make a very good progress in 2016 and beyond.





ANNUAL ACCOUNTS 2015

(summarized version)

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Consolidation criteria and valuation rules

1. Consolidation criteria

1.a. Consolidation group

The consolidation of BMT Group includes the annual accounts of the following enterprises:

BMT nv, BMT Boechout nv, BMT (Nederland) bv, GLASS Division (OMCO Group and CNUD-EFCO Group), GEARS Division (IG Watteeuw Group and BMT Aerospace Group).

1.b. Consolidation principles

- The annual accounts are drawn up according to the provisions of the Royal Decree of 30 January 2001 in implementation of the Belgian companies code Law and according to generally accepted international accounting principles.
- The consolidated accounts incorporate the accounts of the parent company and of its subsidiaries, as drawn up at the end of the financial period.
Consolidation takes place based on full integration after implementation of the required elimination operations, with the exception of the joint venture holding in OMCO Istanbul, which is consolidated proportionally.
- The method of full consolidation consists of including in full all information regarding assets and liabilities of the consolidated companies, including charges and income. Third-party interests, including the results of the financial period, are recorded in the balance sheet and in the income statement under a separate heading.
- The consolidated annual accounts have been drawn up on the same date as the annual accounts of enterprises included in the consolidation.

2. Valuation rules

2.1 General valuation rules

As from 2005 the consolidated annual accounts have been prepared using the principle valuation rules in accordance with the International Financial Reporting Standards (IFRS) accepted by the International Accounting Standards Board (IASB). The main differences with previously applied Belgian GAAP regulations are:

- The implementation of full costing for the valuation of work and contracts in progress, as opposed to the direct costing method applied previously;
- The implementation of a straight-line depreciation method for tangible assets, which corresponds better to the economic life-span of the assets;
- The implementation of the "percentage of completion method" instead of the "completed contract method" to determine the results of project-bound activities and divisions;
- Goodwill dated before 1995 is depreciated fully towards equity, whereas remaining goodwill is subject to impairment if required;
- Provisions for pensions have been accrued on an actuarial basis with respect to the Belgian pre-pension provisions and have been accrued for any shortages related to defined benefit programs which existed in some foreign divisions, but which all have been replaced meanwhile by defined contribution programs;
- Annual accounts have been drafted without taking into account appropriation of the results of the current year;
- Investment grants have been deducted from the assets for which they have been awarded, rather than accounted for as part of the equity;
- Formation expenses are charged to the costs of the current year;

2.2 Special provisions

Intangible fixed assets

Intangible fixed assets are valued at acquisition cost and are depreciated straightforward over a period of 5 years.

Positive consolidation differences

Positive consolidation differences dated after 1995 are being impaired on basis of following parameters: the economic lifecycle and the business plan of the cash generating unit the goodwill refers to. During 2015 and important positive consolidation difference has been accounted for following the acquisition of involute Technologies Pvt. Ltd.

The Board of Directors is of the opinion that there are currently no reasons to review the valuation of these holdings or to value the positive consolidation differences in a way different from what has been done to this date.

All positive consolidation differences dated before 1995 have been depreciated towards the equity. Following this principle, the positive consolidation differences related to the acquisition of the IG Watteuw Group (Oostkamp) have been amortised completely.

Tangible fixed assets

Tangible fixed assets are valued at acquisition cost, their manufacturing price or contribution value respectively.

The following rules apply when calculating depreciation:

- straight forward depreciation
- in the year of acquisition, depreciation is applied at 50%
- the term of depreciation is:

buildings	40 years
machinery	8 years
equipment/facilities	10 years
office furniture	10 years
office equipment	5 years
computers	4 years
lorries/vehicles	5 years

Financial assets

Shares

The shares heading includes the shareholdings in enterprises that are not included in the consolidation.

Shares are booked at acquisition cost, with the exclusion of ancillary costs.

