



EXPERIENCE **MATTERS**

**2016**

ANNUAL REPORT

- If the discount rate applied to the cash flow projections changes by +/- 1%, the impact on the impairment if the net investment would be in a range of +/- US\$ 3 million.

Further information about the financial risk management objectives and policies, the carrying amount measurement and hedge accounting of financial derivatives instruments is included in Note 5.3.29 'Financial Instruments – carrying amounts and risk management'. The maximum exposure to credit risk at the reporting date is the carrying amount of the loans to joint ventures and associates taking into account the risk of recoverability. The Company does not hold any collateral as security.

### 5.3.16 DEFERRED TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities and associated offsets are summarized as follows:

#### Deferred tax positions (summary)

	31 December 2016			31 December 2015		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Property, plant and equipment	0	10	(9)	0	3	(3)
Tax losses	14	-	14	23	-	23
R&D credits	-	-	-	4	-	4
Other	15	-	15	32	0	33
<b>Book value at 31 December</b>	<b>29</b>	<b>10</b>	<b>19</b>	<b>59</b>	<b>3</b>	<b>56</b>

#### Movements in net deferred tax positions

	Note	2016	2015
		Net	Net
<b>Deferred tax at 1 January</b>		<b>56</b>	<b>52</b>
Deferred tax recognised in the income statement	5.3.9	(22)	6
Deferred tax recognised in other comprehensive income		(14)	(1)
Foreign currency variations		0	(1)
<b>Total movements</b>		<b>(37)</b>	<b>4</b>
<b>Deferred tax at 31 December</b>		<b>19</b>	<b>56</b>

Expected realization and settlement of deferred tax positions is within 9 years. The current portion at less than one year of the net deferred tax position as of December 31, 2016 amounts to US\$ 4 million. The deferred tax losses are expected to be recovered, based on the anticipated profit in the applicable jurisdiction. The Company has US\$ 36 million (2015: US\$ 23 million) in deferred tax assets unrecognized in 2016 due to current tax losses not valued.

The non-current portion of deferred tax assets amounts to US\$ 25 million (2015: US\$ 35 million).

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Deferred tax assets per location are as follows:

### Deferred tax positions per location

	31 December 2016			31 December 2015		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Switzerland	6	-	6	22	-	22
The United States of America	-	-	-	13	0	13
The Netherlands	3	-	3	7	-	7
Canada	14	10	4	14	3	11
Luxembourg	-	-	-	3	-	3
Monaco	6	-	6	-	-	-
Other	1	-	1	0	0	-
<b>Book value at 31 December</b>	<b>29</b>	<b>10</b>	<b>19</b>	<b>59</b>	<b>3</b>	<b>56</b>

### 5.3.17 INVENTORIES

	31 December 2016	31 December 2015
Materials and consumables	5	7
Goods for resale	1	0
<b>Total</b>	<b>5</b>	<b>8</b>

### 5.3.18 TRADE AND OTHER RECEIVABLES

#### Trade and other receivables (summary)

	Note	31 December 2016	31 December 2015
Trade debtors		247	287
Other receivables		110	87
Other prepayments and accrued income		181	174
Accrued income in respect of delivered orders		95	74
Taxes and social security		23	18
Current portion of loan to joint ventures and associates	5.3.15	25	66
<b>Total</b>		<b>681</b>	<b>705</b>

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables as mentioned above. The Company does not hold any collateral as security.