They are revalued separately each year based on the net book value of the shares, the presumed sales value or according to the criteria used when the shares were purchased if the shareholding was acquired at a price different to its book value.

Impairments are booked when the estimated value, calculated as set out above, turns out to be lower than their book value and when, in the opinion of the Board of Directors, the devaluation is of a long-term nature, as justified by the position, profitability and prospects of the shareholding.

Impairments are written back when the estimated value exceeds their book value, which took into account the devaluation and if, in the opinion of the Board of Directors, the difference is of a long-term nature.

Inventory

- Raw materials and consumables: are valued at acquisition cost determined according to the FIFO method. Goods older than one year are completely written off if their realisation becomes doubtful.
- Work in progress and finished goods: are valued at the value of raw materials and consumables plus related direct wage costs and social security charges. Indirect production costs are included in the manufacturing price.
- Goods for resale: are valued at acquisition cost determined according to the FIFO method. Devaluations are booked if the market value is lower than the acquisition cost. Goods older than one year are completely written off if their realisation becomes doubtful.

Receivables

Receivables are valued at nominal value or at acquisition cost. Impairment is booked if, in the opinion of the Board of Directors, their realisation value is lower than their book value and as soon as there is uncertainty about the reimbursement on the due date.

Cash at bank and in hand and investments

Impairment applies to investments when their realisation value at the closing date is lower than their acquisition cost.

Translation differences

The results of foreign consolidated enterprises, denominated in foreign currencies, are translated to EUR at the average exchange rate of the financial period.

The balance sheets of these consolidated companies, denominated in foreign currencies, are translated to EUR at the closing price of the last working day of the financial period of the Brussels Stock Exchange.

The components of the capital and reserves of these enterprises are translated at the historic exchange rate. Due to the difference between the historic exchange rate and the closing exchange rate on the balance sheet date, translation differences occur. These are directly included in the capital and reserves under the heading of translation differences.

The tangible fixed assets of subsidiaries established in countries with extremely high inflation, i.e. CNUD-EFCO Romania srl., are translated using the monetary/non-monetary method.

With regard to receivables and creditors between the companies included in the consolidation group, both positive and negative translation differences are charged to the income statement.

Provisions for liabilities and charges

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event in case of possible outflow of resources, embodying economic benefits, will be required to settle the obligation and a reliable estimate of the obligation can be made. The Board of Directors will consider the need to make or withdraw these provisions.

Deferred tax and deferred taxation

Deferred taxation is set at the prevailing tax rate. They arise from temporary differences between group valuation rules and statutory valuation criteria. Deferred income taxes are set according to the probability of these differences to be counterbalanced in the foreseeable future. The main cause of these differences is the depreciation method used for tangible assets, differences in stock valuations and provisions made.

Deferred tax assets for losses brought forward are included if the recovery of the loss can be foreseen with sufficient certainty.

Investment grants

Incoming investment grants are deducted from the fixed assets to which these grants are related.

Approved annual accounts of the companies included in the consolidation group

The annual accounts of the companies included in the consolidation group have all been included in the consolidation after having been approved by their respective Shareholders Meetings.

Use of derivative financial instrument products

Derivative financial instrument products may be used to cover interest charges and exchange rate risks. No speculative transactions will be concluded. During 2015 financial instruments have been limited to interest rate swaps for approx. 26.3 % of long-term debts towards credit institutions (12.2 % of total debts towards credit institutions).

The gross negative market value of these IRS contracts by end 2015 amounted to 1.10 million EUR, compared to 1.43 million EUR by end 2014. Consequently the reduced negative difference has been accounted for as a financial income during 2015.

Straightforward foreign exchange hedging transactions have consistently been applied for project-oriented transactions (Glass Engineering division).



Consolidated balance sheet

(in EUR 1,000)

Assets	2015 IFRS principles	2014 IFRS principles	2013 IFRS principles
Fixed assets	168,141	122,458	113,504
I. Formation expenses (notes VII)	0	0	0
II. Intangible assets (notes VIII)	2,513	1,329	898
III. Positive consolidation differences (notes XII)	23,874	6,215	6,215
IV. Tangible assets (notes IX)	140,883	114,252	105,955
A. Land and buildings	53,872	45,757	40,125
B. Plant, machinery and equipment	70,068	59,459	56,579
C. Furniture and vehicles	4,029	4,339	3,976
D. Leasing and other similar rights	0	5	52
E. Other tangible assets	753	796	514
F. Assets under construction and advance payments	12,161	3,896	4,709
V. Financial assets (notes X)	871	662	436
C. Other financial assets	871	662	436
1. Shares	24	0	0
2. Amounts receivable and cash guarantees	847	662	436
Current assets	207,392	177,578	161,986
VI. Amounts receivable over one year	1,424	1,632	1,423
A. Trade debtors	0	0	0
B. Other amounts receivable	1,424	1,632	1,423
VII. Stocks and contracts in progress	71,254	57,468	56,396
A. Stocks	67,825	56,952	50,332
1. Raw materials and consumables	20,409	16,931	15,345
2. Work in progress	26,332	22,491	21,124
3. Finished goods	19,930	16,335	13,326
4. Goods purchased for resale	856	1,096	386
6. Advance payments	298	99	152
B. Contracts in progress	3,429	516	6,063
VIII. Amounts receivable within one year	91,257	75,172	72,694
A. Trade debtors	84,020	69,285	67,024
B. Other amounts receivable	7,237	5,887	5,670
IX. Investments	177	4,953	4,863
A. Own shares	0	0	0
B. Other investments and deposits	177	4,953	4,863
X. Cash at bank and in hand	40,856	34,234	22,928
XI. Deferred charges and accrued income	2,424	4,119	1,387
XII. Assets held for sale	0	0	2,295
Total assets	375,533	300,036	275,490

Liabilities	2015 IFRS principles	2014 IFRS principles	2013 IFRS principles
Capital and reserves	199,575	170,278	147,504
I. Capital	10,511	10,511	10,511
A. Issued capital	10,511	10,511	10,511
II. Share premium account	24	24	24
IV. Consolidated reserves (notes XI)	192,556	164,843	146,710
V. Negative consolidation differences (notes XII)	333	333	333
VI. Translation differences	-3,849	-5,433	-10,074
Third Party Interest	3.878	0	0
Third party interest	3.878	0	0
Provisions, deferred tax and latent taxation liabilities	17,530	17,552	17,716
IX. A. Provisions for liabilities and charges	12,213	12,987	13,791
1. Pensions and similar obligations	4,150	4,385	4,072
2. Taxation	0	0	0
3. Major repairs and maintenance	0	0	0
4. Other liabilities and charges	8,063	8,602	9,719
B. Deferred tax and latent taxation liabilities (notes VI, B)	5,317	4,565	3,925
Creditors	154,550	112,206	110,270
X. Amounts payable after one year (notes XIII)	44,111	41,601	41,856
A. Financial debts	41,757	39,450	39,720
3. Leasing and other similar obligations	6	15	33
4. Credit institutions	41,751	39,435	39,687
5. Other loans	0	0	0
D. Other debts	2,354	2,151	2,136
XI. Amounts payable within one year (notes XIII)	105,433	65,632	63,506
A. Current portion of amounts payable after one year	150	133	441
B. Financial debts	47,755	20,349	24,845
1. Credit institutions	47,755	20,349	24,845
C. Trade debts	32,895	27,197	23,276
1. Suppliers	32,895	27,197	23,276
D. Advances received on contracts in progress	7,936	2,211	2,726
E. Amounts payable regarding taxes, remuneration and social security	15,308	15,178	12,198
1. Taxes	4,893	5,408	3,622
2. Remuneration and social security	10,415	9,770	8,576
F. Other amounts payable	1,389	564	20
XII. Accrued charges and deferred income	5,006	4,973	3,697
XIII. Assets held for sale	0	0	1,211
Total liabilities	375,533	300,036	275,490

Consolidated income statement

(in EUR 1,000)

Income statement	2015 IFRS principles	2014 IFRS principles	2013 IFRS principles
I. Operating income	316,258	270,439	270,076
A. Turnover (notes XIV,A)	306,367	269,612	270,643
B. Increase (+) ; Decrease (-) in stocks of finished goods, work and contracts in progress	+6,603	-3,180	-4,604
C. Fixed assets – own construction	-108	171	79
D. Other operating income	3,396	3,836	3,958
II. Operating charges	271,145	234,631	241,171
A. Raw materials, consumables and goods for resale	94,313	77,646	80,641
1. Purchases	95,793	78,585	81,887
2. Increase (-) ; Decrease (+) in stocks	-1,480	-939	-1,246
B. Services and other goods	66,827	55,348	52,697
C. Remuneration, social security costs and pensions (notes XIV, B)	89,219	82,900	83,248
D. Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets	19,949	17,414	17,713
E. Increase (+) ; Decrease (-) in amounts written off stocks, contracts in progress and trade debtors	249	481	1,115
F. Increase (+) ; Decrease (-) in provisions for liabilities and charges	-611	-1,525	584
G. Other operating charges	1,199	2,367	5,173
H. Discontinuing costs	0	0	0
III. Operating profit	45,113	35,808	28,905
IV. Financial income	6,852	4,849	8,342
A. Income from financial fixed assets	100	131	266
B. Income from current assets	0	0	4,207
C. Other financial income	6,752	4,718	3,869

Income statement	2015 IFRS principles	2014 IFRS principles	2013 IFRS principles
V. Financial charges	5,806	4,523	6,291
A. Interests and other debt charges	1,749	1,765	1,765
B. Amounts written on positive consolidation differences	0	0	0
C. Increase (+) ; Decrease (-) in amounts written off current assets other than those mentioned under II,E	0	0	0
D. Other financial charges	4,057	2,758	4,526
VI. Profit on ordinary activities before taxation	46,159	36,134	30,956
VII. Extraordinary income	0	0	0
C. Adjustments to amounts written off financial fixed assets	0	0	0
E. Gain on disposal of fixed assets	0	0	0
F. Other extraordinary income	0	0	0
VIII. Extraordinary charges	0	0	0
A. Extraordinary depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	0	0	0
B. Amounts written off financial fixed assets	0	0	0
E. Loss on disposal of fixed assets	0	0	0
F. Other extraordinary charges	0	0	0
IX. Profit for the financial period before taxation	46,159	36,134	30,956
X. A. Transfer from deferred tax and latent taxation liabilities	1,534	1,209	962
B. Transfer to deferred tax and latent taxation liabilities	547	759	2,031
XI. Income taxes	8,705	9,383	7,457
A. Income taxes	8,742	9,417	7,672
B. Adjustment of income taxes and write-back of tax provisions	-37	-34	-215
XIV. Consolidated profit	36,467	26,301	24,568
A. Share of third parties	11	0	0
B. Share of the group	36,456	26,301	24,568

II.A. Fully consolidated subsidiary companies	V.A.T. number or	Share in the capital
Name, full address of registered office	national number	(in %)
BMT (Nederland) B.V. Kruisdonk 66, 6222 PH Maastricht, the Netherlands		100
OMCO GMA Austria GmbH Judenburgerstrasse 176, 8580 Köflach, Austria	ATU 30342402	100
OMCO International nv Venecolaan 10, 9880 Aalter, Belgium	BE 479.947.387	100
IG Watteeuw International nv Kampveldstraat 51, 8020 Oostkamp, Belgium	BE 405.155.934	100
BMT Aerospace International nv Handelsstraat 6, 8020 Oostkamp, Belgium	BE 479.164.459	100
BMT Eurair nv Handelsstraat 6, 8020 Oostkamp, Belgium	BE 426.795.248	100
EB4B nv Kampveldstraat 51, 8020 Oostkamp, Belgium	BE 406.721.988	100
IG Watteeuw CR s.r.o. Videnska 130, 61900 Brno, Czech Republic	CZ 63981 106	100
OMCO UK Ltd. New Street Mills, Carlisle Road, Pudsey, Leeds, Yorkshire LS28 8LW, Great Britain	GB 665367112	100
OMCO Croatia d.o.o. Mali Tabor 40/1 Hum Na Sutli 49231, Croatia	1280937	100
CNUD-EFCO Romania srl, Str. Iasi-Tomesti 33A, 700292 Iasi, Romania	RO 10970838	100
BMT Aerospace USA Inc, 18559 Maly, Fraser 48026, Michigan, USA	00862H	100
OMCO Feniks Slovenija d.o.o. Cesta zalskega tabora 10, 3310 Zalec, Slovenia	98263.099	100
BMT Boechout nv Noorderlaan 30, 1731 Zellik, Belgium	BE 867.271.852	100
OMCO Romania srl Calea Chisinaului Street, N° 43 A, 700 179 Iasi, Romania	RO 17891928	100
IG Watteeuw (Suzhou) Co, Ltd, N°1 Fenghe Road, Fengting Avenue, SIP, Suzhou 215122, PR China	320501608235035	100

II.A. Fully consolidated subsidiary companies Name, full address of registered office	V.A.T. number or national number	Share in the capital (in %)
EMCO USA llc, 1000 Linden Avenue, Zanesville, Ohio 43701-3098	20-4309261	100
CNUD-EFCO International nv Noorderlaan 30, 1731 Zellik, Belgium	BE 889.986.183	100
IG Watteeuw Romania srl Bulevardul Chimiei 6, Area B, 700 291 Iasi, Romania	RO 22282280	100
BMT Aerospace Romania srl Bulevardul Chimiei 6, Area C, 700 291 Iasi, Romania	RO 22397069	100
WIF ² nv Kampveldstraat 51, 8020 Oostkamp, Belgium	BE 820.343.351	100
IG Watteeuw USA LLC. 1000 Linden Avenue, Zanesville, Ohio 43701-3098	46-3984322	100
CNUD-EFCO Trading (Beijing) Limited Company 1805 Floor 15, N°.5 Building, N°.6 Futong East Street Caoyang District, Beijing, P.R.C.	1101 0539 6036 076	100
BMT International SA, 89D, Rue Pafebruch, 8308 Capellen, Luxembourg	LU 26855340	100
BMT Lulr sàrl, 89D, Rue Pafebruch, 8308 Capellen, Luxembourg	20142460107	100
Involute Technologies Pvt. Ltd. Gat No 156,157,158,159 Alandi-Markal Road, Village Dhanore Tal. Khed, Dist.Pune, Alandi – 412105, India	U72200PN1999PTC013717	100

II.A. Proportionally consolidated subsidiary companies Name, full address of registered office	V.A.T. number or national number	Share in the capital (in %)
OMCO Istanbul Kalip Sanayi ve Ticaret AS Cayirova Mimar Sinan Mahallesi N° 92, 41401 Gebze/Kocaeli, Turkey	6420142326	50
AMT-Titastar nv Venecolaan 10, 9880 Aalter, Belgium	BE 636.867.752	50

Statutory auditor's report

The enclosed balance sheets as per December 31, 2015, per December 31, 2014 and per December 31, 2013, as well as the profit and loss accounts for 2015, 2014 and 2013 have been subject to an audit by our statutory auditor Ernst & Young, Assurance Services BV CVBA, represented by Leen Defoer, who issued an unqualified opinion on the consolidated financial statements as per December 31, 2015.

Copies of this annual report and additional information can be obtained at "info@bmt.lu"

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